

Certified for PED Modules H & H1
by HSB IE Limited (NoBo # 2833)
IBR Certified
ASME "U" / "S"
NATIONAL BOARD "NB"
MEMBERS OF : HTRI-USA



5 September 2022

To,

Bombay Stock Exchange Limited Corporate Relationships Department 1st Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 BSE CODE: 523792	National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, BandraKurla Complex, Bandra (E) Mumbai – 400 051 NSE CODE : MAZDA
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Sub: Submission of Annual Report for the financial year 2021-22

Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report for the financial year 2021-22 along with the Notice of the 32nd Annual General Meeting of the company to be held on **Wednesday, 28th September, 2022 at 12.00 p.m.** through Video Conferencing/Other Audio Visual Means, which is being sent to members through electronic means.

The Annual Report for the financial year 2021-22 along with notice of the AGM is available on the website of the company i.e. www.mazdalimited.com.

Please take note of the same.

Thanking you,

Yours faithfully
For Mazda Limited

Nishith Kayasth
Company Secretary

Encl.: As above

Sales & Admn. Office :
Mazda House, Panchwati 2nd Lane,
Ambawadi, Ahmedabad - 380006. INDIA
Phone: +91 (0) 79 40007000 (30 Lines)
+91 (0) 79 2644 2036, 37, 38
Fax : +91 (0) 79 2656 5605
E-mail : vacuum@mazdalimited.com
Website : www.mazdalimited.com

Works & Registered Office :
Unit-1
C/1-39/13/16, G.I.D.C.,
Naroda,
Ahmedabad - 382 330
Phone: +91 (0) 79 40267000

Works :
Unit-2
Plot No. 11 & 12, Hitendranagar
Sahakari Vasahat Ltd.,
N.H. Road, Naroda,
Ahmedabad - 382 340
Phone: +91 (0) 79 40266900

Works :
Unit-3
C/1-A5, G.I.D.C.,
Odhav,
Ahmedabad - 380 015
Phone: +91 (0) 79 22874945

Works :
Unit-4
Plot No. 17/1, Phase-III,
G.I.D.C., Naroda,
Ahmedabad - 382 330
Phone: +91 (0) 79 40147000

Works :
Unit-5
Plot No. 7610, Phase-IV,
G.I.D.C., Vatva,
Ahmedabad - 382 445
(M) : 9879113091



32nd ANNUAL REPORT
2021-2022



MAZDA LIMITED

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BOARD OF DIRECTORS:

SORAB R. MODY, Managing Director (DIN: 00498958)
(Ceased to be Director w.e.f. 05th May, 2021 due to sad demise)

SAMUEL W. CROLL- III (DIN: 01407244)

MOHIB N. KHERICHA, Chairman (DIN: 00010365)

SHEILA S. MODY (DIN: 00496561)

HOUTOXI F. CONTRACTOR (DIN: 00499260)

PERCY X. AVARI, Whole-Time Director (DIN: 00499114)

SHANAYA MODY KHATUA, Whole-Time Director
(DIN: 01241585)

NILESH C. MANKIWALA (DIN: 06927530)

SAURIN V. PALKHIWALA (DIN: 03604769)

CHIEF FINANCIAL OFFICER:

CYRUS J. BHAGWAGAR

COMPANY SECRETARY

NISHITH C. KAYASTH

CIN : L29120GJ1990PLC014293

REGISTERED OFFICE:

C/1-39/13/16, GIDC, Naroda,
Ahmedabad- 382 330

BANKERS:

State Bank of India

Laghu Udyog Branch,
Neptune Tower Complex,
Opp. Gandhigram Railway Station,
Off. Ashram Road, Ahmedabad- 380 009.

AUDITORS:

Mayank Shah & Associates, Chartered Accountants

706, Mahakant
Opp. V.S. Hospital,
Ellis Bridge, Ahmedabad- 380 006.

SHARES LISTED AT:

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051.

Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400 001
(Company Code- 523792)

REGISTRAR & SHARE TRANSFER AGENT:

Link Intime India Pvt. Ltd.

506-508 Amarnath Business Centre – I,
Besides Gala Business Centre,
Off. C.G. Road, Navarangpura,
Ahmedabad – 380 009.



NOTICE

NOTICE is hereby given that the 32nd Annual General Meeting ('AGM') of members of Mazda Limited ('the company') will be held on **Wednesday, 28th September, 2022 at 12.00 p.m.** through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the financial statements of the company for the year ended 31st March, 2022 including the Audited Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare Final Dividend of ₹ 12.10 per equity share of the company for the financial year ended on 31st March, 2022.
3. To appoint a director in place of Mr. Percy Avari (DIN: 00499114), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mrs. Shanaya Mody Khatua (DIN: 01241585), who retires by rotation and being eligible, offers herself for re-appointment.
5. Re-appointment of M/s. Mayank Shah & Associates, Chartered Accountants, as statutory auditors and to fix their remuneration: To consider and if thought fit, to pass, with or without modification(s), following resolutions as an **Ordinary Resolutions**:
"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Mayank Shah & Associates, Chartered Accountants (Firm Registration no.: 106109W), who have offered themselves for re-appointment and have confirmed their eligibility to be re-appointed as the Statutory Auditors of the company be and are hereby re-appointed as Statutory Auditors of the company for the second term to hold office from the conclusion of 32nd Annual General Meeting until the conclusion of 37th Annual General Meeting of the company on such remuneration as shall be decided by the Board of Directors of the Company".

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to decide and / or alter the terms and conditions of the appointment including remuneration for subsequent financial years as it deems fit."

SPECIAL BUSINESS :

6. **Ratification of remuneration payable to the Cost Auditors for the financial year 2022-23**

To consider and if thought fit, pass, with or without modifications, the following resolutions as **Ordinary Resolutions**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modifications or re-enactment thereof, for time being in force) and approval by the Board of Directors of the company, V. H. Shah & Co., Cost Accountants (Firm Registration No.: 100257) be and is hereby re-appointed as the Cost Auditor of the company to conduct audit of cost records made and maintained by the company pertaining to "Other Machinery" for financial year commencing on 1st April, 2022 and ending on 31st March, 2023 at a remuneration of ₹ 1.25 Lacs plus Goods and Service Tax and reimbursement of out-of-pocket expenses subject to the ratification of remuneration by the members in the ensuing Annual General Meeting."

"RESOLVED FURTHER THAT the Company Secretary or Chief Financial Officer or any one of the directors of the company be and are hereby severally authorised to do all such acts, deeds and things as may be necessary and incidental for giving effect to this resolution."

7. **Re-appointment of Mrs. Shanaya Mody Khatua (DIN: 01241585) as Whole-Time Director and remuneration thereon**

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed thereunder and subject to the approval of Central Government consent of the members be and is hereby accorded for the re-appointment of Mrs. Shanaya Mody Khatua (DIN: 01241585) as a Whole-Time Director of the company with effect from 1st April, 2023 till 31st March, 2026 (both days inclusive), for a period of three consecutive years at a remuneration mentioned hereunder which is approved and sanctioned, with the authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment including remuneration in such manner as may be agreed to between the Board of Directors and Mrs. Shanaya Mody Khatua:

I. Salary

Basic Salary shall not be less than ₹ 6,00,000 (Rupees Six Lacs only) per month and shall not exceed ₹ 9,00,000 (Rupees Nine Lacs only) per month.

II. Perquisites and Allowances

Perquisites as mentioned below will be paid and/or provided in addition to salary. Perquisites shall be valued in terms of actual expenditure incurred by the company. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy, the perquisites shall be valued as per Income Tax Rules:

- a) Medical Reimbursement: Reimbursement of the medical expenses actually incurred for self and her family, the total cost of which to the company shall not exceed one month's salary in a year.



- b) Leave Travel Allowance: Mrs. Shanaya Mody Khatua and her family shall be entitled to Leave Travel Allowance once in a year, subject to one month's salary.
- c) House Rent Allowance shall be as per the company rules.
- d) Statutory contribution: EPF, PPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in the calculation of remuneration limits as per schedule V of the Companies Act, 2013.
- e) Car/ Telephone: Mrs. Shanaya Mody Khatua to be provided a car with chauffeur for use in company's business, a telephone at residence and a mobile facility.
- f) Terminal Benefits: Terminal Benefits will be provided to Mrs. Shanaya Mody Khatua as per the company rules.

III. Commission

The Percentage of net profits of the company as commission payable shall be determined by the Nomination & Remuneration Committee / Board of Directors of the company, subject to the total remuneration in any one financial year shall not exceed an overall ceiling as mentioned in the Section II of Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

IV. Other Conditions

Mrs. Shanaya Mody Khatua shall not without the prior permission of the Board either during or after termination of the appointment hereunder, divulge or communicate to any person or persons (except to such of the employees of the company or any other duly authorised persons to whom the same could be divulged or communicated for the efficient conduct of the company's business) or herself make use of any of the company's secret or any other information which she may receive or obtain in relation to the company's affairs or to the working or any process or invention which is carried on or used by the company or any other matter which comes to her knowledge in the course of or by reason of her appointment with the company.

V. Overall Remuneration

That the total remuneration in any one financial year shall not exceed an overall ceiling as mentioned in the Section II of Part II of Schedule V of the Companies Act, 2013 as may be prescribed for the time being, be in force and any amendments thereto. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the board of directors on the recommendation of Nomination & Remuneration Committee. Further, within the overall remuneration, the individual components may be changed as may be decided and accepted by the Nomination & Remuneration Committee and Mrs. Shanaya Mody Khatua.

VI. Termination

Two months' notice shall be required, on either side for termination of service."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolutions."

8. **Re-appointment of Mr. Percy X. Avari as Whole-Time Director and remuneration thereon**

To consider, and if thought fit, to pass, with or without modification(s), the following resolutions as **Special Resolutions**: **"RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed thereunder, the consent of the members be and is hereby accorded for the re-appointment of Mr. Percy Avari (DIN: 00499114) as a Whole-Time Director of the company with effect from 1st April, 2023 till 31st March, 2026 (both days inclusive), for a period of three consecutive years at a remuneration mentioned hereunder which is approved and sanctioned, with the authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment including remuneration in such manner as may be agreed to between the Board of Directors and Mr. Percy Avari:

I. Salary

Basic Salary shall not be less than ₹ 6,00,000 (Rupees Six Lacs only) per month and shall not exceed ₹ 9,00,000 (Rupees Nine Lacs only) per month.

II. Perquisites and Allowances

Perquisites as mentioned below will be paid and/or provided in addition to salary. Perquisites shall be valued in terms of actual expenditure incurred by the company. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy, the perquisites shall be valued as per Income Tax Rules:

- a) Medical Reimbursement: Reimbursement of the medical expenses actually incurred for self and his family, the total cost of which to the company shall not exceed one month's salary in a year.
- b) Leave Travel Allowance: Mr. Percy Avari and his family shall be entitled to Leave Travel Allowance once in a year, subject to one month's salary.
- c) House Rent Allowance shall be as per the company rules.
- d) Statutory contribution: EPF, PPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in the calculation of remuneration limits as per schedule V of the Companies Act, 2013.
- e) Car/ Telephone: Mr. Percy Avari to be provided a car with chauffeur for use in company's business, a telephone at residence and a mobile facility.
- f) Terminal Benefits: Terminal Benefits will be provided to Mr. Percy Avari as per the company rules.



III Commission

The Percentage of net profits of the company as commission payable shall be determined by the Nomination & Remuneration Committee / Board of Directors of the company, subject to the total remuneration in any one financial year which shall not exceed an overall ceiling as mentioned in the Section II of Part II of Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

IV. Other Conditions

Mr. Percy Avari shall not without the prior permission of the Board either during or after termination of the appointment hereunder, divulge or communicate to any person or persons (except to such of the employees of the company or any other duly authorised persons to whom the same could be divulged or communicated for the efficient conduct of the company's business) or himself make use of any of the company's secret or any other information which he may receive or obtain in relation to the company's affairs or to the working or any process or invention which is carried on or used by the company or any other matter which comes to his knowledge in the course of or by reason of his appointment with the company.

V. Overall Remuneration

That the total remuneration in any one financial year shall not exceed an overall ceiling as mentioned in the Section II of Part II of Schedule V of the Companies Act, 2013 as may be prescribed for the time being, be in force and any amendments thereto. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the board of directors on the recommendation of Nomination & Remuneration committee. Further, within the overall remuneration, the individual components may be changed as may be decided and accepted by the Nomination & Remuneration committee and Mr. Percy Avari.

VI. Termination

Two months' notice shall be required, on either side for termination of service."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Registered Office:

C/1-39/13/16 GIDC,
Naroda,
Ahmedabad – 382 330
Date : 23/05/2022
Place : Ahmedabad

By Order of the Board,
Sd/-
Nishith Kayasth
Company Secretary

NOTES:

1. Keeping in view the massive outbreak of the COVID-19 pandemic requiring social distancing to be followed, the Ministry of Corporate Affairs ("MCA"), has issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 02/2022 dated 8th April 2020, 13th April 2020, 5th May 2020, 13th January 2021, 8th December 2021, 14th December 2021 and 5th May 2022, respectively, (collectively referred as 'MCA Circulars') and Securities and Exchange Board of India vide its circular dated 13th May 2022 read with 12th May, 2020 and 15th January 2021 ("SEBI Circular"), permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the AGM of the Company will be held through VC / OAVM. Hence, Members can attend and participate in the 32nd AGM through VC/OAVM only. The deemed venue for the 32nd AGM of the Company shall be the Head Office of the Company. The Company has enabled the VC facility provided by Central Depository Services (India) Private Limited (CDSL) for the Members to participate at the 32nd AGM. The detailed procedure for participating in the meeting through VC/OAVM is explained in the subsequent notes of this Notice.
2. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members (Physical / Demat) who have not registered their email addresses with the Company can get the same registered with the Company by requesting in member updation form by sending an email to ahmedabad@linkintime.co.in by submitting duly filled and signed member updation form to the abovementioned email. Upon verification of the Form the email will be registered with the Company.
3. The Register of Members and the Share Transfer Books of the company will remain close from 16th September, 2022 to 23rd September, 2022 (both days inclusive) to determine entitlement of dividend on equity shares, if declared at the Meeting. Dividend will be paid to those shareholders, whose name appears on the Register of Members of the company as at the end of the business hours on the record date i.e., 15th September, 2022.
4. The dividend, if declared will be paid on or after 11th October, 2022.
5. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1st April 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In order to enable us to determine the TDS rate as applicable, members are requested to upload Form 15G/15H, if applicable, on the weblink <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html> provided by company's RTA.
6. Members are requested to note that, if the dividends are not encashed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, that are liable to be transferred to the Investor Education and Protection Fund ('IEPF') pursuant to the provisions of sections 124 and 125 of Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. The shares in respect of such unclaimed dividends are also



liable to be transferred to the demat account of the IEPF Authority. Accordingly, the unclaimed dividend in respect of financial year 2014-15 (Final) is due for transfer in September, 2022. In view of this, Members / Claimants are requested to claim their dividends from the Company, within the stipulated timeline. Shareholders may please note that no claim of dividend will be entertained after the transfer of unclaimed dividend to the Investor Education & Protection Fund (IEPF). Hence, the company urges all the members to encash / claim their respective dividend during the prescribed period. The details of the unpaid / unclaimed amounts lying with the company are available on the website of the company i.e., www.mazdalimited.com. The shareholders whose dividend / shares are transferred to the IEPF Authority can now claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPFA/refund.html>.

Pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the Company has uploaded the information in respect of the unclaimed dividends as on 31st March, 2022 on its website www.mazdalimited.com and also on the website of the Investor Education and Protection Fund www.iepf.gov.in.

Further, provisions of Section 124 of the Act read with Rule 6 of IEPF Rules as amended, inter alia, mandates the Company to transfer all such shares, in respect of which dividend have not been paid or claimed for seven consecutive years or more, to the demat account of IEPF Authority.

During the year 2021-22, the Company has transferred 1405 equity shares to the demat account of IEPF Authority.

7. As per SEBI Circular No. CIR/MRD/DP/10/2013 dated 21st March, 2013, listed companies are required to use, either directly or through their RTA, any RBI approved electronic mode of payment like ECS, NECS, NACH etc. for distribution of dividends or providing other cash benefits to the investors. Accordingly, the members, holding shares in physical form, are requested to update their address or provide / update their bank mandate (including details of MICR, IFSC etc.) with the company or its Registrars & Transfer Agents (RTA), Link Intime India Private Limited and members holding shares in dematerialized form are requested to intimate any change in their address or to change / update bank mandate with their Depository Participants (DP) to enable the company or RTA for making arrangements for electronic credit of dividend and other cash benefits to members.
8. SEBI vide its circular dated 8th June, 2018 amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to which requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form. Members holding the shares in physical form are requested to dematerialize their holdings as the physical transfer of shares will not be permissible. Hence, trading in the shares of the company is compulsorily in dematerialized form for all investors. Dematerialization would facilitate paperless trading through state-of-the-art technology, quick transfer of corporate benefits to members and avoid inherent problems of bad deliveries, loss in postal transit, theft and mutilation of share certificate and will not attract any stamp duty. Hence, we request all those members who have still not dematerialized their shares to get their shares dematerialized at the earliest.
Further SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022, has mandated that listed companies shall issue the securities in dematerialized form only, in order to enhance ease of dealing in securities markets by investors, for transactions including Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition of shares.
9. The members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, NECS mandates, Power of Attorney, change of address or name etc. to their Depository Participant only. Changes intimated to Depository Participant will be automatically reflected in the company's record which will help the company and its registrar and transfer agents to provide efficient and better services.
10. Members holding shares in physical form are requested to notify immediately the change in their registered address, bank details etc., if any to RTA, Link Intime India Private Limited.
11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection on request by sending an e-mail well in advance.
12. Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the company/RTA.
13. The equity shares of the company are available for dematerialization, as the company has entered into agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Those shareholders who wish to hold shares in electronic form may approach their Depository Participant. The ISIN code of the Equity Shares is **INE885E01034**.
14. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
15. Non-Resident Indian members are requested to inform the RTA, immediately of:
 - i. Change in their residential status on return to India for permanent settlement.
 - ii. 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.
16. To support the 'green initiative' members who have not registered their e-mail addresses so far are requested to register their e-mail address with RTA / Depositories for receiving all communication including annual report, notices, circulars, etc. from the company electronically. The link for registration of E-mail IDs with the company / RTA is: https://linkintime.co.in/EmailReg/Email_Register.html.



17. As required under the provisions of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2, brief profile of the Directors proposed for re-appointment at the forthcoming Annual General Meeting and Explanatory Statement of Special Businesses to be transacted at the AGM pursuant to Section 102 of the Companies Act, 2013 is annexed to the notice. The Directors have furnished the requisite consent / declarations for their re-appointment as required under the Companies Act, 2013 and the Rules made there under.
18. **PROCESS AND MANNER FOR MEMBERS OPTING FOR VOTING THROUGH ELECTRONIC MEANS:**
- I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
 - II. 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 to atleast 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.
 - III. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 - IV. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
 - V. 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.mazdalimited.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 and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
 - VI. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.
19. **THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:**
- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode
- (i) The voting period begins on 25th September, 2022, Sunday at 9: 00 A.M. and ends on 27th September, 2022, Tuesday at 5:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e 21st September, 2022, Wednesday, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the **demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 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.



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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be 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.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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



Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

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

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice
- (ix) Click on the EVSN of **Mazda Limited**.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.



- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; nishith@mazdalimited.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at nishith@mazdalimited.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at nishith@mazdalimited.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to nishith@mazdalimited.com.
2. For Demat shareholders -, please update your email id & mobile no. with your respective Depository Participant (DP).
3. **For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

Registered Office:

C-1/39/13/16 GIDC, Naroda
Ahmedabad – 382 330

Date: 23/05/2022
Place: Ahmedabad

By Order of the Board,

Sd/-
Nishith Kayasth
Company Secretary



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 05: Re-appointment of M/s. Mayank Shah & Associates, Chartered Accountants, as statutory auditors and to fix their remuneration

M/s. Mayank Shah & Associates, Chartered Accountants (Firm Registration no.: 106109W) were appointed as the Statutory Auditors of the Company by the Members at the 27th Annual General Meeting (AGM) held on 12 September, 2017 to hold office from the conclusion of the 27th AGM till the conclusion of the 32nd AGM of the Company to be held in the calendar year 2022. The present term of M/s. Mayank Shah & Associates expires on conclusion of the 32nd AGM. They are eligible for re-appointment for a second term of five years in terms of the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014. The Company has received eligibility letter from M/s. Mayank Shah & Associates, confirming that their appointment will be in accordance with the provisions of Section 139 read with Section 141 of the Act. Considering their performance for the last 5 years, the Audit Committee has recommended the re-appointment of M/s. Mayank Shah & Associates to the Board of Directors of the Company, which the Board has accepted and approved, subject to the approval of the Members. The remuneration to be paid to the Statutory Auditors shall be decided by the Board of Directors. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors / Key Managerial Personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at the Item No. 05 of the accompanying Notice of the AGM.

The Board recommends the Ordinary Resolution set out at Item No. 05 of the Notice for approval by the members.

Item No. 06: Ratification of remuneration payable to the Cost Auditors for the financial year 2022-23

The Board, on the recommendation of the Audit Committee, has approved the appointment and recommended remuneration of V. H. Shah & Co., Cost Accountants, to conduct the audit of the cost records of the company for the financial year ending on 31st March, 2023.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1.25 Lacs (One Lac Twenty Five Thousand) payable to the Cost Auditor has to be approved by the shareholders of the company. The remuneration of the Cost Auditor shall be ratified by the shareholders.

None of the Directors / Key Managerial Personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at the Item No. 06 of the accompanying Notice of the AGM.

The Board recommends the Ordinary Resolution set out at Item No. 06 of the Notice for approval by the members.

Item No. 07: Re-appointment of Mrs. Shanaya Mody Khatua (DIN: 01241585) as Whole-Time Director and remuneration thereon

As per the Special Resolutions passed in the Annual General Meeting held on 26th September, 2019, company had obtained the approval of the members and Central Government for re-appointment and remuneration to be paid to Mrs. Shanaya Mody Khatua.

The Board, in its meeting held on 23rd May, 2022, based on the recommendations from the Nomination and Remuneration Committee and subject to the approval of the members and Central Government, approved the re-appointment of Mrs. Shanaya Mody Khatua as Whole-Time Director w.e.f. 01st April, 2023 for a term of three consecutive years till 31st March, 2026 on such terms and conditions including remuneration.

Mrs. Shanaya Mody Khatua is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given her consent to act as Whole-Time Director of the Company.

Mrs. Shanaya Mody Khatua is overseeing the overall business of the company as after the death of Mr. Sorab Mody, she become promoter of the company. She is leading the food business which is mainly export oriented and which can be easily controlled and marketed from the United Kingdom. There is a vast scope of expansion of the business in Middle East Asia wherein frequent meetings with clients to develop a new business with new products, which is easily accessible from UK. She is also looking after the marketing of engineering business in USA wherein one of the main clients Croll Reynolds is situated. So, looking at the growth factor of overall export business, she has decided to monitor the overall business from UK.

Mrs. Shanaya Mody Khatua does not satisfy one of the conditions as set out in Part-I sub section (e) of Schedule V to the Act, therefore, approval of Central Government is required for her re-appointment.

The Board as per the recommendation of the Nomination and Remuneration Committee in their meeting held on 12th August, 2021 revised the payment of remuneration including the commission of 2.50% on the Net Profits of the company computed under Section 198 of the Companies Act, 2013 for the remaining tenure till 31st March, 2023 within the limits under Section II of Part II of Schedule V of the Companies Act, 2013. In terms of the applicable provisions of the Act and the relevant Rules made thereunder, it is proposed to seek the approval of members subject to the approval of the Central Government for the re-appointment and payment of remuneration to Mrs. Shanaya Mody Khatua as Whole-Time Director of the Company. This Explanatory Statement may be considered as the requisite abstract under Section 190 of the Companies Act, 2013 setting out the terms and conditions for re-appointment of Mrs. Shanaya Mody Khatua as the Whole-Time Director of the company. The remuneration proposed to be paid is within the limits specified under Schedule V of the Companies Act, 2013. The remuneration may be revised within the limits of Schedule V Section II of Part II of the Companies Act, 2013 as amended from time to time as may be decided by the Board within the said limits.

Disclosure under Regulation 36(3) of Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the Annexure to the Notice.

Information relevant to the re-appointment of Mrs. Shanaya Mody Khatua as the Whole-Time Director as required under Section II of Part II of Schedule V of the Companies Act, 2013 is mentioned below:



I. General Information:

Sr. no.	Particulars	
1.	Nature of Industry	<ul style="list-style-type: none"> Manufacturing of Engineering goods Manufacturing of Food Products
2.	Date or expected date of commencement of commercial production	<ul style="list-style-type: none"> Manufacturing of engineering goods since 1990. Diversified into manufacturing of food products in the year 2006.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	The same is given in the Directors Report at point No. 1.
5.	Foreign investments or collaborations	Croll Reynolds International Inc., U.S.A. is holding 7.23% equity share capital of the company.

II. Information about the appointee:

Sr. no.	Particulars	
1.	Background details	<p>Mrs. Shanaya Mody Khatua is associated with the company as a director since year 2007 and prior to that was an employee of the company. In the year 2007, she was appointed as the Whole-Time Director of the company. She has developed the food business of the company which has increased in each completed year.</p> <p>Her qualifications, nature of expertise and other details related to her are given in annexure to this notice.</p>
2.	Past remuneration	<p>Mrs. Shanaya was paid remuneration for the past year as mentioned below:</p> <p>(a) Salary: ₹ 4,07,000/- per month</p> <p>(b) House Rent Allowance: ₹ 1,22,100/- per month</p> <p>(c) Perquisites as under reckoned on the basis of actual expenditure or liability incurred.</p> <p>i. Medical Benefits for Mrs. Shanaya and family: Reimbursement of the expenses actually incurred, the total cost of which to the company not exceeded one month's salary in a year.</p> <p>ii. Leave Travel Allowance: Mrs. Shanaya and her family once in a year, subject to one month's salary.</p> <p>iii. Statutory contribution to PF, FPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in calculation of remuneration limits as per schedule V of the Companies Act, 2013.</p> <p>(d) 2% commission on the profits for the whole year as per the calculation prescribed in the Companies Act, 2013 during tenure of her appointment.</p> <p>(e) Provided a car with chauffeur for use of company's business and a telephone at residence.</p> <p>(f) Terminal Benefits will be provided to Mrs. Shanaya as per the company rules</p>
3.	Recognition or awards	-
4.	Job profile and suitability	<p>She has a vast experience of more than 15 years in the company in the capacity as director & in developing and diversifying the new business of food products. She has almost doubled the turnover on a year-to-year basis and expanded the product base and developed international market worldwide for the Brand 'BCool'. During the previous year, the performance of the food division has shown excellent growth under her guidance and supervision wherein the international market conditions are not favorable due to COVID and other adverse situation like war.</p> <p>Under her guidance the company has constructed a state-of-the-art manufacturing unit for food division.</p>
5.	Remuneration proposed	As mentioned in resolution at item no. 7



6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	There are no comparable data available on other companies in the segment and the remuneration payable to their managerial persons. Hence the proposed remuneration is reasonable considering future growth of the company.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel [or another director], if any.	Mrs. Shanaya Mody Khatua, Whole-Time Director of the company and Mrs. Sheila Mody, Director of the company are relatives. Mrs. Shanaya Mody Khatua being promoter is holding 12,54,228 equity shares of the company.

III. Other information:

Sr. no.	Particulars	
1.	Reasons of loss or inadequate profits	The company has earned profits for the year 2020-21. However, the profits of the company are in-adequate due to adverse situation of pandemic and other inevitable reasons although the profits has increased from the previous financial year, as per section 197 & 198 of the Companies Act, 2013 to cover the remuneration/ perquisites payable to Mrs. Shanaya Mody Khatua. Therefore, the remuneration payable to Mrs. Shanaya Mody Khatua shall be in pursuance to Schedule V of the Companies Act, 2013.
2.	Steps taken or proposed to be taken for improvement	The company's management is always forward looking and invest in development of new business avenues by way of continuous adding new customers and new products to its business. The overall business growth also depends on overall improvement in economic conditions. The company is continuously invest in Research & development for developing new products and innovation in design and engineering. In current year, company has added a new factory for food division business to achieve growth in its food division business.
3.	Expected increase in productivity and profits in measurable terms	The company is expecting growth in the turnover and profits due to introduction of new products and increasing the installed capacity. The same will reflect improvement in the company's overall financial performance.

IV. Disclosure:

	Disclosure in Board's Report	All elements related to remuneration package, details of fixed component and performance linked incentive along with performance criteria, service contracts, notice period and severance fees and stock option details are mentioned in the Board of Directors Report.
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Except Mrs. Shanaya Mody Khatua herself and Mrs. Sheila S. Mody, being relatives, none of the other Directors / Key Managerial Personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at the Item No.7 of the accompanying Notice of the AGM. The Board recommends the Special Resolution set out at Item No.7 of the Notice for approval by the members.

Item No. 08: Re-appointment of Mr. Percy Avari (DIN: 004499114) as Whole-Time Director and remuneration thereon

As per the Special Resolutions passed in the Annual General Meeting held on 26th September, 2019, company had obtained the approval of the members for re-appointment and remuneration to be paid to Mr. Percy Avari. The Board has, in its meeting held on 23rd May, 2022, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the members, approved the re-appointment of Mr. Percy Avari as Whole-Time Director w.e.f. 01st April, 2023 for a term of three consecutive years till 31st March, 2026 on such terms and conditions including remuneration. Mr. Percy Avari is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Whole-Time Director of the Company. Mr. Percy Avari satisfies all the conditions as set out in Section 196(3) of the Act and Part-I of Schedule V to the Act, for being eligible for his re-appointment. The Board as per the recommendations of the Nomination and Remuneration Committee in their meeting held on 12th August, 2021 revised the payment of remuneration including the commission of 2.50% on the Net Profits of the company computed under Section 198 of the Companies Act, 2013 for the remaining tenure till 31st March, 2023 within the limits under Section II of Part II of Schedule V of the Companies Act, 2013. In terms of the applicable provisions of the Act and the relevant Rules made thereunder, it is proposed to seek the approval of members for the re-appointment and payment of remuneration to Mr. Percy Avari as Whole-Time Director of the Company. This Explanatory Statement may be considered as the requisite abstract under Section 190 of the Companies Act, 2013 setting out the terms and conditions for re-appointment of Mr. Percy Avari as the Whole-Time Director of the company. The remuneration proposed to be paid is within the limits specified under Schedule V of the Companies Act, 2013. The remuneration may be revised within the limits of Schedule V Section II of Part II of the Companies Act, 2013 as amended from time to time as may be decided by the Board within the said limits. Disclosure under Regulation 36(3) of Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set



out in the Annexure to the Notice. Information relevant to the re-appointment of Mr. Percy Avari as the Whole-Time Director as required under Section II of Part II of Schedule V of the Companies Act, 2013 is mentioned below:

Sr. no.	Particulars	
1.	Nature of Industry	<ul style="list-style-type: none"> Manufacturing of Engineering goods Manufacturing of Food Products
2.	Date or expected date of commencement of commercial production	<ul style="list-style-type: none"> Manufacturing of engineering goods since 1990. Diversified into manufacturing of food products in the year 2006.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	The same is given in the Directors Report at point No. 1.
5.	Foreign investments or collaborations	Croll Reynolds International Inc., U.S.A. is holding 7.23% equity share capital of the company.

II. Information about the appointee:

Sr. no.	Particulars	
1.	Background details	Mr. Percy Avari is associated with the company since year 1990 and was an employee of the company. In the year 2003, he was appointed as the Whole-Time Director of the company. Due to his efforts, the company has developed new line of products in the engineering business. His qualification, nature of expertise and other details related to him are given in annexure to this notice.
2.	Past remuneration	Mr. Percy was paid remuneration for the past year as mentioned below: (a) Salary: ₹ 4,07,000/- per month (b) House Rent Allowance: ₹ 1,22,100/- per month (c) Perquisites as under reckoned on the basis of actual expenditure or liability incurred. i. Medical Benefits for Mr. Percy and family: Reimbursement of the expenses actually incurred, the total cost of which to the company not exceeded one month's salary in a year. ii. Leave Travel Allowance: Mr. Percy and his family once in a year, subject to one month's salary. iii. Statutory contribution to PF, FPF, statutory bonus, encashment of leave and gratuity payable at the end of the tenure as per the company rules which will not be included in calculation of remuneration limits as per schedule V of the Companies Act, 2013. (d) 2% commission on the profits for the whole year as per the calculation prescribed in the Companies Act, 2013 during tenure of his appointment. (e) Provided a car with chauffeur for use of company's business and a telephone at residence. (f) Terminal Benefits will be provided to Mr. Percy as per the company rules
3.	Recognition or awards	-
4.	Job profile and suitability	He has vast experience of 33 years in a company with overall exposure to the development of the new products related to engineering. The overall growth of engineering business is mainly due to his vision.
5.	Remuneration proposed	As mentioned in resolution at item no. 8
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	There are no comparable data available on other companies in the segment and the remuneration payable to their managerial persons. Hence the proposed remuneration is reasonable considering future growth of the company.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel [or another director], if any.	Mr. Percy Avari is a Whole-Time Director of the company and none of the relatives of him are Directors or KMP in the company. Mr. Percy Avari is holding 4,06,088 equity shares of the company.



III. Other information:

Sr. no.	Particulars	
1.	Reasons of loss or inadequate profits	The company has earned profits for the year 2020-21. However, the profits of the company are in-adequate due to adverse situation of pandemic and other inevitable reasons although the profits has increased from the previous financial year, as per section 197 & 198 of the Companies Act, 2013 to cover the remuneration/ perquisites payable to Mr. Percy Avari. Therefore, the remuneration payable to Mr. Percy Avari shall be in pursuance to Schedule V of the Companies Act, 2013.
2.	Steps taken or proposed to be taken for improvement	The company's management is continuously looking forward in improving their product line by way of Research & Development. Every year new products with upgraded technology are introduced which conserve energy and improve efficiency of manufacturing processes of customers. The overall business growth also depends on overall improvement in economic conditions. The company is continuously investing in Research & development for developing new products and innovating in design and engineering. In current year, company has added a new factory for food division business to achieve growth in its food division business.
3.	Expected increase in productivity and profits in measurable terms	The company is expecting growth in the turnover and profits due to introduction of new products and increasing the installed capacity. The same will reflect improvement in the company's overall financial performance.

IV. Disclosure:

	Disclosure in Board's Report	All elements related to remuneration package, details of fixed component and performance linked incentive along with performance criteria, service contracts, notice period and severance fees and stock option details are mentioned in the Board of Directors Report.
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Except Mr. Percy Avari himself, none of the other Directors / Key Managerial Personnel of the company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at the Item No. 8 of the accompanying Notice of the AGM. The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the members.

Registered Office:
C-1/39/13/16 GIDC, Naroda
Ahmedabad – 382 330

Date: 23/05/2022
Place: Ahmedabad

By Order of the Board,

Sd/-
Nishith Kayasth
Company Secretary



Annexure to the explanatory statement pursuant to Regulation 36 of the listing regulations and secretarial standard-2 issued by the Institute of Company Secretaries of India, information about the directors proposed to be appointed / re-appointed is furnished below:

Name of the Director	Shanaya Mody Khatua	Percy Avari
Directors Identification Number (DIN)	01241585	00499114
Nationality	Indian	Indian
Date of Birth and Age	26-09-1981 40 years	17-11-1968 53 years
Qualification	B.A. (Arts) from University of New South Wales, Australia, M.Sc. (International Employment Relations & HRM) from London School of Economics	B. Tech (Chemical) MBA (Finance)
Experience and Expertise	Mrs. Shanaya was appointed as an administration and Human Resource Manager of the company in the year 2006. She was appointed as a Whole- Time Director of the Company in the year 2007. She looks after the business of food division which is mainly export oriented. She is also the overall in charge of administration and Human Resource functions of the company.	Mr. Percy is working with the company since its incorporation. He was an employee of the company till 2003. He was appointed as a Whole- Time Director of the Company in the year 2003. He looks after overall business including focus on product development and new business avenues in the Engineering sector. His experience of 30 years in the engineering industry will help the company to grow in future.
Date of first Appointment on the Board of the Company	22-01-2007	29-01-2003
Shareholding in the Company	12,54,228	4,06,088
List of Directorship held in other companies	Please refer Report on Corporate Governance	
Membership / Chairmanship in Committees of other companies as on date	Please refer Report on Corporate Governance	
Relationships between Directors inter-se	Relative of Sheila Mody	There is no inter-se relationship among the directors



DIRECTORS' REPORT

To,
THE MEMBERS,
MAZDA LIMITED

Your directors have pleasure in presenting to you the Thirty Second (32nd) Annual Report of the Company and the Audited Financial Statements for the year ended 31st March 2022.

1. FINANCIAL PERFORMANCE

(₹ In Lacs)

Sr. No.	Particulars	2021-22	2020-21
i.	Total revenue	16818.18	15483.26
ii.	(Less): Total expenditure	13744.36	12876.12
iii.	Profit before depreciation, finance cost & tax	3073.82	2607.14
iv.	(Less): Finance cost	67.23	71.19
v.	(Less): Tax Expenses	640.56	576.18
vi.	Cash Profit	2366.03	1959.77
vii.	(Less): Depreciation	241.63	326.88
viii.	Profit for the year	2124.40	1632.89
ix.	Items of Other Comprehensive Income (OCI) for the year	(23.86)	27.43
x.	Total Comprehensive Income for the Year	2100.53	1660.32
xi.	Surplus brought forward	14342.32	12782.12
xii.	Profit available for appropriation	16442.85	14442.44
xiii.	Dividend on equity shares	440.55	100.12
xiv.	Surplus carried forward	16002.30	14342.32

Note: The previous year figures have been regrouped whenever necessary.

2. DIVIDEND

The Board of Directors are delighted to recommend a final dividend of ₹ 12.10 (121%) per equity share of the face value of ₹ 10 each as final dividend amounting to ₹ 4,84,60,500 for the financial year 2021-22, subject to the approval of the shareholders at the ensuing Annual General Meeting as compared to the dividend of ₹ 11.00 (i.e., 110%) per equity share of the face value of ₹ 10 each paid for the previous financial year 2020-21.

3. OPERATIONS

The Total Revenue for F.Y. 2021-22 stood at ₹ 16818.18 Lacs, and it has shown the uptrend by 8.62% over the last year of ₹ 15483.26 Lacs. The profit after tax for the year was ₹ 2124.40 Lacs, registering a noticeable growth of 30.10% over the profit of ₹ 1632.89 Lacs in F.Y. 2020-21.

4. FINANCE AND ACCOUNTS

There are no term loans or interests thereon outstanding during the year under review. Your company is at present using financial assistance in the form of working capital facilities from State Bank of India, Ahmedabad with overall banking limits up to ₹ 22.38 Crores to capture its fund based and non-fund based requirements. The fund based limits are in the form of Cash credit / PCFC loans and non-fund based limits are in the form of Bank Guarantees and LCs.

Your company is sufficiently funded from the internal accruals which have been invested in debt market instruments like fixed maturity plans, liquid funds and bond funds. The market value of the investment as at 31st March, 2022 was ₹ 31.19 Crores as against ₹39.63 Crores as at 31st March, 2021. The decrease in the investment is due to mainly utilization of redemption proceeds to fund capital expenditures for the projects of the Company.

During the year under review, ICRA has conducted the surveillance of credit facilities and re-affirmed the long-term credit ratings to 'A' and short-term credit ratings to 'A1'. The outlook of the long-term ratings is stable.

The financial statements for the year ended on 31st March, 2022 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 as amended from time to time and all other applicable provisions for time being in force. The Notes to the Financial Statements adequately cover the Standalone Audited Statements and form an integral part of this Report.

5. EXPORTS AND TECHNOLOGY DEVELOPMENTS

Exports for the year were at ₹ 47.02 Crores as compared to ₹ 36.73 Crores for the previous year showing robust increase by 28%.

The export business is improving and showing revival in the overall economic conditions.



6. PUBLIC DEPOSITS

Your Company has not accepted any Deposits falling under the meaning as per the provisions of Section 73 of the Companies Act, 2013 read with the Rules framed there under during the financial year 2021-22.

7. INSURANCE

Taking into consideration the multiple risks from riot, fire, earthquake, terrorism, in-transit damage and other risks considered by the management, your company's assets are adequately insured.

8. MANAGEMENT DISCUSSION AND ANALYSIS

(a) Industry Structure and Developments:

According to IMF World economic Outlook, Global economy was on a mending path but had not yet fully recovered from the pandemic. The first half of 2021 started with a sharp setback due to the delta variant, but the global recovery started to pick up pace thereafter. The progress was distinguished across countries given the access to vaccines and the size and durability of monetary policies. Global growth lost its pace again in the second half of the year affected by another COVID-19 variant - Omicron, a mild one but highly transmissible. This led to disruptions to global supply chain and logistics. Despite this, the global trade revived in the second half and grew by 10.1% in 2021.

India's engineering industry is a fast growing in the Asia Pacific region. The growing demand for engineering goods by industries in almost all major sectors, especially Agriculture and Petrochemicals industries, Investment in infrastructure, cleanliness, energy, manufacturing, and real estate is expected to sustain in the medium to long term. Government support to boost economic development is also expected to provide an attractive avenue for the engineering industry.

The company's drive towards excellence continues persistently towards bringing innovative and various product offerings for the customers at the competitive prices.

Engineering Business:

During the year under review the order in-flow has been relatively good and the orders are from diversified fields including refineries, petrochemicals complex, agro and pesticide industries as well as from the power segment.

Last year also saw the addition of a new product called "Nano bubble" for intimate mixing of two liquids. This product can help reduce the quality of highly explosive fluid like catalyst, dosing liquids etc.

The export business for Vacuum system has remained more or less the same despite the slowdown in global business.

Food Business:

The year under review has been a mixed year for our division. While we were able to achieve our targeted turnover and growth for the year, rising raw material, freight and packaging prices have affected customer demand and profitability in certain cases. With the added pressure of inflation, the increased price rises for raw material and packaging material continue to remain for the rest of this year. We have however, developed a large new customer base which continues to drive up our top line, and as previously discussed, we have also been able to generate and increase our domestic sales.

Our new facility is now fully completed and operations will start at our new facility by August 2022. Our new facility features automated machinery which will increase our production times and improve all our processes. With the increased capacity at our new premises we will now be able to undertake larger orders and also focus on new product development.

We have launched several new products this year; we have launched a new range of instant soups in 3 exciting flavours. These have already been released for the domestic market and we have started distribution for soups in our various territories. As committed, we have also increased our domestic footprint and now have started distribution in territories like the North of India, where we have had no presence before. We still have two more product launches coming through in the next couple of months in the snack segment.

The coming year looks to be well poised to meet higher customer demand, with our new product development and domestic market outreach we see strong growth in the future given stable market conditions.

(b) Opportunities & threats:

The Company will continue to capitalize on new opportunities by offering its products and services to existing and new customers in the various sectors. Measures taken so far as well as the ongoing measures enable the company to increase its competitiveness and offer a wider range of products and services. The strategy has been to continue the focus on profitable growth through new product and service offerings and operational excellence. The Company continually reviews its business plan and draws out action plans to leverage on its opportunities and counter any threats. The main threat to which the industry is exposed to is volatility of the market which affects capacity utilization and volatility of commodity prices which impacts the input costs. However, the Company strives to create sustainable and profitable growth by continuing to focus on technology and quality while offering wide range of products.



(c) Segment-wise Performance:

Your company has divided its business in two segments i.e., Engineering Division and Food division.

During the year under review, the turnover of engineering business has increased by 10% and profits for the engineering division showed a significant hike of 34% compared to the previous financial year showing a robust growth of engineering business.

The food division has shown a slight decline in turnover by 0.8% and reduction in profits by 27% compared to the previous financial year.

(d) Outlook:

Last year was economically a challenging one, due to the various impact of COVID, supply chain disruptions, coupled with rising input costs and diesel prices on the back of geopolitical crisis. India continues to be the preferred hub of global companies setting their engineering centers across a wide range of industries due to the availability of a wide range of engineering talent spread across multiple capabilities and low costs. India has become the innovation partner of many global companies due to its unique value proposition. India continues to offer innovative business models to lessen the impact of the economic downturn. This confirms the market is in a strong position to perform throughout the year.

The above is in addition to the highly efficient Anti-scale/ Hardness removal systems that we developed last year.

(e) Risk and concerns:

Risks related to financial stress due to rising inflation, aggressive monetary policies, increasing energy prices can adversely affect economic activity. The domestic market is expected to be more aggressive leading to price pressures due to competition. Uncertainty in global economic growth is expected to impact the growth rate in India and consequently affecting the Company's operations.

Despite the risks and threats noted above, your company is certainly working towards being competent, operative and confident towards dealing with them effectively.

(f) Internal control systems, its adequacy and risk management:

The Company has effectively and efficiently laid down policies, guidelines and procedures keeping in mind the nature, size and intricacy of Company's business objectives. The Company positively ensures strict adherence to various procedures, laws, rules and statutes. Internal Control Systems are implemented:

- To safeguard the Company's assets from loss or damage.
- To keep constant check on cost structure.
- To provide adequate financial and accounting controls and implement accounting standards.

The Company ensures the periodical Internal Audit by an independent auditor, whose report is submitted to the Audit Committee and Board of Directors for consideration. During the Audit Process for the financial year 2021-22 no material discrepancies have been reported by the Internal Auditor. The Audit Committee is responsible to ensure the monitoring of Internal Control System and oversee the various financial transactions on a regular basis. The system is improved and modified continuously to meet with changes in business condition, statutory and accounting requirements.

(g) Discussion on financial performance with respect to operational performance:

The discussion covers the financial results and other developments during the year under review in respect of the company's published result prepared as per Indian Accounting Standards (IND AS). Highlights below are given only for comparison.

Financial Highlights for operating performance of financial year 2021-22: (₹ in Lacs)

Particulars	2021-22	2020-21
Total Income	16818.18	15483.26
EBITDA	3073.82	2607.14
PBT	2764.96	2209.07
PAT	2124.40	1632.89

(h) Material developments in Human Resources, Industrial Relations, and Health, Safety & Environment:

The company has adequately trained professionals to manage the affairs of the company in the most competent and prudent manner. The spread of COVID-19 has disrupted businesses worldwide which has led to dramatic changes in how businesses act and the way stakeholders behave. In just a few months' time, the COVID-19 crisis has brought about years of change in the way companies do business and work environment. Despite the chaos caused by the pandemic in last two years, with our collective efforts and steadily improving confidence, we have attained a reasonable progress in business. To stay competitive in the business and economic environment, we focused on our strategy and continued bringing new practices by keeping the business & our employees at the core. The company appreciates the commitment, competence and dedication of its employees and looks forward for their continuous participation in years to come. As at 31st March, 2022, the Company had 210 employees on its rolls.



The Company aims to reduce, eliminate and control workplace hazards and associated risks of illness or injuries to the employees, customers and contractors who might be affected by the Company's activities. Your Company is committed to comply with all EHS Regulations stipulated under the Water (Prevention and Control of Pollution) Act, The Air (Prevention and Control of Pollution) Act, The Environment Protection Act and the Factories Act and the Rules made thereunder, to ensure healthy and safe working environment for all concerned.

Your company's manufacturing facility at all five units and corporate office are ISO 9001:2015 & 14001:2015, and 45001:2018 certified.

(i) Details of significant changes in key financial ratios: Please refer to Note No. 41.

(j) Details of change in Return on Net Worth as compared to the previous financial year:

The Net Worth of the company stood at ₹164.03 Crores for the year 2021-22 as compared to ₹ 147.43 Crores for the year 2020-21, whereas Return on Net Worth for the Year 2021-22 was 12.95% as compared to 11.08% for the previous financial year, 2020-21.

9. EMPLOYEE STOCK OPTION

Your company has not issued any Stock Option to their employees.

10. SUBSIDIARIES AND JOINT VENTURES

There are no subsidiaries or joint ventures of your company.

11. DIRECTORS

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the company, Mr. Percy Avari (DIN: 00499114) and Mrs. Shanaya Mody Khatua (DIN: 01241585), Directors retires by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment. The Board recommends their re-appointment for the consideration of the Members of the company at the forthcoming Annual General Meeting.

Pursuant to the provisions of Regulation 36 of the Listing Regulations and Secretarial Standard 2 on General Meetings issued by ICSI, brief particulars of the directors proposed to be appointed / re-appointed are provided as an annexure to the notice convening the Annual General Meeting.

Re-appointment of whole-time directors:

All the directors of the company had confirmed that they are not disqualified under the provisions of the Section 164 of the Companies Act, 2013. The company had received declaration from the Independent Directors of the company that they meet the conditions of independence as laid down under Section 149(6) of the Companies Act and Regulation 16(1)(b) of the Listing Regulations. All Independent Directors of your company are registered with IICA.

12. KEY MANAGERIAL PERSONNEL

Pursuant to provisions of Sections 2(51) and 203 of Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following persons act as Key Managerial Personnel of the company during the year under review;

- a. Mr. Sorab Mody, Managing Director (DIN: 00498958) (Upto 05/05/2021)
- b. Mr. Percy Avari, Whole-Time Director (DIN:00499114)
- c. Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN:01241585)
- d. Mr. Cyrus Bhagwagar, Chief Financial Officer
- e. Mr. Nishith Kayasth, Company Secretary

There is no change in Key Managerial personnel except sad demise of Mr. Sorab Mody, Managing Director of the company.

13. NUMBER OF MEETINGS OF THE BOARD

During the year under review, the Board of Directors met for four (4) times, as prescribed under the Companies Act, 2013 and Listing Regulations. The relevant details, including composition of the Board, dates of meetings, attendance and various committees of the Board are given in the Corporate Governance Report forming part of this report.

14. BOARD EVALUATION

The Company has developed a Board Evaluation Framework for performance evaluation of Independent Directors, Board, Non-Independent Directors and Chairman of the Company. Pursuant to this framework, the Board has carried out the annual evaluation of its own performance as well as the evaluation of the working of its committees and individual Directors, including Chairman of the Board.

The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of members of the Committees, fulfilment of the functions assigned to Committees by the Board and applicable regulatory framework, frequency and adequacy of time allocated at the Committee Meetings to fulfil duties assigned to it, adequacy and timeliness of the agenda and minutes circulated, comprehensiveness of the discussions and constructive functioning of the Committees, effectiveness of the Committee's recommendation for the decisions of the Board, etc.

The Board of Directors expressed their satisfaction with the evaluation process.



The Independent Directors met on 10th February, 2022 with respect to the above process.

15. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements under Section 134(3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors hereby confirm the following:

- (i) In the preparation of the annual accounts for the year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2022 and of the profit of the company for the year ended on that date;
- (iii) The Directors 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;
- (iv) The Directors have prepared the annual accounts on a going concern basis;
- (v) The Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. DECLARATION BY INDEPENDENT DIRECTORS

The Board of Directors of your company had received the declaration from all Independent Directors in the prescribed format confirming that they meet the criteria of independence as envisaged in the provisions of Section 149 of the Companies Act, 2013, Regulation 16(1)(c) read with Regulation 25 of the Listing Regulations and have complied with the Code prescribed in Schedule IV to the Act.

17. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The requisite details as required by Section 178(3) & (4) of the Companies Act, 2013 and as per the requirement of Listing Regulations is given in the Corporate Governance Report forming part of this report.

The policy of the company on Directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the website, i.e., www.mazdalimited.com.

18. ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the company i.e. on www.mazdalimited.com.

19. AUDIT COMMITTEE

The Audit Committee of the Board consists of three Directors wherein two of them are Independent Directors. The composition, role, terms of reference and powers of the Audit Committee are in accordance with the provisions of Regulation 18 of LODR and Section 177 of the Act and Rules framed thereunder. The details of related party transactions are placed before the Audit Committee for periodical review of the same. All the recommendations made by the Audit Committee were accepted by the Board. The Company has in place a Vigil Mechanism, details of which are available on the Company's website.

The details pertaining to composition of audit committee, their attendance is included in the Corporate Governance Report, which forms part of this report.

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

20. SHARE CAPITAL

The share capital of the company as on date of the report is ₹ 4,00,50,000/- consisting of 40,05,000 equity shares of ₹ 10.00 each.

21. TRANSFER TO RESERVES

The company has not transferred any amount to the General Reserve for the financial year ended 31st March, 2022.

22. CHANGES IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there were no changes in the nature of business carried out by the company. The company has not changed the class of business in which the company has an interest.

23. REPORTING OF FRAUD BY STATUTORY AUDITORS

There was no instance of fraud during the year under review, which required the Statutory Auditor to report to the Audit Committee and / or Board under section 143 (12) of the Companies Act, 2013.

24. AUDITORS AND AUDITORS' REPORT

- **Statutory Auditor**

At the 27th Annual General Meeting held on 12th September, 2017, the members have approved appointment of



M/s Mayank Shah & Associates, Chartered Accountants, Ahmedabad (Registration No. 106109W) to hold office from the conclusion of 27th AGM up to the conclusion of 32nd Annual General Meeting.

In the forthcoming 32nd Annual General Meeting, the statutory auditors shall be re-appointed for another term of five years i.e., from the conclusion of 32nd Annual General meeting till the conclusion of 37th Annual General Meeting.

There are no qualifications, reservations or adverse remarks or disclaimers made by the auditors in their report on the financial statements of the company for the financial year ended 31st March, 2022. The notes on the Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any comments or explanations.

• **Secretarial Auditor**

Pursuant to requirement of Section 204 of the Companies Act, 2013 M/s Rutul Shukla & Associates, Practicing Company Secretaries (COP: 7470), has conducted secretarial audit of the company for the financial year 2021-22. Secretarial Audit Report will be given by M/s Rutul Shukla & Associates, Practicing Company Secretaries and will be attached herewith as **Annexure-A**.

• **Cost Auditor**

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, (including any statutory modifications and re-enactments thereof) the cost audit records maintained by the company in respect of its manufacturing of other Engineering Goods activity is required to be audited.

As per the requirement of Section 148(3) of the Companies Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Board of Directors have, based on the recommendation of the Audit Committee, appointed V. H. Shah & Co., Cost Accountant, Ahmedabad (Registration No. 100257) to audit the cost accounts of the company for the financial year 2022-23. As required under the Act, necessary resolution seeking members' ratification for the remuneration payable to V. H. Shah & Co., is forming part of the notice.

The Cost Audit Report for the financial year 2021-22 will be submitted to the Central Government in the prescribed format.

25. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT

Particulars of loans and guarantees given and the investments made by the company as at 31st March, 2022 are forming part of financial statements. During the financial year under review, the company has made investments in schemes of various mutual and debt funds. The market value of investments as at 31st March, 2022 was ₹ 31.19 Crores.

26. PARTICULARS OF RELATED PARTY TRANSACTIONS AND POLICY ON RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your company has formulated a Policy on Related Party Transactions which is available on company's website at www.mazdalimited.com. This Policy deals with the review and approval of related party transactions. The Board of Directors of the company has approved the criteria for giving the omnibus approval by the Audit Committee within the overall framework of the Policy on Related Party Transactions.

All contracts or arrangements entered into by the company with its related parties during the year under review were in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations. All such contracts or arrangements, which were approved by the Audit Committee, were in the ordinary course of business and on arm's length basis. No material contracts or arrangements with related parties were entered into during the year under review. Accordingly, the disclosure of Related Party Transactions as required in terms of Section 134(3)(h) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in Form AOC -2 is not applicable to your company.

The related party disclosures as specified in Para A of Schedule V read with Regulation 34(3) of the Listing Regulations are given in the Financial Statements.

27. STATE OF AFFAIRS OF THE COMPANY

The state of affairs of the company are mentioned in the Management Discussion and Analysis Report.

28. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments, affecting the financial position of the company, which have occurred between the end of the financial year of the company and the date of this report, except as disclosed elsewhere in the report.

29. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT and FOREIGN EXCHANGE EARNINGS & OUTGO

The particulars relating to conservation of energy and technology absorption, as required to be disclosed in terms of Section 134 of the Act, read with the Companies (Accounts) Rules, 2014, is attached as **Annexure - B**.

30. MITIGATION OF RISK

Your company has been addressing various risks impacting the company which is provided in annexed Management Discussion and Analysis. However, as per the Listing Regulation constitution of Risk Management Committee for



enforcing Risk Management Policy is not applicable to the company.

31. CORPORATE SOCIAL RESPONSIBILITY POLICY (CSR)

The Company believes that Corporate Social Responsibility (CSR) projects undertaken by it should be sustainable with the long-term purpose of improving the quality of living for the under privileged. The funds on CSR projects / activities are spent very carefully to ensure that the desired objectives are achieved. The Board of Directors of the Company has approved a Corporate Social Responsibility (CSR) Policy based on the recommendation of the CSR Committee. The brief outline of the CSR policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure-C**. The Board of Directors has formed a committee on CSR in accordance with the Companies Act, 2013. The terms of reference of the Corporate Social Responsibility Committee, number and dates of meetings held, composition and attendance of the Directors during the financial year ended 31st March, 2022 are given separately in the Corporate Governance Report.

32. PARTICULARS OF REMUNERATION OF MANAGERIAL PERSONNEL AND RELATED DISCLOSURES

The Board of Directors on the recommendations of the Nomination and Remuneration Committee (NRC), has framed a Policy on selection and appointment of Director(s), Senior Management Personnel and their remuneration. The salient features of Remuneration Policy is stated in the Corporate Governance Report and the policy is available on the website of the company i.e. www.mazdalimited.com

The statement of disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure - D** to this Report.

The particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 is not applicable to the company.

33. REPORT ON CORPORATE GOVERNANCE

The Board of Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, the company has complied with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report together with a certificate from the Secretarial Auditor confirming the compliance is forming part of the Report on Corporate Governance, which forms part of the Annual Report.

34. SIGNIFICANT ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS

To the best of our knowledge, the company has not received any such orders passed by the regulators, courts or tribunals during the year, which may impact the going concern status or company's operations in future.

35. INTERNAL FINANCIAL CONTROL SYSTEM

Internal financial control over financial reporting have been designed to provide reasonable assurance with regards to recording and providing reliable financial information and complying with applicable accounting standards. Your Company periodically tracks all amendments to Indian Accounting Standards and makes changes to the underlying systems, processes and financial controls to ensure adherence to the same. The company conducts internal audit to examine and evaluate the adequacy and effectiveness of Internal Control system. The internal audit ensures that the system designed and implemented to provide adequate internal control commensurate with the size and operations of the company. The management duly considers and takes appropriate action on the recommendations made by the statutory auditors, internal auditors and independent Audit Committee of the Board of Directors.

36. THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your company has always believed that appropriate standard of conduct should be maintained by the employees in their conduct and that there should be a safe, indiscriminate and harassment free (including sexual harassment) work environment for individual working in the company.

The Company has in place Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 to empower women and protect them against sexual harassment. All the employees are covered under this policy. The company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, there were no cases filed pursuant to the said Act.

37. COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with all the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

38. VIGIL MECHANISM / WHISLTE BLOWER POLICY

Pursuant to the provisions of Section 177(10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the Listing Regulations, the Board has framed a 'Whistle Blower



Policy and Vigil Mechanism'. The Company believes in the conduct of the matters in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. The Policy has been framed with a view to provide a mechanism, inter alia, enabling stakeholders including Directors, individual employees of the Company and their representative bodies to freely communicate their concerns about illegal or unethical practices and to report genuine concerns or grievances as also to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The policy can be accessed on the company's website at www.mazdalimited.com. During the year, no person has been declined access to the Audit Committee, wherever desired.

39. The Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees.

40. There is no Corporate Insolvency Resolution Process initiated under the Insolvency and Bankruptcy Code, 2016.

41. **APPRECIATION**

The Board would like to convey its gratitude and appreciation to all the stakeholders, including the Central and State Government Authorities, Stock Exchanges, Financial Institutions, Analysts, Advisors, Local Communities, Customers, Vendors, Business Partners, Shareholders, and Investors forming part of the company for their continued support during the year. The Board also takes this opportunity to thank the employees, whose enthusiasm, energy, and zeal, helped in the progress along the vision.

42. **CAUTIONARY NOTE**

Statements in the "Management Discussion and Analysis" describing the Company's objectives, expectations or predictions are as perceived currently. Actual results may differ materially from those expressed in this statement. Important factors that could influence the company's operations include supply and demand conditions affecting selling prices of finished goods, input prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board,

Place : Ahmedabad
Date : 23/05/2022

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)

Sd/-
Percy Avari
Whole Time Director
(DIN: 00499114)



Annexure - A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[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,
Mazda Limited,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mazda Limited (CIN: L29120GJ1990PLC014293) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 and made available to us, according to the applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not Applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);
- (vi) As identified by the Company management, and based on the compliance system prevailing in the Company and explanations and clarifications given to us and relied on the representations made by the company management, and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

1.The Indian Boilers Act, 1923 & Indian Boiler Regulations, 1950

2.The Food Safety and Standards Act, 2006

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

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

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



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

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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.

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

Decisions at the Board and its Committee Meetings, as represented by the management, were taken unanimously.

We further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates / reports taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

**For Rutul Shukla & Associates,
Company Secretaries
Sd/-**

Rutul J. Shukla

FCS : 6776 (CP : 7470)

UDIN: F006776D000756085

**Place: Ahmedabad
Date : 10th August, 2022**

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

'Annexure-A'

To,
The Members,
Mazda Limited,

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

1. Maintenance of Secretarial Record is the responsibility of the management of the Company. Our responsibility is to express an opinion on Secretarial Records based on our Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of the procedures on test basis.
7. 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 Rutul Shukla & Associates,
Company Secretaries
Sd/-**

Rutul J. Shukla

FCS : 6776 (CP : 7470)

UDIN: F006776D000756085

**Place: Ahmedabad
Date : 10th August, 2022**

Annexure - B

Information on Conservation of Energy and Technology Absorption required in terms of Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014:

Sr. No.	Particulars	Action taken
1.	Details of Conservation of Energy	<ul style="list-style-type: none"> • Use of Energy efficient Machines, LED tube lights & computer system in office & factory premises- • Replacement of old machinery with power efficient and eco friendly machinery from time to time
2.	Research & Development (R&D)	
A.	Specific areas in which R&D carried out by the company	-
B.	Benefits derived as a result of the above R&D	-
C.	Future plan of action	-
D.	Expenditure on R&D	
	a. Capital	-
	b. Recurring	-
	c. Total	-
	d. Total R&D expenditure as a percentage of total turnover	-
3A.	Technology absorption, adaptation and innovation	-
a)	Efforts, in brief, made towards technology absorption, adaptation and innovation	-
b)	Benefits derived as a result of the above efforts	-
c)	In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:	
	a. Technology imported	-
	b. Year of import	-
	c. Has technology been fully absorbed ?	-
	d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action	



Annexure - C

The Annual Report on CSR Activities for 2021-22

I. A brief outline of Company's CSR policy:

The Company's CSR policy integrates social commitment with best corporate practices. Under the framework of the policy, CSR activities are undertaken in the areas of healthcare including preventive health care, promoting education and social empowerment. The Company's philosophy is to reach out to the society by establishing and promoting service oriented philanthropic organizations in those fields.

In compliance with the provisions of section 135 of the Companies Act, 2013 including Schedule VII thereof, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company shall undertake its CSR activities, projects, programmes in a manner compliant with the Act and the Rules. The Company has also identified CSR Projects in the areas of Education, Healthcare and Social Welfare. Therefore, the funds available for CSR activities have been spent for the projects as mentioned above.

II. Composition of Committee:

Sr. No.	Name of Director	Designation / Nature of Directorship	No. of meetings held during the year	No. of meeting attended during the year
1.	Mrs. Sheila Mody (DIN: 00496561)	Chairperson, Non-Executive Director	2	2
2.	Mr. Mohib Khericha (DIN:00010365)	Member, Independent, Non-Executive Director	2	2
3.	Mr. Percy Avari (DIN: 00499114)	Member, Non-Independent, Executive Director	2	2

III. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed: <http://www.mazdalimited.com/investor-relation.html>.

IV. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: **Not Applicable**

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

Sr. no.	Financial Year	Amount available for set-off from preceding F.Y	Amount required to be set-off for the F.Y if any
Not Applicable			

VI. Average net profit of the company as per section 135(5): ₹ 1915.67 Lacs

VII. A. Two percent of average net profit of the company as per section 135(5): ₹ 38.31 Lacs

B. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

C. Amount required to be set off for the financial year: Nil

D. Total CSR obligation for the financial year (7a+7b-7c): ₹ 38.31 Lacs

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

Total amount spent for the F. Y	Amount Unspent				
	Total amount transferred to unspent CSR account as per section 135(6)		Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
38,88,000	Not Applicable				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. no.	Name of the project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of Project		Project duration	Amount allocated for the project	Amount spent in current FY	Amount transferred to unspent CSR account	Mode of Implementation	Mode of implementation – through Implementing Agency	
				State	District						Name	CSR Registration no.
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year 2021-22:

(1) Sr. No.	(2) Name of the project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project	(6) Amount spent for the projects or programs	(7) Mode of Implementation-Direct (Yes/ No)	(8) Mode of implementation – through Implementing Agency	
							Name	CSR Registration No.
1.	For Educational project scholarships and sponsorship of children – Smile Foundation	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	All over India	1,08,000	No	Smile Foundation	CSR00001634
2.	For project PRAYAS for upliftment of street child – Karma Foundation		Yes	Ahmedabad, Gujarat	5,00,000	No	Karma Foundation	CSR00017932
3.	For supporting education, Mental Health, advocacy and knowledge hub to mainstream children with hearing loss- VConnect Foundation		No	Mumbai, Maharashtra	3,00,000	No	VConnect Foundation	CSR000008231
4.	For providing education- Amcha Ghar		No	Mumbai, Maharashtra	2,00,000	No	Amcha Ghar	CSR000000102
5.	For providing education to differently abled children- Prabhat Education Foundation		Yes	Ahmedabad	3,50,000	No	Prabhat education foundation	CSR000000601
6.	For providing educational scientific project kits to underprivilege students- Gujarat Chamber Foundation		Yes	Ahmedabad	1,30,000	No	Gujarat Chamber Foundation	CSR000005767
7.	For providing health care facility in Kutchh area for salt workers – Setu Charitable Trust	promoting health care including preventive health care	No	Kutch, Gujarat	3,00,000	No	Setu Charitable Trust	CSR000029527
8	Corrective Surgery for Congenital Orthopedic birth defects - Health & Care Foundation		Yes	Ahmedabad, Gujarat	3,00,000	No	Health & Care Foundation	CSR000005410
10.	For corneal grafting surgeries (Keratoplasty) - Blind People's Association		Yes	Bareilly, Ahmedabad, Gujarat	5,00,000	No	Blind People's Association	CSR000000936
11.	For providing support for Deep Brain Stimulation surgery or replacement of IPG- Parkinsons Care Trust		No	Mumbai, Maharashtra	5,00,000	No	Parkinson's Care Trust	-
12.	Providing support in construction of the houses for nomadic families – Vicharta Samuday Samarthan Manch	Setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens	No	Banaskantha, Gujarat	2,00,000	No	Vicharta Samuday Samarthan Manch	CSR00001129
13.	For construction of Water check dam- Shrijal Welfare Foundation	conservation of natural resources and maintaining quality of soil, air and water	No	Gimhivane, Dapoli, Maharashtra	5,00,000	No	Shrijal Welfare Foundation	CSR00016938



(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment: **Not Applicable**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 38,88,000

(g) Excess amount for set off, if any

Sr. no.	Particulars	Amount in ₹ Lacs
1.	Two percent of average net profit of the company as per section 135(5)	38.31
2.	Total amount spent for the Financial Year	38.88
3.	Excess amount spent for the financial year [(ii)-(i)]	0.57
4.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5.	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.57

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

Sr. No.	Preceding FY	Amount transferred to unspent CSR Account u/s 135(6)	Amount spent in reporting FY	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding FY
				Name of the fund	Amount	Date of transfer	
Not Applicable							

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

(1) Sr. No.	(2) Project ID.	(3) Name of the Project	(4) FY in which project was commenced	(5) Project duration	(6) Total amount allocated for the project	(7) Amount spent on the project in the reporting FY	(8) Cumulative amount spent at the end of reporting FY	(9) Status of the project - Completed /Ongoing
Not Applicable								

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

(a) Date of creation or acquisition of the capital asset(s): None

(b) Amount of CSR spent for creation or acquisition of capital asset: NIL

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not applicable

XI. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Place: Ahmedabad

Date: 23/05/2022

Sd/-

Percy Avari

Whole-Time Director

(DIN: 00499114)

Sd/-

Sheila Mody

Chairperson CSR Committee

(DIN:00496561)



Annexure - D

Particulars Pursuant to Section 197(12) of the Companies Act, 2013 and rule 5(1) of Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014:

- 1) Ratio of Remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31st March, 2022:

Sr. No.	Executive Directors	Remuneration ₹ in Lacs	Median remuneration ₹ in Lacs	Ratio
1.	Mr. Percy Avari, Whole-Time Director (DIN:00499114)	181.02	4.66	38.85
2.	Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)	181.02	4.66	38.85

- 2) Percentage increase in the remuneration of each Director, CFO & Company Secretary in the financial year:

Sr. No.	Director, CFO & Company Secretary	% increase in the remuneration in the financial year
1.	Mr. Percy Avari, Whole-Time Director	90.55%
2.	Mrs. Shanaya Mody Khatua, Whole-Time Director	90.55%
3.	Mr. Cyrus Bhagwagar, CFO	18.47%
4.	Mr. Nishith Kayasth, Company Secretary	27.37%

Note to Point No. 1 & 2: Non-executive Directors are paid sitting fees only. The executive directors are receiving 2% commission based on net profits.

- 3) Percentage increase in median remuneration of employees in the financial year: The remuneration of median employee is increase by 14.15% during the financial year.
- 4) The number of permanent employees on the rolls of the company as on 31st March, 2022: There are 210 employees on the payroll of the company.
- 5) Average percentile increase already made in the salaries of the 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:
The average increase in salaries of the employees other than Managerial Personnel in 2021-22 was 14% and there is an increase in managerial personnel remuneration during the year under review as there was no increase provided in the last financial year and the increase is mainly due to commission on profit of the company.
- 6) It is affirmed that the remuneration paid to the Directors and senior management is as per the 'Remuneration policy' adopted by the Company.
- 7) The Statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197 (12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014: Not Applicable



REPORT ON CORPORATE GOVERNANCE

[Pursuant to Regulation 34(3) Read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

The following is report on Corporate Governance Code as implemented by your company.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a morally driven business process that is dedicated towards enhancing an organization's brand and reputation. These values and principles set the framework to manage company affairs in a fair and transparent manner. The company in its method to adopt the best possible practices of Corporate Governance and keeping adherence to the latest rules and regulations prescribed by various regulatory authorities, has taken all the necessary steps to stay in line with continuously progressing the governance demands. The Board of Directors support and endorse Corporate Governance practices and the statutory requirements. Good corporate governance ensures corporate success and economic growth.

The company believes that good Corporate Governance strengthens the investors trust and ensures long term relationship with other stakeholders which help the company to achieve its objectives. 'MAZDA LIMITED' has constantly adopted a strong governance framework which played a vital role in ensuring that we continue to follow our culture and values. We believe that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance. The company is in compliance with the corporate governance provisions as specified in chapter IV of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS

The company's policy is to maintain an optimum combination of Executive and Non- Executive Directors. The Board of Directors of the company consists of persons with considerable professional expertise and experience in business and industry. The present composition of the Board has an optimum combination of personnel that are competent and are persons having expertise in their respective disciplines to deal with the management functions of the company.

(a) Composition of Board

The Board provides and evaluates the strategic direction of the company, management policies and their effectiveness and ensures that the long-term interests of all the stakeholders are being taken care of. The composition of Board of directors of the company is in accordance with the requirements of Section 149(4) of the Companies Act 2013 ("Act") and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). As on 31st March 2022 the Board of Directors comprised of 8 (eight) Directors of which 3 (three) are Non- Executive Non-Independent Directors, 3 (three) are Non-Executive Independent Directors including Chairman and 2 (two) Executive Directors. The particulars of composition of the Board of Directors and their attendance at the Board Meetings held during the year under review and at the last Annual General Meeting, the details of which are mentioned below:

Name of the Directors	Category of Directors	No. of Board Meetings attended	Attendance at the last AGM	Directorships in other Indian Public Limited Companies	No. of Committees in which Chairperson / Member		List of Directorship held in Other Listed Companies and Category of Directorship
					Member	Chairperson	
Mr. Mohib N. Khericha, Chairman (DIN: 00010365)	Non-Executive & Independent	4 of 4	Yes	4	4	2	TD Power Systems Limited (Non-Executive Director) Chartered Capital and Investment Limited (Managing Director)
Mr. Samuel W. Croll- III (DIN: 01407244)	Non-Executive	2 of 4	Leave sought	Nil	Nil	Nil	Nil
Mrs. Sheila S. Mody (DIN: 00496561)	Non-Executive	4 of 4	Yes	Nil	Nil	Nil	Nil
Mrs. Houtoxi F. Contractor (DIN: 00499260)	Non-Executive	3 of 4	Leave sought	Nil	Nil	Nil	Nil
Mr. Nilesh C. Mankiwala (DIN: 06927530)	Non-Executive & Independent	4 of 4	Yes	Nil	Nil	Nil	Nil
Mr. Saurin V. Palkhiwala (DIN: 03604769)	Non-Executive & Independent	4 of 4	Yes	Nil	Nil	Nil	Nil
Mr. Percy X. Avari, Whole-Time Director (DIN: 00499114)	Executive	4 of 4	Yes	Nil	Nil	Nil	Nil
Mrs. Shanaya Mody Khatua, Whole-Time Director (DIN: 01241585)	Executive	3 of 4	Yes	Nil	Nil	Nil	Nil

Notes:

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26 (1) of the Listing Regulations), across all the Companies in which he/ she is a director. All the Directors have made necessary disclosures regarding committee positions held by them in other companies as on 31st March, 2022.

These numbers exclude the directorship/committee membership held in your company and in private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 and alternate directorship.

It includes only the chairmanship/membership of the Audit Committee, Stakeholders' Relationship Committee, and Nomination & Remuneration Committee.

As on 31st March, 2022, none of the Directors of the company were related to each other except Mrs. Sheila Mody and Mrs. Shanaya Mody Khatua.

All Independent Directors of the Company have furnished declarations that they meet the requirements of being independent as per Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations. These were placed before the Board. The Board, based on the declaration(s) received from the Independent Directors, have verified the accuracy of such disclosures and confirmed that the Independent Directors fulfil the conditions of Independence specified in the Listing Regulations and are independent of the management of the Company.

There is no instance where the Board has not accepted any recommendation of any committee of the Board, which is mandatorily required in the financial year 2021-22.

(b) Skills / expertise / competencies of the Board of Directors:

The Board has recognised the following skills / expertise / competencies important for the effective functioning of the company's business and that the said skills are available within the Board Members:

Business Strategies	Ability to identify vision and value creation and seize opportunities for short & long-term business growth, bring in new insights & innovative ways to achieve including in areas of business development, strategic planning, succession planning, and guiding the company and its senior management towards its vision and values.
Finance & Accounting Expertise	The Company uses various financial metrics to measure its performance. Accurate Financial Reporting and Strong Auditing are critical to its success. The Company expects its directors to have an understanding of Finance and Financial Reporting Processes and ability to understand financial policies, accounting statements and disclosure practices and contribute to the financial/risk management policies/practices of the company.
Governance, Risk & Compliance	Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.
Industry knowledge and Experience	Establish sound knowledge & possess thorough working experience of the industry in which the organization operates with specific reference to the relevant laws, rules, regulation policies applicable to the organization/ industry/ sector and level/status of compliances.
Global Experience	Ability to have access and understand business models of global businesses, relating to the developments of leading global corporations and assist the company have a network of contacts in global corporations and industry worldwide.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance Company reputation.

The mapping of the Skill Matrix for the Financial Year 2021-22 for all the Directors is as follows:

Name of Director	Area of Skills / Expertise					
	Business Strategies	Finance & Accounting Expertise	Governance, Risk & Compliance	Industry knowledge and experience	Global Experience	Sales and Marketing
Mr. Mohib Khericha (DIN:00010365)	√	√	√	√	√	-
Mr. Samuel Croll- III (DIN: 01407244)	√	√	√	√	√	√
Mrs. Sheila Mody (DIN: 00496561)	-	√	√	√	-	-
Mrs. Houtoxi Contractor (DIN: 00499260)	-	√	√	√	√	-



Mr. Nilesh Mankiwala (DIN: 06927530)	-	-	√	√	-	√
Mr. Saurin Palkhiwala (DIN: 03604769)	√	√	√	-	-	-
Mr. Percy Avari (DIN: 00499114)	√	√	√	√	√	√
Mrs. Shanaya Mody Khatua (DIN: 01241585)	√	√	√	√	√	√

(c) Details of Board Meetings held during the year:

The Board of Directors meets periodically to review strategic, operational and financial matters of the company. Wherever appropriate, the Board delegates its authority to various committees like Stakeholders Relationship Committee, Nomination & Remuneration Committee, Audit Committee and CSR Committee. Information is provided to the Board in advance of every meeting and all the Directors are briefed on the matters being discussed. The Board reviews compliance reports of applicable laws in the Board meetings and also considers the compliance of code of conduct for Board Members and Senior Management.

During the year under review, the Board met 4 times on the following dates:

28th June, 2021	12th August, 2021	11th November, 2021	10th February, 2022
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(d) Shareholding of the Directors:

Statement showing number of equity shares of the company held by the Directors as on 31st March, 2022:

Name of the Directors	Category of the Directors	Number of Equity Shares of ₹ 10/- each
Mr. Mohib Khericha (DIN: 00010365)	Non-Executive & Independent	Nil
Mr. Samuel Croll- III (DIN: 01407244)	Non-Executive	Nil
Mrs. Sheila Mody (DIN: 00496561)	Non-Executive	2,75,700
Mrs. Houtoxi Contractor (DIN: 00499260)	Non-Executive	592
Mr. Nilesh Mankiwala (DIN: 06927530)	Non-Executive & Independent	Nil
Mr. Saurin Palkhiwala (DIN: 03604769)	Non-Executive & Independent	Nil
Mr. Percy Avari (DIN: 00499114)	Executive	4,06,088
Mrs. Shanaya Mody Khatua (DIN: 01241585)	Executive	12,54,228

(e) Code of Conduct for Directors:

The company has adopted "Code of Conduct for Board Members and Managerial Personnel". A copy of code is posted on the website of the company www.mazdalimited.com. All Directors on the Board have affirmed compliance with the Code of Conduct. Affirmation from the Whole-Time Director regarding the compliance with the Code of Conduct by all the Directors is forming part of the Report.

3. AUDIT COMMITTEE

The Audit Committee, evaluates and reports to the Board with respect to various auditing and accounting matters. The Audit Committee acts as a link between the Management, Statutory Auditors, Internal Auditors and the Board of Directors and oversees the financial reporting process.

The Board of the company has constituted the Audit Committee in accordance with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. As on 31st March 2022, the Audit Committee of the company comprises of three Directors. All the members of the Committee are Non-Executive Directors. The Committee members are having requisite experience in the fields of Finance, Accounts and Management. The Chairman of the committee possesses expertise in the field of Finance and Accounting.

The composition, quorum, powers, role and scope are in accordance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The composition of the Audit Committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director(s)	Designation	No. of meetings held and attended during the period
1.	Mr. Mohib Khericha (DIN: 00010365)	Chairman, Non-Executive & Independent Director	4 of 4
2.	Mrs. Sheila Mody (DIN: 00496561)	Member, Non-Executive Director	4 of 4
3.	Mr. Saurin Palkhiwala (DIN: 03604769)	Member, Non-Executive & Independent Director	4 of 4



The Company Secretary of the company acts as the secretary to the Committee. The Chief Financial Officer, representatives of Statutory Auditor, Internal Auditor and Cost Auditor were invited to the meeting as and when they were required by the Audit Committee.

During the financial year, the Audit Committee met four times, ensuring the compliances with the requirement of the Companies Act, 2013 and Listing Regulations. The Committee met on the below mentioned dates:

28th June, 2021	12th August, 2021	11th November, 2021	10th February, 2022
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The Chairman of the Audit Committee has attended the Annual General Meeting of the company.

The members of the Audit Committee have adequate experience and knowledge of Accounting, Audit, and Finance.

Terms of reference of the Audit Committee

The principal terms of reference of the Audit Committee, as approved by the Board and as updated from time to time by the Board and as specified under Regulation 18 read with Part C of Schedule II of Listing Regulations and Section 177 of the Act, read with the Companies (Meeting of Board and its Power) Rules, 2014 are as under:

- Overseeing the company's financial reporting process;
- Reviewing the financial statements and the adequacy of internal audit;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Recommending to the Board, for the appointment, re-appointment, terms of appointment and, if required, the replacement or removal of Statutory Auditors and the fixation of audit fees;
- Approval of the payment to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - b) Any change in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Modified opinion(s) in the draft audit report, if any;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;
- To review the functioning of the whistle blower mechanism;
- Recommending to the Board, the appointment / reappointment of the Cost Auditors and Secretarial Auditor.
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders if any;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Such other functions as may be specified by the Board of Directors of the company from time to time.

The audit committee shall mandatorily review the following information:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;



- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

In addition to the above, the Committee shall have such functions / role / powers as may be specified in the terms of reference of the Audit Committee under applicable laws or as required by any statute.

All members of the committee have attended the meetings held during the period.

4. **NOMINATION & REMUNERATION COMMITTEE**

The committee was mainly constituted to provide guidance to the Board for appointment of top management and to address issues that require expertise, leadership skills, and willingness to participate actively of the proposed appointee as a director or member of the senior management. The Board of the company has constituted the Nomination and Remuneration Committee in compliance with the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations.

The composition of the committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of the Director(s)	Designation	No. of meetings held and attended during the period
1.	Mr. Saurin Palkhiwala (DIN: 03604769)	Chairman, Non-Executive & Independent Director	2 of 2
2.	Mr. Mohib Khericha (DIN: 00010365)	Member, Non-Executive & Independent Director	2 of 2
3.	Mrs. Sheila Mody (DIN: 00496561)	Member, Non-Executive Director	2 of 2

The Company Secretary of the company acts as a Secretary to the Committee.

The meeting of the Nomination and Remuneration Committee was held on 28th June, 2021 and 12th August, 2021 during the financial year under review.

The Committee acts as a link between the Management and the Board of Directors. Besides having access to all required information within the company, the Committee may investigate any activity within its terms of reference, seek information from any employee, secure attendance of outsiders with relevant expertise or obtain legal or other professional advice from external sources, whenever required.

(a) **Terms of reference of the Nomination & Remuneration Committee**

The Nomination & Remuneration Committee shall act in accordance with the terms of reference, which shall include:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- formulating a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- recommend to the board, all remuneration, in whatever form, payable to the senior management;
- to administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS, if any;
- Carrying out any other function as is mentioned in the terms of reference of the Nomination and Remuneration Committee.

(b) **Remuneration to Non-executive Directors:**

The Non-Executive Directors are paid remuneration by way of Sitting Fees. The Non-Executive Director / Independent Directors do not have any material pecuniary relationship or transactions with the Company.

(c) **Remuneration to Executive Directors**

The appointment and remuneration of Executive Directors is governed on the basis of recommendation of the Nomination and Remuneration Committee and resolutions passed by the Board of Directors and Shareholders of the Company. The remuneration package of Executive Directors comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meeting. The executive directors are paid commission on profits as per the resolution passed by the members of the company.



The remuneration policy is directed towards rewarding performance, based on review of achievements. The Nomination and Remuneration Policy is displayed on the Company's website viz. www.mazdalimited.com.

(d) The details of remuneration paid to the directors for the year under review are as follows:

Name of Directors	Sitting Fees (₹)	Salaries, Perquisites & Other allowances (₹)	Commission (₹)	Total (₹)
Mr. Sorab R. Mody (Managing Director) (DIN: 00498958)*	NIL	5,76,259	-	5,76,259
Mr. Mohib N. Khericha (Chairman) (DIN: 00010365)	4,20,000	NIL	NIL	4,20,000
Mr. Samuel W. Croll – III (DIN: 01407244)	1,00,000	NIL	NIL	1,00,000
Mrs. Sheila S. Mody (DIN: 00496561)	4,25,000	NIL	NIL	4,25,000
Mrs. Houtoxi F. Contractor (DIN: 00499260)	1,50,000	NIL	NIL	1,50,000
Mr. Percy X. Avari (DIN: 00499114)	NIL	1,17,01,200	64,00,921	1,81,02,121
Mrs. Shanaya Mody Khatua (DIN: 01241585)	NIL	1,17,01,200	64,00,921	1,81,02,121
Mr. Nilesh C. Mankiwala (DIN: 06927530)	2,05,000	NIL	NIL	2,05,000
Mr. Saurin V. Palkhiwala (DIN: 03604769)	4,10,000	NIL	NIL	4,10,000

* Due to sad demise of Mr. Sorab R. Mody, Managing Director of the company, salary and other perquisites were calculated on pro rata basis till 05th May, 2021.

(e) Criteria for Performance evaluation of Directors:

The criteria for performance evaluation as laid down by the Nomination & Remuneration Committee, inter alia includes:

- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and active participation in discussions of various items of agenda
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business
- Effectiveness in discharging functions, roles and duties as required
- Review and contribution to strategies, business and operations of the Company
- Expression of independent opinion on various matters taken up by the Board
- Timely flow of information and effective decision making
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with Section 178 of the Act and Regulation 20 read with part (d) Schedule II of LODR, a Stakeholders' Relationship Committee of the Board has been constituted. The Committee considers redressal of Investors' complaints/grievances. It also considers matters concerning complaints regarding transfer of shares, non-receipt of dividends and Annual Report, dematerialization of share certificates, etc.

The meeting of the Stakeholders' Relationship Committee was held on 10th February, 2022 during the financial year under review.

The composition of the committee as well as the particulars of attendance at the committee meetings during the year and other related details are given in the table below:

Sr. No.	Name of Director	Designation	No. of meetings held and attended during the period
1.	Mrs. Sheila Mody (DIN: 00496561)	Chairperson, Non-Executive Director	1 of 1
2.	Mr. Percy Avari (DIN: 00499114)	Member, Executive Director	1 of 1
3.	Mr. Nilesh Mankiwala (DIN: 06927530)	Member, Independent Director	1 of 1

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

- resolving the grievances of the security holders of the company including complaints related to transfer/transmission



of shares, non-receipt of correspondence from the company, non-receipt of dividends, issue of duplicate certificates, dematerialization of Shares, etc.;

- review of measures taken for effective exercise of voting rights by shareholders;
 - Oversee the performance of the Company's Registrar and Share Transfer Agent;
 - review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent;
 - review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices to the shareholders of the company;
 - carrying out any other function as is mentioned in the terms of reference of the Stakeholders' Relationship Committee.
- Company Secretary is the Compliance Officer of the company. During the year under review, no complaints were received.

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility ('CSR') Committee is constituted in line with the provisions of Section 135 read with Schedule VII of the Companies Act, 2013. The Committee consists following members in the Committee:

Sr. No.	Name of Director	Designation	No. of meetings held and attended during the period
1.	Mrs. Sheila Mody (DIN: 00496561)	Chairperson, Non-Executive Director	2 of 2
2.	Mr. Mohib Khericha (DIN: 00010365)	Member, Independent Director	2 of 2
3.	Mr. Percy Avari (DIN: 00499114)	Member, Executive Director	2 of 2

The Committee's terms of reference meet with the requirements of the Companies Act, 2013 which are as under:

- Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the company as specified in Schedule VII of the Act;
- Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy;
- Monitor the CSR projects undertaken by the Company from time to time; and,
- Ensure effective implementation of aforesaid CSR Policy;
- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the company as specified in Schedule VII of the Act.

The Corporate Social Responsibility Committee meetings were held on 28th June, 2021 and 11th November, 2021 wherein all the members of the Committee were present. The Committee had approved the trust / agencies to whom the funds can be given and projects that will be undertaken by the trust / agencies. The details of the CSR projects are given in the **Annexure - C** to the Directors' Report.

7. INDEPENDENT DIRECTORS MEETING

In accordance to the provisions of Companies Act, 2013 and Listing Regulations, Independent Directors of the company meet at least once in every financial year without the presence of Non-Executive Directors, Executive Director and any other management personnel. The meeting is conducted in a manner to enable the Independent Directors to discuss matters pertaining to, inter alia:

- review the performance of non-independent directors and the Board as a whole.
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non - executive directors.
- assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, meeting of Independent Directors was held on 10th February, 2022. All the Independent Directors were present at this Meeting.

Familiarization Programme for Independent Directors:

In compliance with the requirements of SEBI (LODR) Regulations, 2015, the company has put in place a familiarization programme for Independent Directors to familiarize them with the working of the company. It takes due steps for familiarizing them with the company's procedures and practices, by providing them with the necessary documents, reports and internal policies. Through the familiarization programme, they are briefed about their roles, responsibilities, duties, and obligations as a member of the Board and matters relating to Corporate Governance, Code of Business Conduct, Risk Management, Compliance Programs, Internal Audit, etc. Further, the company also schedules plant visits for them, from time to time in order to give them an overview of the way in which the company operates and also its products and business models, etc. The details of familiarization programme have been posted on the web link given www.mazdalimited.com.



8. GENERAL BODY MEETINGS

The details of the Annual General Meetings held during the last three years are as follows:

Meeting	31 st AGM	30 th AGM	29 th AGM
Year	2020-21	2019-20	2018-19
Venue	MAZDA House, 650/1, 2 nd Lane, Panchwati, Ambawadi, Ahmedabad – 380 006 (Through Video Conferencing Mode)		Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad – 382 330
Date & Time	17 th September, 2021 at 12:00 P.M	25 th September, 2020 at 11.00 A.M	26 th September, 2019 at 9.30 A M
No. of Special Resolution	01	00	07

- **Postal Ballot**

During the financial year under review, there were no approval of the shareholders was taken through the postal ballot. At the ensuing Annual General Meeting, there is no resolution proposed to be passed through Postal Ballot. Hence the procedure for Postal Ballot is not explained.

9. SUBSIDIARY COMPANY

The company does not have any subsidiary company.

10. POLICY FOR PROHIBITION OF INSIDER TRADING

In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the company has formulated and adopted a Code of Conduct for Prohibition of Insider Trading, Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Policy on procedures to be followed while conducting an inquiry in the event of leak or suspected leak of Unpublished Price Sensitive Information.

The code governs all Directors, Senior Management Personnel, Promoter(s) / Promoter Group and such other Designated Employees and their immediate relative(s) who can have access to Unpublished Price Sensitive Information relating to the company. The Code lays down the guidelines, which advise on procedures to be followed and disclosures to be made, while dealing with securities of the company and cautions them of the consequences of violations. The code of conduct is available on the website of the company i.e., www.mazdalimited.com.

11. DISCLOSURES

- There are no transactions of a materially important character and which are not in the ordinary course of business and all the transactions are on Arm's length basis with the promoters, the Directors or the Management or relatives that may have potential conflict with the concern of the company at large; however, transactions with related parties as per requirements of applicable Accounting Standard are disclosed under notes to accounts.
- The policy on Materiality of Related Party Transactions in terms of Listing Regulations is uploaded on the website of the company at www.mazdalimited.com.
- There are no materially significant related party transactions please refer Note No. 38 of the standalone financial statements, forming part of this Annual Report.
- The company is preparing these financial statements in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as time to time notified under section 133 of the Companies Act, 2013.
- Pursuant to Regulation 32 (7A) of the Listing Regulations, the company has not raised funds through preferential allotment or qualified institutional placement.
- There is no instance, where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year 2021-2022.
- Total fees for all services paid by the listed entity, on a consolidated basis, to the statutory auditor are given in Note No. 29.1 to the Standalone Financial Statements.
- There have been no instances of any non-compliance and no penalties or strictures have been imposed on the company on any matter relating to the capital markets during the last three years, either by Stock Exchanges, the Securities and Exchange Board of India or any statutory authority.
- The process of identification and evaluation of various risks inherent in the business environment and the operations of the company and initiation of appropriate measures for prevention and/or mitigation of the same are dealt with by the concerned operational heads under the overall supervision of the Whole-Time Directors of the company. The Audit Committee periodically reviews the adequacy and efficacy of the overall risk management system.
- The company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The company has a Vigil Mechanism and Whistle-blower policy to provide for the safeguards against victimization of employees who follow such mechanism under which they are free to report violations of applicable laws and regulations and the code of conduct. The reportable matters may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no complaints have been received and no employee was denied access to the Audit Committee.

- k) The Board receives on a quarterly basis, certificates of compliance with the provisions of all applicable laws from the Whole Time Director and Compliance Officer, which are taken on record by the Board.
- l) A Practising Company Secretary carries out Reconciliation of share capital to reconcile to total admitted capital with NSDL and CDSL and total issued and listed capital. This audit is carried out every quarter and the report are submitted to the stock exchanges. The audit confirms that the total issued/paid up capital of the company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- m) The Whole Time Director and Chief Financial Officer has given a Certificate to the Board as contemplated in Listing Regulations, 2015 and the same forms the part of Corporate Governance Report.
- n) The Company has obtained the Certificate from the Practising Company Secretary certifying that none of the directors of the company are debarred or disqualified from being appointed or continuing as directors of Company by SEBI / MCA or any such authority.
- o) The company has in place a policy for Prevention, Prohibition and Redressal of Sexual Harassment at work place. Appropriate reporting mechanisms are in place for ensuring protection against Sexual Harassment and the right to work with dignity. During the year under review, the company has not received any complaints in this regard.
- p) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- number of complaints filed during the financial year: Nil
 - number of complaints disposed of during the financial year: Nil
 - number of complaints pending as on end of the financial year: Nil
- q) The company has complied with all mandatory requirements laid down by Listing Regulations including those specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46. Hence there has been no non-compliances with mandatory requirement of Corporate Governance code. The Compliance Certificate given by Practising Company Secretary for the financial year under review forms part of the Corporate Governance Report.
- r) Your company has partly adopted non-mandatory requirements laid down by Listing Regulations. The company is having unmodified audit opinion by Statutory Auditor for standalone financial statements and the Internal Auditor reports directly to the audit committee. The company is complying with applicable Secretarial Standards.
- s) The Management Discussion and Analysis Report forms part of the Annual Report and is in accordance with the requirements laid out in Schedule V of the Listing Regulations.
- t) The company has not given any Loans or Advances to any other company/ firm wherein any director is interested during the year under review.

12. MEANS OF COMMUNICATION

Half-Yearly report sent to each household of shareholders	No
The company issued un-audited standalone financial results with limited review report of auditors for first three quarters. In respect of the fourth quarter, the company publishes the audited financial results for the whole financial year with audit report.	
Quarterly Results - Newspapers in which normally published	Financial Express in • English Edition and • Gujarati Edition
Web site, where displayed	At Company's Website www.mazdalimited.com in the 'investor relation section'
Presentation made to Institutional Investors or to Analysts	No
Whether Management Discussion and Analysis Report is a part of Annual Report or not	Yes

13. GENERAL SHAREHOLDERS INFORMATION

a.	Annual General Meeting Date, Time and Venue	Wednesday, 28th September, 2022, at 12:00 PM, Through Video Conferencing / Other Audio-Visual Means as set out in the Notice convening the Annual General Meeting.
b.	Financial Calendar Tentative financial reporting for:	
	the quarter ended on 30 June, 2022	Second week of August, 2022
	the quarter ended on 30 September, 2022	Second week of November 2022
	the quarter ended on 31 December, 2022	Second week of February 2023
	the quarter ended on 31 March, 2023 and Results for the year ending March 2023 (Audited)	Last week of May 2023



c.	Financial Year	April, 2022 to March, 2023
d.	Dates of Book Closure	16th September, 2022 to 23rd September, 2022
e.	Dividend Payment Date (Tentative)	11th October, 2022
f.	Listing on Stock Exchanges, Address and Stock Code	<p>BSE Limited (BSE) Code: 523792 Address: Phirzoe Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001</p> <p>National Stock Exchange of India Limited (NSE) Symbol: MAZDA Address: Exchange Plaza, C-1, Block - G, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051</p>
g.	Payment of Listing Fees	Listing fees for the period 2022-23 has been paid to the stock exchanges
h.	ISIN Number for NSDL & CDSL	INE885E01034
i.	CIN	L29120GJ1990PLC014293
j.	Registrar and Share Transfer Agent	<p>Link Intime India Private Limited 506-508 Amarnath Business Centre - I, Off. C.G. Road, Navrangpura, Ahmedabad - 380 009 Phone: 079-2646 5179 Email Id: ahmedabad@linkintime.co.in</p>
k.	Name and Email address of the Compliance Officer	<p>Mr. Nishith Kayasth Company Secretary and Compliance Officer Email: nishith@mazdalimited.com Phone: 079-4000 7000</p>
l.	Dematerialization of shares and liquidity	91.97% of the paid-up capital has been dematerialized as on 31st March, 2022
m.	Plant Location	<p>Unit - I: C/1-39/13/16 GIDC, Naroda, Ahmedabad- 382 330</p> <p>Unit - II: Plot No. 11 & 12, Hitendranagar Sahakari Vasahat Ltd., N.H. Road, Naroda, Ahmedabad - 382 340</p> <p>Unit - III: C/1, A-5, GIDC, Odhav, Ahmedabad - 382 415</p> <p>Unit - IV: Plot No. 17/1, Phase-III, GIDC, Naroda, Ahmedabad - 382 330</p> <p>Unit - V: Plot No. 7610, Phase-IV, GIDC, Vatva, Ahmedabad - 382 445.</p>
n.	Registered Office	C/1-39/13/16 GIDC, Naroda, Ahmedabad- 382 330
o.	Address for correspondence	Mazda Limited: Corporate Office Mazda House, 650/1, Panchwati, 2nd Lane, Ambawadi, Ahmedabad - 380 006
p.	Credit Rating	<p>Long Term Credit Rating: ICRA 'A'</p> <p>Short Term Credit Rating: ICRA 'A1'</p>

- Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participant for any queries related to change of address or change in bank mandate.

- Share Transfer System:**

SEBI vide its circular dated 25th January 2022, has mandated that listed companies shall issue the securities in dematerialized form only, in order to enhance ease of dealing in securities markets by investors, for transactions including Issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates / folios, transmission and transposition of shares. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR - 4, the format of which is available on the RTA's website under the link at <https://www.linkintime.co.in/home-KYC.html>. The Company obtains from a Company Secretary in Practice an annual certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the Listing Regulations and files a copy of the certificate with the Stock Exchanges. The Company has signed necessary agreements with two depositories currently functional in India viz. National Securities Depository Limited & Central Depository Services (India) Limited. The transfer of shares in electronic mode need not be approved by the Company.

The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to the SEBI Circular dated 3rd November, 2021. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication under the web link at <https://www.linkintime.co.in/home-KYC.html>.

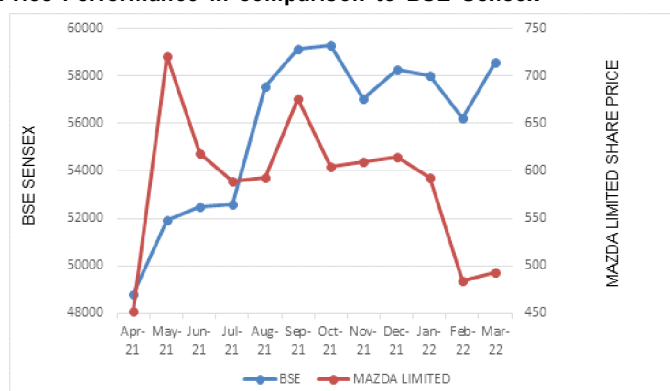


- Monthly Highs and Lows of Market Price of the Company's Shares Traded on BSE & NSE for the period April 2021 to March 2022

Month	Bombay Stock Exchange Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	High	Low	High	Low
April, 2021	477.00	414.00	471.90	415.00
May, 2021	753.70	444.60	752.95	450.50
June, 2021	715.90	581.25	724.90	589.00
July, 2021	652.60	570.25	652.45	569.95
August, 2021	652.00	530.00	653.00	532.45
September, 2021	745.55	576.95	745.95	581.20
October, 2021	726.90	598.90	727.35	595.10
November, 2021	680.50	575.00	679.90	595.50
December, 2021	710.95	535.50	660.00	582.45
January, 2022	658.15	550.00	660.00	549.00
February, 2022	658.60	474.00	659.9	470.00
March, 2022	543.95	460.00	514.85	461.00

Source: BSE Website & NSE Website

- Stock Price Performance in comparison to BSE Sensex**



- Shareholding pattern as on March 31, 2022

Categories	No. of Shares held	% of Total Shareholding
Promoter's Holding		
Promoters and its group - Indian	19,36,216	48.34
Foreign Promoters	0	0.00
Sub - Total	19,36,216	48.34
Non - promoter's Holding		
Banks & NBFC	1,631	0.04
Central Government / State Government/ IEPF Authority	31,952	0.80
Domestic Companies	1,71,012	4.27
Indian Public	13,74,249	34.31
NRI's	65,661	1.64
Foreign Company	2,89,500	7.23
Others	1,34,779	3.37
Sub - Total	20,68,784	51.66
GRAND TOTAL	40,05,000	100.00



• **Distribution of shareholding as on March 31, 2022 :**

Shareholding			Shareholders		No. of shares	
			Folios	% of total Nos.	Shares	% of total shares
Less than		500	5,587	92.6688	4,43,597	11.0760
501	To	1000	201	3.3339	1,56,244	3.9012
1001	To	2000	118	1.9572	1,70,936	4.2681
2001	To	3000	33	0.5474	84,230	2.1031
3001	To	4000	15	0.2488	55,329	1.3815
4001	To	5000	22	0.3649	1,03,037	2.5727
5001	To	10000	28	0.4644	1,95,418	4.8794
10001	And	above	25	0.4146	27,96,209	69.8180
Total			6,029	100.00	40,05,000	100.00

- **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on the company:** NIL

- **Commodity price risk or foreign exchange risk and hedging activities:**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The company transacts business in foreign currencies. Consequently, the company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The company manages its foreign currency risk by following policies approved by board as per established risk management policy.

The details of foreign currency exposure are disclosed in note no. 31 forming part of the financial statements.

During the financial year 2021-22, the company had managed the foreign exchange risk and hedge to the extent consider necessary. The company enters into forward contracts for hedging foreign exchange exposures against exports.

- **Transfer of Dividend to Investor Education and Protection Fund (IEPF):**

Pursuant to the provisions of Section 125 of the Companies Act, 2013 and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), the dividend which remains unclaimed/unpaid for a period of seven consecutive years from the date of transfer to the unpaid dividend account is required to be transferred to the IEPF established by the Central Government. In line with the provisions of Section 125 of the Companies Act, 2013, no claim shall lie against the company after the said transfer. The members whose dividend is transferred to the IEPF Authority can claim dividend from the IEPF Authority.

Pursuant to the above-mentioned provisions, the unpaid/ unclaimed dividend of ₹2,79,752 for the financial year 2013-2014 lying in the company's unpaid dividend account, were transferred to IEPF during the financial year under review.

Due dates for transfer of unclaimed dividend declared in the previous financial years to IEPF are as under:

Financial Year	Dates of Declaration of Dividend	Dividend Percentage	Dates on which dividend will become part of IEPF
2014-2015	01st September, 2015	60	30th September, 2022
2015-2016	27th September, 2016	66	26th October, 2023
2016-2017	12th September, 2017	73	11th October, 2024
2017-2018	04th September, 2018	81	03rd October, 2025
2018-2019	26th September, 2019	90	25th October, 2026
2019-2020 (Interim)	13th February, 2020	75	12th March, 2027
2019-2020 (Final)	25th September, 2020	25	24th October, 2027
2020-2021	17th September, 2021	110	16th September, 2028

Members who have not yet claimed their dividend are requested to make their claims without any delays to the company. Those members who have not so far claimed their dividend for the subsequent financial years are also advised to claim it from the company or Link Intime (India) Private Limited.

The company has appointed Mr. Nishith Kayasth, Company Secretary as a Nodal Officer under the provisions of IEPF, contact details of whom are available on the website of the company i.e., www.mazdalimited.com.

The list of shareholders whose dividend are unpaid and due to be transferred to the IEPF is available on the website of the company i.e. www.mazdalimited.com.

- **Transfer of Equity Shares to IEPF:**

In compliance with the provisions of Section 124(6) of the Companies Act, 2013, all the shares in respect of which unpaid or unclaimed dividend has been transferred under sub-section (5) and which remains unpaid for continuous seven years shall also be transferred by the company in the name of Investor Education & Protection Fund along with a statement containing such details as may be prescribed.



During the year under review, the company had transferred 1,245 Equity Shares to IEPF Authority corresponding to unclaimed dividend for the year 2013-14. The IEPF Authority holds 31,952 Equity Shares in the company as on 31st March, 2022. The list of the shareholders whose shares were transferred to IEPF is available on the website i.e., www.mazdalimited.com.

Shareholders are requested to note that shares transferred to IEPF, including all benefits accruing on such shares, if any can be claimed back from the IEPF Authority after following the procedure prescribed under the said rules. The procedure is also available on the website of the Ministry of Corporate Affairs at www.iepf.gov.in.

The company had sent letters to all the concerned Members and also published notice in newspaper three months before the due date asking them to claim their dividend amount and to avoid transfer of the said unclaimed dividend and respective shares to IEPF Authority.

Place: Ahmedabad
Date: 23/05/2022

For and on behalf of the Board,
Sd/-
Percy Avari
Whole-Time Director
(DIN: 00499114)



AFFIRMATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

To,

The Members of the company

The Board of Directors of the company has adopted a Code of Conduct for all the Board members and senior executives of the company, including the Executive Directors; they have affirmed compliance with the Code of Conduct applicable to them in respect of the year ended 31st March, 2022.

Place : Ahmedabad

Date : 23/05/2022

Sd/-

Percy Avari

Whole-Time Director

(DIN: 00499114)

CERTIFICATION BY WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER OF THE COMPANY

To,

The Board of Directors,

Mazda Limited

We to the best of our knowledge and belief certify that:

1. We have reviewed the Audited Financial Statements and the Cash Flow Statement for the year ended 31st March, 2022 and that to the best of our knowledge and belief:
 - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. 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.
2. We also certify, that based on our knowledge and the information provided to us, there are no transactions entered into by the company during the year which are fraudulent, illegal or against the company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
4. We further certify that:
 - a. There have been no significant changes in internal control over financial reporting during the year;
 - b. There have been no significant changes in accounting policies during the year and the same has been disclosed in notes to the financial statements; and
 - c. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Ahmedabad

Date: 23/05/2022

Sd/-

Percy Avari

Whole-Time Director

(DIN: 00499114)

Sd/-

Cyrus J. Bhagwagar

CFO

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF MAZDA LIMITED,

1. We have examined the compliance of the conditions of Corporate Governance by MAZDA LIMITED ('the Company') for the year ended on March 31st, 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulations 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance as stipulated in Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations for the year ended on 31st March, 2022.
4. 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.

**For Rutul Shukla & Associates,
Company Secretaries**

Sd/-

Rutul J. Shukla

FCS : 6776 (CP: 7470)

UDIN: F006776D000828674



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 MAZDA LIMITED,

C/1 39/13/16 GIDC

Naroda, Ahmedabad- 382330, Gujarat, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mazda Limited having CIN:L29120GJ1990PLC014293 and having registered office at C/1 39/13/16G I D C Naroda Ahmedabad-382330, Gujarat, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In 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 and on the basis of written representation / declaration received from the directors and taken on record by the Board of Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Sorab Rattansha Mody*	00498958	03/09/1990
2.	Ms. Sheila Sorab Mody	00496561	20/09/1991
3.	Ms. Shanaya Mody Khatua	01241585	22/01/2007
4.	Mr. Percy Xerex Avari	00499114	29/01/2003
5.	Ms. Houtoxi Contractor	00499260	02/10/1992
6.	Mr. Samuel Wilbur Croll III	01407244	12/09/1992
7.	Mr. Mohib Nomanbhai Khericha	00010365	12/09/1992
8.	Mr. Saurin Vikrambhai Palkhiwala	03604769	29/07/2014
9.	Mr. Nilesh Chandravadan Mankiwala	06927530	29/07/2014

*Cessation of Directorship of Mr. Sorab Rattansha Mody effective from 05th May, 2021 due to death.

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

For Rutul Shukla & Associates,
Company Secretaries
Sd/-
Rutul J. Shukla
FCS : 6776 (CP: 7470)
UDIN: F006776D000828621



MAYANK SHAH & ASSOCIATES
CHARTERED ACCOUNTANTS

706 MAHAKANT
OPP.V.S.HOSPITAL, ELLISBRIDGE,
AHMEDABAD -380006.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
MAZDA LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Mazda Limited** ("the Company") which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of Standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (Refer notes 1.9 and 21 to the Standalone Financial Statements) Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to Revenue recognition included testing controls, automated and manual, around dispatches / deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, and Corporate Governance Report, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind As and other 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the



Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls over financial reporting.
- g. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements -Refer Note 33 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education & Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 42 (viii) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 42 (ix) to the accounts, no funds have been received by the Company From any person or entity, including foreign entity ("Funding Parties"),with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on the audit procedure that has been considered reasonable and appropriate In the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
 - v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For Mayank Shah & Associates
Chartered Accountants
Firm Registration No: 106109W
Sd/-
M.S. SHAH
Partner
Membership No. 044093
UDIN: 22044093AJLVXD8964

Place : Ahmedabad
Date : May 23, 2022



Annexure - A to the Independent Auditor's Report

(Referred to the paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

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

- i. a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment and relevant details of right-of-use assets;
(B) The Company has maintained proper records showing full particulars of Intangible Assets.
- b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment at reasonable intervals having regard to the size of the company, nature and value of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) Based on our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- d) The Company has not revalued any of its Property, Plant and Equipment (including right- of-use assets) or intangible assets during the year.
- e) No Proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under. Hence reporting under Clause (i)(e) of paragraph 3 of the Order is not applicable.
- ii. a) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate; there has been no discrepancies of 10% or more in the aggregate for each class of inventory were noticed during the year.
- b) On the basis of our examination of the records of the company, the Company has been sanctioned / renewed working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the 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 companies, firms, limited liability partnership or any other parties during the year. The Company has made investments in companies and mutual fund schemes, granted unsecured loans to its employees and other party during the year, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership.
 - (a) (A) The Company does not have any subsidiaries, joint ventures or associates.
(B) Based on the audit procedures carried on by us, and as per the information and explanation given to us, the Company has granted loans to its employees and other party as below:

Particulars	Loans ₹ (in Lacs)
Aggregate amount granted/ provided during the year - Others	11.63
Balance outstanding as at balance sheet in respect of the above cases - Others	4.69

The Company has not provided any guarantee or security to companies, firms, limited liability partnerships or other parties.

- (b) Based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of unsecured loans are prima facie, not prejudicial to the interest of the Company.
- (c) On the basis of our examination of the records of the Company, in the case of unsecured loans given to its employees and other party, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) On the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given to its employees and other party. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) On the basis of our examination of the records of the Company, there is no loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties. Further, the Company has not given any advances in the nature of loans to any party.

- (f) On the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. No loans were granted during the year to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013;
- iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act. The Company has complied with the provisions of Sections 186 of the Companies Act in respect of investments made or loans or guarantees or security provided by it, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under Clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained.
- vii. a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has generally been regular in depositing the undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, details of dues towards Income Tax and Service Tax which have not been deposited by the Company on account of dispute are as follows:

Name of the Statute	Nature of the Dues	Amount (in ₹ Lacs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	38.66	F.Y. 2014-15	Assessing Officer
		21.74	F.Y. 2017-18	Assessing Officer
		5.21	F.Y. 2018-19	CIT (A)
Service tax	Service Tax penalty	14.17	F.Y. 2012-13 to 2013-14	Customs, Excise & Service Tax Appellate Tribunal

According to the information and explanations given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, sales-tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) On an overall examination of the financial statements of the Company, term loans have been applied by the Company for the purposes for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) The Company does not have any subsidiaries, joint venture or associate accordingly, reporting under clause (ix)(e) of paragraph 3 of the order is not applicable.
- f) The Company does not have any subsidiaries, joint venture or associate Companies. Accordingly, reporting under clause (ix)(f) of paragraph 3 of the order is not applicable.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) paragraph 3 of the order is not applicable.
- b) During the year, the Company has not been made any preferential allotment or private placement of the shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) paragraph 3 of the Order is not applicable.
- xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of Section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.



- c) According to the information and explanations given to us, the Company have not received any whistle blower complaints during the year.
- xii. The Company is not a Nidhi Company. Accordingly, reporting under Clauses (xii) of paragraph 3 of the Order is not applicable.
- xiii. In our opinion the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.
- xiv. a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
b) The reports of the internal auditors for the period under audit have been considered by us.
- xv. In our opinion during the year the Company has not entered into any non-cash transaction with the Directors or Persons connected with its Directors and covered under Section 192 of the Act. Accordingly, the provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. a) According to the information and explanations given to us, the Company is not required to be registered under Section 45- IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause (xvi)(a) and (b) of paragraph 3 of the Order is not applicable to the Company.
b) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
c) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under Clause (xvi)(d) of paragraph 3 of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of 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 causes us to believe that any material uncertainty exists as on date of the audit report indicating that Company is not capable of meeting its liabilities exists at the date of balance sheet as and when they fall due within a period of one year from the date of balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the date of balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there is no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year
- xxi. The Company does not have any subsidiaries or associates or joint ventures. Accordingly, reporting under Clauses (xxi) of paragraph 3 of the Order are not applicable to the Company.

For Mayank Shah & Associates
Chartered Accountants
Firm Registration No: 106109W
Sd/-
M.S. SHAH
Partner
Membership No. 044093
UDIN: 22044093AJLVXD8964

Place : Ahmedabad
Date : May 23, 2022



Annexure-B to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 Mazda Limited (the "Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 the Company's 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 Control over Financial Reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Control 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 Control over Financial Reporting included obtaining an understanding of Internal Financial Control over Financial Reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Control 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 authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the 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 Internal Financial Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

Place : Ahmedabad
Date : May 23, 2022

For Mayank Shah & Associates
Chartered Accountants
Firm Registration No: 106109W
Sd/-
M.S. SHAH
Partner
Membership No. 044093
UDIN: 22044093AJLVXD8964



BALANCE SHEET AS AT 31ST MARCH, 2022

(Amt in ₹ Lacs)

Particulars	Notes	AS AT 31st March, 2022	AS AT 31st March, 2021
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	3,123.93	3,408.87
Capital Work in Progress	2	4,004.36	2,480.05
Investment Property	3	299.02	-
Intangible Assets	4	18.81	60.36
Right of Use Assets	5	25.70	60.15
Financial Assets			
Investments	6	157.31	611.44
Loans	7	0.43	2.25
Other Financial Assets	8	125.86	123.06
Income Tax Assets (net)	9	-	80.55
Other Non-Current Assets	10	114.11	155.25
		7,869.53	6,981.98
Current Assets			
Inventories	11	3,464.67	2,882.15
Financial Assets			
Investments	6	2,961.93	3,351.85
Trade Receivables	12	4,158.66	3,155.98
Cash and Cash Equivalents	13A	445.00	716.38
Other Balances with Banks	13B	29.31	27.68
Loans	7	4.26	3.07
Other Financial Assets	8	5.81	0.93
Other Current Assets	10	228.24	177.65
		11,297.87	10,315.70
		19,167.40	17,297.68
TOTAL ASSETS			
EQUITY			
Equity Share Capital	14A	400.50	400.50
Other Equity	14B	16,002.30	14,342.32
		16,402.80	14,742.82
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	15	-	48.68
Lease Liabilities	40	19.84	27.66
Other Financial Liabilities	16	3.11	-
Other Non Current Liabilities	17	0.40	-
Deferred Tax Liabilities (Net)	18	212.04	192.13
Income tax liabilities (net)	19	3.43	-
		238.82	268.47
Current Liabilities			
Financial Liabilities			
Borrowings	15	-	19.92
Lease Liabilities	40	7.82	33.35
Trade Payables	20		
Due to Micro and Small Enterprises		106.33	71.65
Due to Others		1,453.68	1,133.93
Other Financial Liabilities	16	355.64	248.33
Other Current Liabilities	17	586.08	756.99
Provisions	21	16.23	22.22
		2,525.78	2,286.39
		19,167.40	17,297.68
TOTAL EQUITY AND LIABILITIES			
Significant Accounting Policies & key accounting estimates & judgements Notes are an integral part of the Financial Statements	1		

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)
Sd/-
M. S. SHAH
Partner
Membership No. 044093
Place : Ahmedabad
Date : May 23,2022

For and on behalf of the Board of Directors of Mazda Limited

Sd/-
Percy Avari
Whole-Time Director
(DIN: 00499114)
Sd/-
Cyrus Bhagwagar
Chief Financial Officer

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)
Sd/-
Nishith Kayasth
Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amt in ₹ Lacs)

Particulars	Notes	Year 2021-22	Year 2020-21
REVENUE FROM OPERATIONS	22		
Revenue from Sale of Products		16,012.11	15,087.77
Revenue from Sale of Services		354.37	85.44
Other Operating Revenues		132.89	69.26
Other Income	23	318.82	240.79
TOTAL INCOME (I)		16,818.18	15,483.26
EXPENSES			
Cost of Materials Consumed	24	8,471.76	7,541.96
Changes in inventories of finished goods and work-in-progress	25	(360.10)	471.90
Employee Benefit Expenses	26	2,139.63	1,830.65
Finance Cost	27	67.23	71.19
Depreciation and Amortisation Expense	28	241.63	326.88
Other Expenses	29	3,493.08	3,031.61
TOTAL EXPENSES (II)		14,053.23	13,274.19
PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX (H-I)		2,764.96	2,209.07
Exceptional Items		-	-
PROFIT BEFORE TAX		2,764.96	2,209.07
Tax Expenses	30		
Current Tax		621.00	562.00
Deferred Tax		35.48	8.38
Tax in respect of earlier years		(15.92)	5.81
TOTAL TAX EXPENSES		640.56	576.18
PROFIT AFTER TAX		2,124.40	1,632.89
OTHER COMPREHENSIVE INCOME (OCI)			
Items that will not be reclassified to Profit or Loss			
(a) (i) Remeasurement benefit of defined benefit plans		(85.62)	37.69
(ii) Income tax benefit/(expense) on remeasurement of defined benefit plans		21.55	(9.49)
(b) (i) Net fair value gain/(loss) on investments in equity instruments through OCI		46.19	(0.78)
(ii) Income tax benefit/(expense) on investments in equity instruments through OCI		(5.98)	-
TOTAL OTHER COMPREHENSIVE INCOME		(23.86)	27.43
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2,100.53	1,660.32
Earnings per equity share (Face value of ₹10 each)	37		
1) Basic (in ₹)		53.04	40.77
2) Diluted (in ₹)		53.04	40.77
Significant Accounting Policies & key accounting estimates & judgements	1		
Notes are an integral part of the Financial Statements			

As per our report of even date attached

For **MAYANK SHAH & ASSOCIATES**
Chartered Accountants
(Firm Registration No. 106109W)
Sd/-
M. S. SHAH
Partner
Membership No. 044093
Place : Ahmedabad
Date : May 23,2022

For and on behalf of the Board of Directors of Mazda Limited

Sd/-
Percy Avari
Whole-Time Director
(DIN: 00499114)
Sd/-
Cyrus Bhagwagar
Chief Financial Officer

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)
Sd/-
Nishith Kayasth
Company Secretary



STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2022

(A) EQUITY SHARE CAPITAL (Amt in ₹ Lacs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balance at the beginning of the Reporting period	400.50	400.50
Changes in Equity Share capital to prior period errors	-	-
Restated balance at the beginning of the current reporting period	400.50	400.50
Changes in Equity Share capital during the year	-	-
Balance at the end of the reporting period	400.50	400.50

(B) OTHER EQUITY (Amt in ₹ Lacs)

OTHER EQUITY	Reserves & Surplus				Equity Instrument through OCI	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained earnings		
Balance as at April 1, 2020 (A)	4.25	66.98	327.90	12,374.09	8.90	12,782.12
Addition during the year:						
Profit for the period	-	-	-	1,632.89	-	1,632.89
Items of OCI for the year, net of tax:						
Remeasurement benefit of defined benefit plans	-	-	-	28.21	-	28.21
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	(0.78)	(0.78)
Total Comprehensive Income for the year 2020-21 (B)	-	-	-	1,661.10	(0.78)	1,660.32
Reductions during the year:						
Dividends (Refer Note 33)	-	-	-	(100.13)	-	(100.13)
Total (C)	-	-	-	(100.13)	-	(100.13)
Balance as at 31st March, 2021 (D) = (A+B+C)	4.25	66.98	327.90	13,935.06	8.12	14,342.32
Addition during the year:						
Profit for the period	-	-	-	2,124.40	-	2,124.40
Items of OCI for the year, net of tax-						
Remeasurement benefit of defined benefit plans	-	-	-	(64.07)	-	(64.07)
Net fair value gain on investment in equity instruments through OCI	-	-	-	-	40.21	40.21
Total Comprehensive Income for the year 2021-22 (E)	-	-	-	2,060.32	40.21	2,100.53
Reductions during the year:						
Dividends (Refer Note 33)	-	-	-	(440.55)	-	(440.55)
Total (F)	-	-	-	(440.55)	-	(440.55)
Balance as at 31st March, 2022 (G) = (D+E+F)	4.25	66.98	327.90	15,554.84	48.33	16,002.30

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)
Sd/-
M. S. SHAH
Partner
Membership No. 044093
Place : Ahmedabad
Date : May 23,2022

For and on behalf of the Board of Directors of Mazda Limited

Sd/-
Percy Avari
Whole-Time Director
(DIN: 00499114)
Sd/-
Cyrus Bhagwagar
Chief Financial Officer

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)
Sd/-
Nishith Kayasth
Company Secretary



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022

(Amt in ₹ Lacs)

	Particulars	Year 2021-22	Year 2020-21
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit Before tax	2,764.96	2,209.07
	Adjustment for :		
	Finance Costs	67.23	71.19
	Depreciation and Amortisation	241.63	326.88
	Interest/Dividend received	(4.08)	(4.91)
	Rent Income	(2.95)	-
	Net (Gain) on sale of investment measured at FVTPL	(55.18)	(35.10)
	Net (Gain) on fair valuation of investment at FVTPL	(137.21)	(149.38)
	Net unrealised exchange (gain) / loss	(9.58)	(20.21)
	Bad Debts written off / written back	(76.21)	(4.09)
	(Profit)/Loss on Sale of property, plant and equipment (Net)	1.93	1.47
	Operating Profit before Working Capital Changes	2,790.53	2,394.93
	Adjustment for :		
	(Increase) / Decrease in Trade Receivables	(913.64)	189.59
	(Increase) / Decrease in Other Financial Assets	(4.13)	2.31
	(Increase) / Decrease in Inventories	(582.52)	928.76
	(Increase) / Decrease in Other assets	(83.15)	30.27
	Increase / (Decrease) in Trade payables	354.41	(673.26)
	Increase / (Decrease) in other financial liabilities	61.37	2.16
	Increase / (Decrease) in Provisions	(91.62)	(30.61)
	Increase / (Decrease) in other liabilities	(170.50)	(186.29)
	Cash generated from Operating activities	1,360.74	2,657.85
	Direct Taxes (Paid)/Net of Refund	(521.11)	(660.22)
	Net Cash from/(used) in Operating Activities (A)	839.63	1,997.63
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchases of Property, Plant and equipment including Capital Work in Progress and capital advances	(1,584.68)	(994.65)
	Proceeds from sale of property, plant and equipment (Net)	0.07	6.04
	Interest/Dividend received	1.16	1.98
	Rent Income	2.76	-
	Purchases of Investments	(1,194.49)	(1,900.00)
	Sale of Investments	2,277.12	910.22
	Net Cash from Investing Activities (B)	(498.06)	(1,976.42)



(Amt in ₹ Lacs)			
	Particulars	Year 2021-22	Year 2020-21
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Increase / (Decrease) of Short Term Borrowings, net	(19.92)	-
	Increase / (Decrease) of Long Term Borrowings, net	(48.68)	0.61
	Principal Payment of lease liabilities	(33.35)	(36.12)
	Interest paid on lease liabilities	(5.45)	(7.68)
	Other Finance cost paid	(61.79)	(63.51)
	Dividend Paid	(440.55)	(100.13)
	Net Cash (used) in Financing Activities (C)	(609.74)	(206.83)
	NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(268.17)	(185.62)
	Cash & Cash Equivalents at the beginning of the year	716.38	901.34
	Unrealised Gain/(Loss) on foreign currency Cash and Cash Equivalents	(3.22)	0.66
	Cash & Cash Equivalents at the end of the year	445.00	716.38

Notes :

(a) Cash and cash equivalents included in the Statement of Cash Flows comprise the following :

(Amt in ₹ Lacs)			
	Particulars	As at 31st March, 2022	As at 31st March, 2021
	Balance with Banks:		
	-Current Accounts	98.97	602.74
	-Exchange Foreign Currency Account	339.87	109.52
	Cash on hand	6.15	4.12
	Cash and Cash Equivalent in Cash Flow Statement	445.00	716.38

(b) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind-As-7)- Statement of Cash Flow.

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)

Sd/-
M. S. SHAH
Partner

Membership No. 044093
Place : Ahmedabad
Date : May 23,2022

For and on behalf of the Board of Directors of Mazda Limited

Sd/-
Percy Avari
Whole-Time Director
(DIN: 00499114)

Sd/-
Cyrus Bhagwagar
Chief Financial Officer

Sd/-
Mohib Khericha
Chairman
(DIN: 00010365)
Sd/-
Nishith Kayasth
Company Secretary



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

COMPANY BACKGROUND

Mazda Limited (the 'Company') is a public limited company and incorporated in 1990 under provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing of Engineering goods like Vacuum Products, Evaporators, Pollution Control Equipments and Manufacturing of Food Products like Food colour, Various Fruit Jams & Fruit mix Powders etc. The Company sells its products in the domestic as well as export markets. The equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange Limited (NSE).

1. SIGNIFICANT ACCOUNTING POLICIES:

1.1. Basis of preparation of financial statements

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ("Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities (including Derivative Instrument) that are measured at fair values and Defined benefit planned assets measured at fair value at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

(ii) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/materialized.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

(iii) Current / Non- Current Classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III to the Companies Act, 2013.

(iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lacs as per the requirement of Schedule III, unless otherwise stated.

1.2. Property, Plant and Equipment

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

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

The cost of an item of property, plant and equipment comprises of its purchase price including import duties and other non refundable purchase taxes or levies, directly attributable cost of bringing the asset to its working condition for its intended use and the initial estimate of decommissioning, restoration and similar liabilities, if any. Any trade discounts and rebates are deducted in arriving at the purchase price. Cost includes cost of replacing a part of a plant and equipment if the recognition criteria are met. Expenses directly attributable to new manufacturing facility during its construction period are capitalized if the recognition criteria are met. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of fixed assets outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on each part of an item of property, plant and equipment is provided using the Straight-Line Method based on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets is



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

determined as prescribed in Schedule II of Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Derecognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss when the item is derecognized.

1.3. Intangible Assets

Intangible assets are initially recognized at cost. Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Amortization

Intangible Assets with finite lives are amortized on a Straight-Line basis over the estimated useful economic life. The amortization expense on intangible assets with finite lives is recognized in the Statement of Profit and Loss. The estimated useful life of intangible assets is mentioned below:

Computer Software	5 Year
Licenses & Commercial Rights	7-12 Year
Trade Mark	10 Year

The amortization period and the amortization method for an intangible asset with finite useful life is reviewed at the end of each financial year. If any of these expectations differ from previous estimates, such change is accounted for as a change in an accounting estimate.

Derecognition

The carrying amount of an intangible asset is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognized in the Statement of Profit and Loss when the asset is derecognized.

Research and Development

Expenditure on research is recognised as an expense when it is incurred. Expenditure on development which does not meet the criteria for recognition as an intangible asset is recognised as an expense when it is incurred.

Items of property, plant and equipment and acquired Intangible Assets utilized for Research and Development are capitalised and depreciated in accordance with the policies stated for Property, Plant and Equipment and Intangible Assets.

1.4. Investment Property

Properties that are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the company, are classified as Investment Property. These are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure related to investment properties are added to its book value 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.

Investment properties are depreciated using the Straight Line Method on the useful life of the asset as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013. The estimate of the useful life of the assets is determined as prescribed in Schedule II of Companies Act, 2013.

1.5. Impairment

Assets that have an indefinite useful life, for example goodwill, are not subject to amortization and are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Assets that are subject to depreciation are reviewed for impairment, whenever events or changes in circumstances indicate that carrying amount may not be recoverable. Such circumstances include, though are not limited to, significant or sustained decline in revenues or earnings and material adverse changes in the economic environment.

An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit (CGU) exceeds its recoverable amount. The recoverable amount of an asset is the greater of its fair value less cost to sell and value in use. To calculate value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market rates and the risk specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the CGU to which the asset belongs. Fair



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

value less cost to sell is the best estimate of the amount obtainable from the sale of an asset in an arm's length transaction between knowledgeable, willing parties, less the cost of disposal.

Impairment losses, if any, are recognized in the Statement of Profit and Loss and included in depreciation and amortization expense. Impairment losses are reversed in the Statement of Profit and Loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

1.6. Lease

The Company as lessee

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

- the contract conveys the right to use an identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the identified asset.

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

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Lease payments to be made under such reasonably certain extension options are included in the measurement of ROU assets and lease liabilities.

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

Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and restoration costs.

They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated on a straight-line basis over the asset's useful life or the lease whichever is shorter.

Impairment of ROU assets are in accordance with the Company's accounting policy for impairment of tangible and intangible assets.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Company as a Lessor

Leases in which the company does not substantially transfer all the risks and rewards incidental to ownership of an asset are classified as an operating lease. Rental income arising on such leases is accounted for on a straight-line basis over the lease terms. Initial direct cost in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

1.7. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

A financial asset is recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through statement of profit and loss, transaction costs that are directly



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

attributable to the acquisition or issue of the financial asset.

Subsequent measurement

For purpose of subsequent measurement, financial assets are classified into:

- Financial assets measured at amortised cost;
- Financial assets measured at fair value through other comprehensive income (FVTOCI);
- Financial assets measured at fair value through statement of profit and loss (FVTPL)

The Company classifies its financial assets in the above-mentioned categories based on:

- The Company's business model for managing the financial assets;
- The contractual cash flows characteristics of the financial asset.

Financial assets measured at amortised cost

This category generally applies to trade and other receivables.

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

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows;
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

Financial assets measured at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting the contractual cash flows and selling financial assets;
- The asset's contractual cash flows represent SPPI.

Financial assets measured at fair value through the statement of profit and loss (FVTPL)

FVTPL is a residual category. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

Equity Instruments

All the equity instruments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL.

If the company decides to classify an equity instrument as at FVTOCI, then all the fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within FVTPL category are measured at fair value with all the changes recognized in statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e., removed from the Company's balance sheet) when:

- The contractual rights to the cash flows from the financial asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

In accordance with Ind AS 109, the Company assesses impairment based on expected credit loss (ECL) model to the



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

following:

- a. Financial assets measured at amortised cost;
- b. Financial assets measured at fair value through other comprehensive income

Expected credit losses are measured through a loss allowance at an amount equal to:

- a. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b. Full time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows simplified approach for recognition of impairment loss allowance on trade receivables, under the simplified approach; the Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable which is adjusted for management's estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through statement of profit and loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and short-term borrowings.

Subsequent measurement

- a. Financial liabilities measured at amortised cost;
- b. Financial liabilities subsequently measured at fair value through statement of profit and loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through statement of profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Trade and other payables

These amounts represent liability for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Fair Value

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

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

The 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 best economic interest.

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

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

- Level 1 - Quoted (unadjusted) 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.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

1.8. Derivative financial instruments and Hedge Accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

1.9. Inventories

Raw materials, work-in-progress, finished goods, packing materials, stores, spares, components and consumables are carried at the lower of cost or net realizable value. Goods-in-Transit are stated at cost. However, materials and other items held for use in production of inventories are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The comparison of cost and net realizable value is made on an item-by item basis.

In determining the cost of raw materials, packing materials, stock-in-trade, stores, spares, components and consumables, FIFO method is used. Cost of inventory comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of raw materials, packing materials, an appropriate share of fixed and variable production overheads, and other costs incurred in bringing the inventories to their present location and condition. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

1.10. Revenue Recognition

Revenue from contracts with customers is recognized on transfer of control of promised goods or services to a customer at an amount that reflects the consideration to which the Company is expected to be entitled to in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognized only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of products:

Revenue from sale of products is recognized when the control on the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customers either at factory gate of the Company or specific location of the customer or when the goods are handed over to the freight carrier, as per the terms of the contract.

Revenue from services:

Revenue from services is recognized over time by measuring progress towards satisfaction of performance obligation for the services rendered.

Interest and dividends:

Interest income is recognized using effective interest method. Dividend income is recognized when the right to receive dividend is established.

Rental Income:

Rental income arising from operating lease of investment properties are accounted on straight line basis over the lease term.

Other Operating Revenue -Export Incentive:

Export Incentives are recognized as income when right to receive credit as per the terms of the scheme is established in respect of the exports made and when there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

1.11. Segment Reporting

The Chief Operational Decision Maker (CODM) monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company, and makes strategic decisions; hence the Board of Directors are CODM. Refer note 39 for segment related information.

1.12. Borrowing Costs

Interest and other borrowing costs attributable to qualifying assets are capitalised. Other interest and borrowing costs are charged to Statement of Profit and Loss.

1.13. Earnings per Share

Basic earnings per share

Basic EPS amounts are calculated by dividing the profit or loss for the year attributable to equity holders of the Company by the weighted average number of Equity Shares outstanding during the year.

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit or loss for the year attributable to the equity holders of the Company by weighted average number of Equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential Equity shares in to Equity shares.

1.14. Foreign Currency Translation

Functional and presentation currency:

The financial statements are presented in Indian rupee (INR), which is Company's functional and presentation currency.

Initial Recognition:

On initial recognition, transactions in foreign currencies entered into by the Company are recorded in the functional currency (i.e., Indian Rupees), by applying to the foreign currency amount, the spot exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

Transactions and balances:

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates. 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.

Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

1.15. Income Taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current tax:

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961.

Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

Deferred tax:

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit under Income Tax Act, 1961.

Deferred tax liabilities are generally recognized for all taxable temporary differences. However, in case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax liabilities are not recognized. Also, for temporary differences if any that may arise from initial recognition of goodwill, deferred tax liabilities are not recognized.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary difference can be utilized. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow the benefits of part or all of such deferred tax assets to be utilized.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted by the Balance Sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/ expense are recognized in Other Comprehensive Income.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

1.16. Provisions and Contingent Liabilities

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated.

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

1.17. Employee Benefits

(1) Short Term Employee Benefits:

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus, short term compensated absences, ex-gratia, etc. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

(2) Other long-term employee benefit obligations:

Entitlements to annual leave and sick leave are recognized when they accrue to employees. Sick leave can only be availed while annual leave can either be availed or encashed subject to a restriction on the maximum number of accumulations of leave. The Company determines the liability for such accumulated leaves using the Projected Accrued Benefit method with actuarial valuations being carried out at each Balance Sheet date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

(i) Defined Privilege Leave Benefit plan

Entitlements to annual leave, which are expected to be availed and encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of leave encashment as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Leave encashment, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long-term employee benefits.

The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

(3) Post-Employment Benefits:

(i) Defined Contribution plans:

Defined contribution plans are employee state insurance scheme and Government administered pension fund scheme for all applicable employees and superannuation scheme for eligible employees.

Provident Fund scheme:

Defined Contribution Plans such as Provident Fund etc., are charged to the Statement of Profit and Loss as incurred. The contributions are made to a government administered Provident Fund towards which the Company has no further obligations beyond its monthly contributions.

Recognition and measurement of defined contribution plans:

The Company recognizes contribution payable to a defined contribution plan as an expense in the Statement of Profit and Loss when the employees render services to the Company during the reporting period. If the contributions payable for services received from employees before the reporting date exceed the contributions already paid, the deficit payable is recognized as a liability after deducting the contribution already paid.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

If the contribution already paid exceeds the contribution due for services received before the reporting date, the excess is recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund.

(ii) Defined Benefit plans:

Defined Benefit Gratuity plan:

The Company has funded its gratuity liability with Aviva Life Insurance Company India Limited.

Recognition and measurement of Defined Benefit plans:

The cost of providing defined benefits is determined using the Projected Unit Credit method with actuarial valuations being carried out at each reporting date. The defined benefit obligations recognized in the Balance Sheet represent the present value of the defined benefit obligations as reduced by the fair value of plan assets, if applicable. Any defined benefit asset (negative defined benefit obligations resulting from this calculation) is recognized representing the present value of available refunds and reductions in future contributions to the plan.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability / (asset) are recognized in the Statement of Profit and Loss. Remeasurements of the net defined benefit liability / (asset) comprising actuarial gains and losses and the return on the plan assets (excluding amounts included in net interest on the net defined benefit liability/asset), are recognized in Other Comprehensive Income. Such remeasurements are not reclassified to the Statement of Profit and Loss in the subsequent periods.

The Company presents the above liability/(asset) as current and non-current in the Balance Sheet as per actuarial valuation by the independent actuary; however, the entire liability towards gratuity is considered as current as the Company will contribute this amount to the Aviva Life Insurance Company India Limited within the next twelve months.

1.18. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments net of bank overdrafts which are repayable on demand as these form an integral part of the Company's cash management.

1.19. Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

1.20. Key Accounting Estimates and Judgments

The preparation of the Company's financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Critical accounting estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Income taxes

The Company's tax jurisdiction is India. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions (Refer Note 30).

Property, Plant and Equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

Defined Benefit Obligation

The costs of providing gratuity and other post-employment benefits are charged to the Statement of Profit and Loss in accordance with Ind AS 19 'Employee benefits' over the period during which benefit is derived from the employees' services. The costs are assessed on the basis of assumptions selected by the management. These assumptions include salary escalation rate, discount rates, expected rate of return on assets and mortality rates. The same is disclosed in Note 36, 'Employee benefits'.

Fair value measurement of Financial Instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgments and assumptions.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

(Amt in ₹ Lacs)

Particulars	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Balance as at April 1, 2021	Additions during the year	Deductions during the year	Balance as at April 1, 2021	Depreciation during the year	Deductions during the year	Balance as at March 31, 2022	Balance as at March 31, 2021
Land	1,143.44	-	-	-	-	-	1,143.44	1,143.44
Buildings*	2,002.29	26.68	312.54	479.49	52.40	14.27	1,198.81	1,522.79
Plant and Machineries	1,408.27	54.39	10.75	908.39	53.60	10.14	500.07	499.89
Furniture, Fixtures	205.81	26.82	-	145.91	8.73	-	78.00	59.91
Vehicles	202.31	30.40	-	100.71	18.54	-	113.45	101.60
Office Equipment	126.24	6.68	1.09	102.90	5.46	1.04	24.51	23.34
Computers	191.87	15.41	26.74	175.83	6.49	25.41	23.63	16.04
Patterns	6.47	-	-	2.85	0.40	-	3.22	3.62
Electrical Installation	181.66	6.11	-	143.42	5.55	-	38.80	38.25
Total Property, Plant & Equipment	5,468.36	166.49	351.12	2,059.50	151.16	50.86	3,123.93	3,408.87
Capital Work-in-Progress	-	-	-	-	-	-	4,004.36	2,480.05

Particulars	Gross Carrying Value			Accumulated Depreciation			Net Carrying Value	
	Balance as at April 1, 2020	Additions during the year	Deductions during the year	Balance as at April 1, 2020	Depreciation during the year	Deductions during the year	Balance as at March 31, 2021	Balance as at March 31, 2020
Land	1,143.44	-	-	-	-	-	1,143.44	1,143.44
Buildings	1,600.34	401.94	-	438.22	41.27	-	479.49	1,162.12
Plant and Machineries	1,367.70	40.57	-	812.04	96.35	-	908.39	555.66
Furniture, Fixtures	178.48	27.34	-	138.61	7.30	-	145.91	39.87
Vehicles	185.42	27.24	10.35	88.23	15.37	2.89	100.71	97.19
Office Equipment	113.49	13.63	0.88	98.88	4.85	0.83	102.90	14.61
Computers	187.88	4.16	0.17	170.24	5.75	0.16	175.83	17.64
Patterns	6.47	-	-	2.45	0.40	-	2.85	4.02
Electrical Installation	166.85	14.81	-	136.89	6.53	-	143.42	29.96
Total Property, Plant & Equipment	4,950.07	529.69	11.40	1,885.57	177.82	3.89	2,059.50	3,408.87
Capital Work-in-Progress	-	-	-	-	-	-	2,480.05	1,704.06

(i) The amount of contractual commitments for the acquisition of property, plant and equipment is disclosed in Note 34 (b).

(ii) Information on property, plant and equipment Pledge/Hypothecation as security by the company (Refer Note 15).

(iii) *During the year, transfer has been made from Building to Investment property at carrying amount due to change in usage.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Ageing schedule of Capital WIP

(Amt in ₹ Lacs)

	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 Years	2-3 Years	More than 3 years	
Capital WIP Ageing Schedule as on 31.03.2022					
Projects in Progress	1,524.32	1,213.00	906.35	360.70	4,004.36
Capital WIP Ageing Schedule as on 31.03.2021					
Projects in Progress	1,213.00	906.35	360.70	-	2,480.05

There are no Capital work in Progress where completion is overdue against planned timelines or where estimated cost exceeded its original planned costs as on 31st March 2022 & 31st March 2021.

NOTE : 3 INVESTMENT PROPERTY

(Amt in ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Gross carrying amount		
Building		
Opening Balance	-	-
Re-Classification from Property, Plant & Equipment	312.54	-
Additions	2.52	-
Deductions	-	-
Closing Balance (A)	315.06	-
Depreciation		
Opening Balance	-	-
Re-Classification from Property, Plant & Equipment	14.27	-
Additions	1.77	-
Deductions	-	-
Closing Balance (B)	16.04	-
Net carrying amount (A-B)	299.02	-

Disclosure pursuant to Ind AS 40 "Investment Property"

(i) Amount recognised in the statement of Profit and Loss for Investment Property

(Amt in ₹ Lacs)

PARTICULARS	2021-22	2020-21
Rental income derived from Investment Properties	2.89	-
Direct operating expenses pertaining to investment property that generated rental income	(0.64)	-
Direct operating expenses pertaining to investment property that did not generate rental income	-	-
Profit from Investment Properties before depreciation	2.26	-
Depreciation	(1.77)	-
Profit from investment properties	0.49	-

(ii) Rental income/Direct operating expenses considered in the table above is from the date of transfer from Property, Plant & Equipment to Investment Property.

(iii) The Company has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop Investment Properties as at the year end.

(iv) Fair Value

(Amt in ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Investment property	327.00	-

Estimation of fair value

The best evidence of fair value is current prices in an active market for similar properties. Since investment properties leased out by the Company are cancellable and non-cancellable leases, the market rate for sale/purchase of such premises are representative of fair values. Company's investment properties are at a location where active market is available for similar kind of properties. Hence fair value is ascertained on the basis of market rates prevailing for similar properties in those location determined by an independent registered valuer, as defined under Rule 2 of The Companies (Registered Valuers and Valuation) Rules 2017, and consequently classified as a level 2 valuation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 4 : INTANGIBLE ASSETS

(Amt in ₹ Lacs)

Particulars	Gross Carrying Value			Accumulated Amortisation			Net Carrying Value		
	Balance as at April 1, 2021	Additions during the year	Deductions during the year	Balance as at March 31, 2022	Balance as at April 1, 2021	Amortisation during the year	Deductions during the year	Balance as at March 31, 2022	Balance as at March 31, 2021
Computer software	17.54	0.66	0.75	17.44	9.48	3.46	0.75	12.18	5.25
Licenses & Commercial Rights *	602.04	12.04	602.04	12.04	552.20	50.54	602.04	0.70	11.34
Trademark	2.52	-	-	2.52	0.05	0.25	-	0.30	2.22
Total Intangible Assets	622.09	12.69	602.79	32.00	561.73	54.25	602.79	13.19	18.81
									60.36

Particulars	Gross Carrying Value			Accumulated Amortisation			Net Carrying Value		
	Balance as at April 1, 2020	Additions during the year	Deductions during the year	Balance as at March 31, 2021	Balance as at April 1, 2020	Amortisation during the year	Deductions during the year	Balance as at March 31, 2021	Balance as at March 31, 2020
Computer software*	131.76	-	114.23	17.54	120.15	3.55	114.23	9.48	11.61
Licenses & Commercial Rights *	631.03	-	28.99	602.04	475.36	105.83	28.99	552.20	49.84
Trademark	-	2.52	-	2.52	-	0.05	-	0.05	2.47
Total Intangible Assets	762.79	2.52	143.22	622.09	595.52	109.44	143.22	561.73	167.28

* During the year company has deducted already fully amortised assets from its Gross Block & from Accumulated Depreciation



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE : 5 RIGHT OF USE ASSETS

(Amount In ₹ Lacs)

RIGHT OF USE ASSETS	BUILDING
COST	
At 1st April 2020	104.63
Additions during the year	35.30
At 31st March 2021	139.93
Additions during the year	-
At 31st March 2022	139.93
ACCUMULATED DEPRECIATION	
At 1st April 2020	40.15
Additions during the year	39.63
At 31st March 2021	79.78
Additions during the year	34.45
At 31st March 2022	114.23
Net carrying value as at 31st March 2022	25.70
Net carrying value as at 31st March 2021	60.15

NOTE 6 : INVESTMENTS

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Non-Current Investments		
(A) Investments in Equity Instruments at fair value through Other Comprehensive Income (FVTOCI)		
Quoted Equity Shares		
Chartered Capital and Investment Limited (Face Value of ₹10 Each) (Nos: CY : 94,564; PY : 45,732)	96.17	24.40
Total Quoted Equity Shares	96.17	24.40
(B) Investments in Equity Instruments at fair value through profit & Loss Account (FVTPL)		
Unquoted Equity Shares		
Bombay Mercantile Co-Op Banks Ltd (Nos: CY : 100; PY : 100)	0.03	0.03
Total Unquoted Equity Shares	0.03	0.03
Total Investments in Equity Instruments	96.20	24.43
(C) Investments in Mutual Funds at fair value through Profit & Loss Account (FVTPL)		
Quoted Mutual Funds		
Units of ₹ 10 Each , unless otherwise specified		
Franklin India Credit Risk Fund Growth (Nos: CY : 45,47,438 ; PY : 63,28,975)	43.91	367.28
Franklin India Dynamic Accrual Growth (Nos: CY : 9,63,928 ; PY : 13,01,941)	17.20	219.72
Total Investments in Mutual Funds -Quoted	61.11	587.01
Aggregate amount of Unquoted Investments -At Cost	0.03	0.03
Aggregate amount of Quoted Investments -At Cost	84.13	504.08
Aggregate amount of Quoted Investments -At Market Value	157.28	611.41



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
<u>Current Investments</u>		
Investments in Mutual Funds at fair value through Profit & Loss Account (FVTPL)		
Quoted Mutual Funds		
BSL Corporate Bond Fund Account (Nos: CY : 16,92,821 ; PY : 16,92,821)	2.75	6.74
SBI Corporate Bond Funds * (Nos: CY : 10,52,259; PY : 10,52,259)	380.47	360.43
ICICI Prudential Credit Risk Fund-Growth (Nos: CY : 16,13,014; PY : 16,13,014)	406.08	380.53
ICICI Prudential Liquid Fund (Nos: CY : 0 ; PY : 1,89,933)	-	575.62
HDFC Floating Rate Debt Fund (Nos: CY : 0 ; PY : 5,29,714)	-	200.82
HDFC Medium Term Debt Fund (Nos: CY : 18,47,822 ; PY : 11,69,513)	845.45	506.96
ICICI Prudential Floating Interest Fund (Nos: CY :64,905.95 ; PY : 1,54,530)	218.95	500.20
ICICI Prudential Medium Term Fund (Nos: CY :23,47,728 ; PY : 8,92,682)	839.58	302.95
SBI Banking & PSU Fund (Nos: CY : 0 ; PY : 21,118)	-	517.59
Axis Liquid Fund - Direct Growth (Nos: CY : 350 ; PY : 0)	8.27	-
Axis Midcap Fund -Direct Plan Growth (Nos: CY : 8,928 ; PY : 0)	6.74	-
ICICI Prudential Liquid Fund -Direct Plan Growth (Nos: CY : 2,624 ; PY : 0)	8.27	-
ICICI Prudential NIFTY Low Vol 30 (Nos: CY : 58,501 ; PY : 0)	6.66	-
Invesco India Liquid Fund -Direct Plan Growth (Nos: CY :283 ; PY : 0)	8.27	-
Invesco India Small Cap Fund (Nos: CY : 30,376 ; PY : 0)	6.70	-
Parag Parikh Flexi Cap Fund (Nos: CY: 5,514; PY : 0)	2.90	-
Parag Parikh Liquid Fund Direct Plan Growth (Nos: CY : 504 ; PY : 0)	6.00	-
PGIM India Liquid Fund -Direct Plan Growth (Nos: CY:2,164 ; PY : 0)	6.00	-
PGIM India Midcap Opportunity Fund (Nos: CY: 18,836 ; PY : 0)	8.83	-
SBI Magnum Low Duration Fund (Nos: CY :7,024 ; PY : 0)	199.99	-
Total Investments in Mutual Funds -Quoted	2,961.93	3,351.85
Aggregate amount of Quoted Investments -At Cost	2,630.14	3,108.58
Aggregate amount of Quoted Investments -At Market Value	2,961.93	3,351.85
* Lien has been marked on SBI Corporate Bond Funds is towards margin money for performance bank guarantee limit of ₹ 18.00 crore sanctioned by State Bank of India.		
Refer Note 31 for information about fair value measurement, credit risk and market risk of investments.		
NOTE 7 : LOANS		
<u>Non current loans</u>		
Unsecured and Considered good		
Loan to Employees	-	2.25
Loan to others	0.43	-
TOTAL	0.43	2.25
<u>Current loans</u>		
Unsecured and Considered good		
Loan to Employees	3.83	3.07
Loan to others	0.43	-
TOTAL	4.26	3.07
* Refer Note 31 for information about credit risk and market risk for loans.		



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
NOTE 8 : OTHER FINANCIAL ASSETS		
<u>Other Non Current Financial Assets</u>		
Unsecured and Considered good		
Security Deposits with Related Parties (Refer Note 38)	50.00	47.08
Security Deposits	75.86	75.99
TOTAL	125.86	123.06
<u>Other Current Financial Assets</u>		
Foreign exchange forward contracts	4.89	-
Interest accrued on deposits	0.92	0.93
TOTAL	5.81	0.93
NOTE 9 : INCOME TAX ASSETS (NET)		
Advance Payment of Income Tax (Net of Provisions)	-	80.55
TOTAL	-	80.55
NOTE 10 : OTHER ASSETS		
<u>Other Non Current Assets</u>		
Capital advances	47.18	121.09
Employee benefit assets (Refer note 36)	63.86	32.55
Prepaid Expenses	3.06	1.61
TOTAL	114.11	155.25
<u>Other Current Assets</u>		
Advances to employees	-	0.25
Advance to Suppliers	76.88	120.84
Prepaid Expenses	61.13	38.10
Balance with Statutory Authorities	87.64	17.95
Export Incentive Receivable	2.40	0.51
Other Receivable	0.19	-
TOTAL	228.24	177.65
NOTE 11 : INVENTORIES (At lower of cost or net realisable value)		
Raw Materials and Packing Materials	1,564.38	1,357.07
Work-in-Progress	1,202.09	649.31
Finished Goods	524.03	788.21
Finished Goods in Transit	129.72	58.21
Stores and Spares	44.46	29.34
TOTAL	3,464.67	2,882.15



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
NOTE 12 : TRADE RECEIVABLES		
Secured, considered good	-	-
Unsecured, considered good	4,158.66	3,155.98
Unsecured, considered doubtful	-	-
	4,158.66	3,155.98
Less: Allowances for unsecured doubtful debts	-	-
TOTAL	4,158.66	3,155.98
<p>Refer note 31 for information about credit risk and market risk of trade receivables. No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner, a director or a member.</p>		
(Amount In ₹ Lacs)		
Ageing of Undisputed Trade Receivables (considered good)	Outstanding for following periods from Transaction Date	
	31.03.2022	31.03.2021
Less than 6 months	3,557.60	2,450.77
6 months-1 year	145.37	68.74
1-2 years	165.63	513.34
2-3 years	198.18	74.22
More than 3 years	91.88	48.91
TOTAL	4,158.66	3,155.98
NOTE 13A : CASH AND BANK EQUIVALENTS		
(a) Balances with Banks		
(i) Current Accounts	98.97	602.74
(ii) Exchange Earners Foreign Currency Account	339.87	109.52
(b) Cash on hand	6.15	4.12
TOTAL	445.00	716.38
NOTE 13B : OTHER BALANCES WITH BANKS		
Unpaid Dividend Account	29.31	27.68
TOTAL	29.31	27.68



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 14A : EQUITY SHARE CAPITAL

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Authorised Capital 50,00,000 Equity Shares of ₹ 10 each	500.00 500.00	500.00 500.00
Issued, Subscribed and Fully Paid up Capital 40,05,000 Equity Shares of ₹ 10 each fully paid	400.50 400.50	400.50 400.50

a) Reconciliation of shares outstanding at the beginning and at the end of the year

PARTICULARS	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	Amount in Lacs	No. of Shares	Amount in Lacs
At the beginning of the year	4,005,000	400.50	4,005,000	400.50
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
At the end of the year	4,005,000	400.50	4,005,000	400.50

b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each Equity Shareholder is entitled to one vote per share. In the event of liquidation of the Company, the equity shareholders 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. The final dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

c) Details of Shareholders holding more than 5% equity shares in the Company

Name of the Shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% held	No. of Shares	% held
Equity Shares				
Sorab R. Mody	-	-	13,66,913	34.13%
Shanaya Mody Khatua	12,54,228	31.32%	4,25,622	10.63%
Percy Xerex Avari	4,06,088	10.14%	45,205	1.13%
Croll Reynolds International Inc.	2,89,500	7.23%	2,89,500	7.23%
Sheila Sorab Mody	2,75,700	6.88%	75,700	1.89%

d) Shares held by promoter and promoter group as defined in the Companies Act, 2013 at the end of the year

Name of the Shareholders	As at 31st March, 2022		As at 31st March, 2021		% Change during the year
	No. of Shares	% held	No. of Shares	% held	
Equity Shares					
Sorab R. Mody	-	-	13,66,913	34.13%	(34.13)%
Shanaya Mody Khatua	12,54,228	31.32%	4,25,622	10.63%	20.69%
Percy Xerex Avari	4,06,088	10.14%	45,205	1.13%	9.01%
Sheila Sorab Mody	2,75,700	6.88%	75,700	1.89%	4.99%
Xerxis Avari	100	0.00%	100	0.00%	0.00%
Katty Avari	100	0.00%	100	0.00%	0.00%

e) Details of share bought back for the period of five years immediately preceding Balance sheet Date.

The Company bought back 2,53,000 equity shares of ₹ 10/- each for an aggregate amount of ₹1092 lacs being 5.94 % of total paid up equity share capital at an average price of ₹ 431.70 per equity share. The Equity Shares bought back were extinguished in terms of Regulation 21 read with Regulation 11 of the SEBI Buyback Regulations 2018.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 14B : OTHER EQUITY

(Amount In ₹ Lacs)

OTHER EQUITY	Reserves & Surplus				Equity Instrument through OCI	Total
	Capital Reserve	Capital Redemption Reserve	General Reserve	Retained earnings		
Balance as at April 1, 2020 (A)	4.25	66.98	327.90	12,374.09	8.90	12,782.12
Addition during the year:						
Profit for the period	-	-	-	1,632.89	-	1,632.89
Items of OCI for the year, net of tax-						
Remeasurement benefit of defined benefit plans	-	-	-	28.21	-	28.21
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	(0.78)	(0.78)
Total Comprehensive Income for the year 2020-21 (B)	-	-	-	1,661.10	(0.78)	1,660.32
Reductions during the year:						
Dividends (Refer Note 33)	-	-	-	(100.13)	-	(100.13)
Total (C)	-	-	-	(100.13)	-	(100.13)
Balance as at 31st March, 2021 (D)=(A+B+C)	4.25	66.98	327.90	13,935.06	8.12	14,342.32
Addition during the year:						
Profit for the period	-	-	-	2,124.40	-	2,124.40
Items of OCI for the year, net of tax-						
Remeasurement benefit of defined benefit plans	-	-	-	(64.07)	-	(64.07)
Net fair value loss on investment in equity instruments through OCI	-	-	-	-	40.21	40.21
Total Comprehensive Income for the year 2021-22 (E)	-	-	-	2,060.32	40.21	2,100.53
Reductions during the year:						
Dividends (Refer Note 33)	-	-	-	(440.55)	-	(440.55)
Total (F)	-	-	-	(440.55)	-	(440.55)
Balance as at 31st March, 2022 (G) = (D+E+F)	4.25	66.98	327.90	15,554.84	48.33	16,002.30

Description of nature and purpose of each reserve

General Reserve - General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income.

Capital Reserve - Capital reserve is utilised in accordance with provision of the Companies Act.

Capital Redemption Reserve - Represent reserve created during buy back of Equity Shares and it is a non-distributable reserve.

Equity instruments through other comprehensive income - This represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, under an irrevocable option, net of amounts reclassified to retained earnings when such assets are disposed off.

NOTE 15 : BORROWINGS*

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Non Current Borrowings		
Term Loans		
From Banks	-	48.68
TOTAL	-	48.68
Current Borrowings		
Current Maturities of Long Term Borrowings	-	19.92
TOTAL	-	19.92

*Refer Note 31 for information about liquidity risk.

Notes:

- Car loan(s) secured by hypothecation on the vehicle of the company outstanding balance of ₹48.68 Lacs as at 31st March 2021, have been fully repaid during the current year.
- The Company has not defaulted in the repayment of loans & interest in current and previous year
- Cash credit facility, Export Packing Credit facility from the State Bank of India are secured by the Pledge/Hypothecation of stock, book debts, Plant & Machineries and equitable mortgage of Land and Building situated at Naroda and co-lateral security of premise owned by Mrs .Shanaya Mody Khatua, situated at Odhav GIDC and also personally guaranteed by Mrs. Shanaya Mody Khatua, who is the whole time director of the company.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
NOTE 16 : OTHER FINANCIAL LIABILITIES		
Non Current Financial Liabilities		
Deposits	3.11	-
	3.11	-
Current Financial Liabilities		
Payable to employees (Note 16.1)	228.63	180.81
Payable towards other expenses	41.46	29.37
Payable towards capital expenditure	56.24	8.81
Unclaimed Dividends (Note 16.2)	29.31	27.68
Foreign exchange forward contracts	-	1.66
TOTAL	355.64	248.33
16.1 Payable to employees includes ₹ 131.11 Lacs (31/03/2021 ₹ 82.52 Lacs) to related parties. (Refer Note 38)		
16.2 There is no amount due for the payment to investor education and protection fund as on 31st March 2022.		
NOTE 17 : OTHER LIABILITIES		
Non Current		
Other Non Current Liabilities	0.40	-
	0.40	-
Current		
Statutory Liabilities #	45.49	111.35
Advance from Customers	540.36	645.64
Other Current Liabilities	0.23	-
TOTAL	586.08	756.99
# Statutory liabilities represent amount payable towards GST, TDS etc.		
NOTE 18 : DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liabilities		
Property, plant and equipment - difference between value of assets as per book base and tax base	150.20	141.67
Difference in carrying value and tax base of investment measured at FVTPL	43.13	49.23
Provision for employee benefits	11.99	2.60
Unrealised gain on outstanding forward exchange contract	1.23	-
Difference in carrying value and tax base of investment measured at FVTOCI	5.98	-
Others	3.82	3.08
Total Deferred Tax Liabilities (A)	216.35	196.58
Deferred Tax Asset		
Difference in Right-of-use asset and lease liabilities	4.31	4.03
Unrealised loss on outstanding forward exchange contract	-	0.42
Total Deferred Tax Assets (B)	4.31	4.45
TOTAL (A-B)	212.04	192.13

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



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(i) Movements in Deferred Tax Assets and (Liabilities) during the year ended March 31, 2022

(Amount In ₹ Lacs)

PARTICULARS	Balance Sheet	Profit & loss	OCI	Balance Sheet
	01.04.2021	2021-22	2021-22	31.03.2022
Property, plant and equipment - difference between value of assets as per book base and tax base	(141.67)	(8.53)	-	(150.20)
Difference in carrying value and tax base of investment measured at FVTPL	(49.23)	6.10	-	(43.13)
Difference in carrying value and tax base of investment measured at FVTOCI	-	-	(5.98)	(5.98)
Unrealised gain/loss on outstanding forward contract	0.42	(1.65)	-	(1.23)
Provision for employee benefits	(2.60)	(30.94)	21.55	(11.99)
Others	(3.08)	(0.74)	-	(3.82)
Difference in Right-of-use asset and lease liabilities	4.03	0.28	-	4.31
Deferred Tax (Expenses)/benefit	-	(35.48)	15.57	-
Net Deferred Tax Liabilities	(192.13)	-	-	(212.04)

(ii) Movements in Deferred Tax Assets and (Liabilities) during the year ended March 31, 2021

(Amount In ₹ Lacs)

PARTICULARS	Balance Sheet	Profit & loss	OCI	Balance Sheet
	01.04.2020	2020-21	2020-21	31.03.2021
Property, plant and equipment - difference between value of assets as per book base and tax base	(157.21)	15.54	-	(141.67)
Difference in carrying value and tax base of investment measured at FVTPL	(42.53)	(6.69)	-	(49.23)
Unrealised gain/loss on outstanding forward contract	1.80	(1.38)	-	0.42
Provision for employee benefits	22.78	(15.90)	(9.49)	(2.60)
Others	(2.26)	(0.83)	-	(3.08)
Difference in Right-of-use asset and lease liabilities	3.15	0.88	-	4.03
Deferred Tax (Expenses)/benefit	-	(8.38)	(9.49)	-
Net Deferred Tax Liabilities	(174.27)	-	-	(192.13)

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
	NOTE 19 : INCOME TAX LIABILITIES (NET)	
Provision for Income Tax (net)	3.43	-
TOTAL	3.43	-
NOTE 20 : TRADE PAYABLES*		
Due to Micro and Small Enterprises(Refer Note 35)	106.33	71.65
Due to others (Note 20.1)	1,453.68	1,133.93
TOTAL	1,560.01	1,205.58

*Refer Note 31 for information about liquidity risk and market risk of trade payables.

20.1 Trade Payable includes ₹ 31.25 Lacs (31/03/2021 ₹ 48.91 Lacs) to related parties.(Refer Note 38)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
(Amount In ₹ Lacs)

Ageing of Undisputed Trade Payables	Outstanding for following periods from Transaction Date	
	31.03.2022	31.03.2021
MSME		
Less than 1 Year	106.33	71.65
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
TOTAL	106.33	71.65
Others		
Less than 1 Year	1,422.64	1,096.23
1-2 years	19.19	18.07
2-3 years	7.06	19.24
More than 3 years	4.79	0.39
TOTAL	1,453.68	1,133.93
PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
NOTE 21 : PROVISIONS		
Provision for Employee Benefits		
Provisions for Gratuity (Refer Note 36)	16.23	22.22
	16.23	22.22
PARTICULARS	31.03.2022	31.03.2021
NOTE 22 : REVENUE FROM OPERATIONS		
Revenue from Sale of Products	16,012.11	15,087.77
Revenue from Sale of Services	354.37	85.44
Other Operating Revenues	132.89	69.26
Total Revenue from Operations	16,499.36	15,242.47
A. Revenue from contracts with customers disaggregated based on nature of products and Services		
Revenue from sale of products		
Manufactured Goods		
Vacuum Systems	5,804.46	5,342.21
Evaporators	2,854.80	3,442.56
B Cool (Food Division)	2,492.72	2,513.33
Condensers	1,909.25	1,283.12
Pollution Control Equip.	320.19	550.00
Vacuum Pumps	613.50	387.03
Thermo Compressors	435.39	263.12
Heater	430.02	461.78
Others (Including Spares)	1,151.79	844.61
TOTAL	16,012.11	15,087.77



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount In ₹ Lacs)

PARTICULARS	31.03.2022	31.03.2021
Revenue from Sale of Services		
<u>Domestic</u>		
Consultancy Income	74.65	56.24
Equipment Repairs Income	41.83	27.08
Erection, Commissioning & Installation Income	236.01	1.65
<u>Exports</u>		
Consultancy Income	1.48	0.46
Equipment Repairs Income	0.40	-
TOTAL	354.37	85.44
Other Operating Revenues		
Sale of Scrap	79.09	45.55
Export incentive income	53.80	23.71
TOTAL	132.89	69.26
Total Revenue from Operations	16,499.36	15,242.47
B. Revenue from contracts with customers disaggregated based on Geography		
Domestic	11,797.47	11,569.42
Exports	4,701.89	3,673.04
Revenue from operations	16,499.36	15,242.47
C. Revenue from contracts with customers disaggregated based on Business Segment		
Engineering Products	13,994.99	12,719.04
Food Products	2,504.37	2,523.43
Revenue from operations	16,499.36	15,242.47
D. Reconciliation of Revenue from operations with contract price		
Contracted price	16,520.63	15,272.93
Export incentive income	53.80	23.71
	16,574.42	15,296.64
Less:-		
Sales returns	12.05	-
Discounts	63.01	54.17
Net Revenue recognised from Contracts with Customers	16,499.36	15,242.47
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers		
E. Contract balances		
Trade receivables	4,158.66	3,155.98
Advances from customers (Refer Note 17)	540.36	645.64



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 23 : OTHER INCOME

(Amount in ₹ Lacs)

PARTICULARS	2021-22	2020-21
Interest Income		
From Others	1.15	1.62
On Financial Assets at Amortised Cost	2.92	3.28
Rent Income	2.95	-
Other Gain & Losses		
Gain on sale of investment measured at FVTPL (Net)	55.18	35.10
Gain on fair valuation of investment measured at FVTPL (Net)	137.21	149.38
Net Foreign exchange Gain	43.19	47.32
Bad Debts written off / written back	76.21	4.09
TOTAL	318.82	240.79

NOTE 24 : COST OF MATERIALS CONSUMED

Inventory at the beginning of the Year	1,357.07	1,776.05
Add: Purchases	8,679.06	7,122.98
	10,036.13	8,899.03
Less: Inventory at the end of the Year	1,564.38	1,357.07
TOTAL	8,471.76	7,541.96

NOTE 25 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Inventory at the end of the Year		
Work-in-progress	1,202.09	649.31
Finished Goods-in-transit	129.72	58.21
Finished Goods	524.03	788.21
	1,855.84	1,495.74
Inventory at the beginning of the Year		
Work-in-progress	649.31	1,102.20
Finished Goods-in-transit	58.21	263.88
Finished Goods	788.21	601.55
	1,495.74	1,967.64
Changes in inventories of finished goods and work-in-progress	(360.10)	471.90

NOTE 26: EMPLOYEE BENEFIT EXPENSES

Salaries, Wages and Bonus	2,009.96	1,716.71
Contribution to Provident and Other Fund (Refer Note 36)	69.96	56.13
Gratuity Expense (Refer Note 36)	40.05	42.71
Staff Welfare Expenses	19.66	15.11
TOTAL	2,139.63	1,830.65

NOTE 27 : FINANCE COSTS

Interest on bank borrowings	2.99	6.69
Interest on lease liabilities	5.45	7.68
Interest on income tax	0.11	5.29
Other borrowing cost	58.69	51.53
TOTAL	67.23	71.19



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 28 : DEPRECIATION AND AMORTISATION EXPENSE

(Amount In ₹ Lacs)

PARTICULARS	2021-22	2020-21
Depreciation of Tangible assets (Refer Note 2)	151.16	177.82
Depreciation of Investment Property (Refer Note 3)	1.77	-
Amortisation of Intangible assets (Refer Note 4)	54.25	109.44
Depreciation of Right of use assets (Refer Note 5)	34.45	39.63
TOTAL	241.63	326.88

NOTE 29 : OTHER EXPENSES

Consumption of Stores & Spares	332.37	245.43
Power and Fuel	72.78	66.25
Labour Charges	1,433.31	1,298.20
Inspection and Testing Charges	47.11	55.60
Other Manufacturing Expense	54.27	52.52
Rent, Rates and Taxes	180.71	170.66
Insurance	136.55	128.47
Repairs and Maintenance - Buildings	7.12	36.57
- Plant & Machineries	21.62	18.25
- Others	26.16	18.25
Travelling and Conveyance	107.01	75.48
Communication Costs	24.02	19.20
Computer Expense	26.66	26.67
Customer Support Service Expenditure	38.44	113.33
Legal and Professional Fees	124.09	118.29
Directors' Sitting Fees	17.10	17.45
Payment to Auditor (Refer note 29.1)	16.50	14.25
Expenditure on Corporate Social Responsibility (CSR) Activities (Refer Note 43)	38.88	32.66
Donations	2.15	1.10
Electricity Expense	8.82	7.47
Loss on disposal of property, plant and equipment	1.93	1.47
Security expense	96.11	91.01
Freight and Forwarding Charges	517.38	305.67
Other Selling and Marketing Expenses	81.39	61.47
Other administrative expenses	80.59	55.86
TOTAL	3,493.08	3,031.61

NOTE 29.1 : Payment to Auditors (Excluding GST)

Statutory Audit Fees	13.00	11.00
Tax Audit Fees	3.50	3.25
TOTAL	16.50	14.25



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 30 : TAX EXPENSES

(Amount In ₹ Lacs)

PARTICULARS	2021-22	2020-21
(a) Tax Expense recognised in the Statement of Profit & Loss		
Current Tax		
Current tax on taxable income for the year	621.00	562.00
Adjustments for the current tax of prior periods	(15.92)	5.81
Total Current Tax Expenses	605.08	567.81
Deferred Tax		
Deferred Tax Charge/(credit)	35.48	8.38
Total Deferred Tax Expenses	35.48	8.38
Total Income Tax Expenses	640.56	576.18
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate		
Profit Before Tax	2,764.96	2,209.07
Tax at the Indian tax rate of 25.168% (previous year - 25.168%)	695.88	555.98
Adjustment for:		
Difference between Book and Tax depreciation	(9.02)	25.05
Donation & CSR Expenses	10.33	8.50
Income from fair valuation of mutual funds	(34.53)	(37.60)
43B items	(30.67)	(2.90)
Deduction u/s chapter VI-A	-	(4.24)
Effect of Income which is taxed at special rates	1.91	5.51
Tax effect on Non-deductible Expenses	1.40	4.78
Other items	(14.30)	6.91
TOTAL	621.00	562.00
Adjustment in respect of current income tax of previous year	(15.92)	5.81
Total Current Tax Expenses	605.08	567.81
Deferred tax expense reported in the statement of P&L	35.48	8.38
Tax Expenses as per Statement of Profit & Loss	640.56	576.18



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
NOTE 31 : FINANCIAL INSTRUMENTS FAIR VALUE AND RISK MEASUREMENTS

A. Financial instruments by category and their fair value

(Amount In ₹ Lacs)

As at 31 March, 2022	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Non current Investment	61.14	96.17	-	157.31	157.28	-	0.03	157.31
Current Investment	2,961.93	-	-	2,961.93	2,961.93	-	-	2,961.93
Non current loans	-	-	0.43	0.43	-	-	-	-
Current loans	-	-	4.26	4.26	-	-	-	-
Non current security deposits	-	-	50.00	50.00	-	-	50.00	50.00
Non current other deposits	-	-	75.86	75.86	-	-	-	-
Other Current Financial Assets	-	-	0.92	0.92	-	-	-	-
Currency forward contracts	4.89	-	-	4.89	-	4.89	-	4.89
Trade receivables	-	-	4,158.66	4,158.66	-	-	-	-
Cash and cash equivalents	-	-	445.00	445.00	-	-	-	-
Bank balances other than above	-	-	29.31	29.31	-	-	-	-
Total financial assets	3,027.96	96.17	4,764.43	7,888.56	3,119.21	4.89	50.03	3,174.13
Financial liabilities								
Non current lease liabilities	-	-	19.84	19.84	-	-	-	-
Current lease liabilities	-	-	7.82	7.82	-	-	-	-
Non Current other Financial liabilities	-	-	3.11	3.11	-	-	-	-
Trade Payable	-	-	1,560.01	1,560.01	-	-	-	-
Other current financial liabilities	-	-	355.64	355.64	-	-	-	-
Total financial liabilities	-	-	1,946.42	1,946.42	-	-	-	-

As at 31 March, 2021	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Non current Investment	587.04	24.40	-	611.44	611.41	-	0.03	611.44
Current Investment	3,351.85	-	-	3,351.85	3,351.85	-	-	3,351.85
Non current loans	-	-	2.25	2.25	-	-	-	-
Current loans	-	-	3.07	3.07	-	-	-	-
Non current security deposits	-	-	47.08	47.08	-	-	47.08	47.08
Non current other deposits	-	-	75.99	75.99	-	-	-	-
Other Current Financial Assets	-	-	0.93	0.93	-	-	-	-
Trade receivables	-	-	3,155.98	3,155.98	-	-	-	-
Cash and cash equivalents	-	-	716.38	716.38	-	-	-	-
Bank balances other than above	-	-	27.68	27.68	-	-	-	-
Total financial assets	3,938.89	24.40	4,029.35	7,992.64	3,963.26	-	47.11	4,010.36
Financial liabilities								
Borrowings								
Non current	-	-	48.68	48.68	-	-	-	-
Current	-	-	19.92	19.92	-	-	-	-
Non current lease liabilities	-	-	27.66	27.66	-	-	-	-
Current lease liabilities	-	-	33.35	33.35	-	-	-	-
Trade Payable	-	-	1,205.58	1,205.58	-	-	-	-
Currency forward contracts	1.66	-	-	1.66	-	1.66	-	1.66
Other current financial liabilities	-	-	246.67	246.67	-	-	-	-
Total financial liabilities	1.66	-	1,581.86	1,583.52	-	1.66	-	1.66



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Types of inputs for determining fair value are as under:

Level 1: This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares, and mutual fund investments. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3.

Financial instruments measured at fair value

Particulars	Fair value hierarchy	Valuation technique	Inputs used
Financial assets measured at fair value through profit and loss			
Foreign Exchange Forward Contracts	Level 2	Market valuation techniques	Derivative Instruments at values determined by counter parties/Banks using market observable data.
Financial liabilities measured at fair value through profit and loss			
Foreign Exchange Forward Contracts	Level 2	Market valuation techniques	Derivative Instruments at values determined by counter parties/Banks using market observable data.
Financial assets measured at amortised cost			
Security Deposits	Level 3	Discounted cash flow	Prevailing interest rates in the market, Future payouts, discounting cash flow

ii) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

iii) Transfer out of Level 3

There were no movement in level 3 in either directions during the financial year ending on 31 March 2022 and 31 March 2021.

C. Financial risk management

The Company's financial liabilities comprise mainly of borrowings, trade payables and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of Directors ('Board') oversee the management of these financial risks. The Risk Management Policy of the Company formulated by the Board, states the Company's approach to address uncertainties in its endeavor to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate financial risks in order to minimize potential adverse effects on the Company's financial performance.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables, loans and derivative financial instruments.

a) Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company has insignificant interest bearing borrowings, the exposure to risk of changes in market interest rates is minimal. The Company has not used any interest rate derivatives.

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company operates, in addition to domestic markets, significantly in international markets through its sales and services in overseas and purchases from overseas suppliers and is therefore exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, GBP and EURO. The Company does not enter into any derivative instruments for trading or speculative purposes.

The Company uses forward exchange contracts, to hedge the effects of movements in exchange rates on foreign currency denominated assets. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies denominated in foreign currency. The Company is also exposed to foreign exchange risk on its exports. Most of these transactions are denominated in US dollars.

Derivative instruments and unhedged foreign currency exposure

(i) Foreign Exchange Forward Contracts outstanding as at the reporting date are as follows: (Amount In Lacs)

	Foreign Currency Denomination	As at 31st March, 2022		As at 31st March, 2021	
		Foreign Currency	MTM Gain/ (Loss)	Foreign Currency	MTM Gain/ (Loss)
Foreign Exchange Forward Contracts to sell USD	USD	10.30	1.69	-	-
Foreign Exchange Forward Contracts to sell GBP	GBP	1.50	3.20	1.75	(1.66)

(ii) Particulars of unhedged foreign currency exposure as at the reporting date are as follows:

Unhedged Exposures	Foreign Currency Denomination	As at 31st March, 2022		As at 31st March, 2021	
		Amount in Foreign Currency	Amount in ₹ Lacs	Amount in Foreign Currency	Amount in ₹ Lacs
Trade Receivable USD	-	-	6.16	452.80	-
Trade Receivable GBP	-	-	0.87	87.58	-
Trade Receivable EURO	-	-	1.22	104.92	-
Trade Payable USD	0.05	4.08	-	-	-
Balance in EEFC Bank Account	USD	2.58	195.28	0.45	33.07
Balance in EEFC Bank Account	GBP	1.45	144.60	0.76	76.45

(iii) Foreign Currency Risk Sensitivity

The Company is mainly exposed to changes in USD, GBP and Euro. The below table demonstrates the sensitivity to a 5% increase or decrease in the USD, GBP and Euro against INR, with all other variables held constant. The sensitivity analysis is prepared on the net unhedged exposure of the Company as at the reporting date. 5% represents management's assessment of reasonably possible change in foreign exchange rate.

A change in Foreign currency would have following Impact on profit before tax

(Amount In ₹ Lacs)

	As at 31st March, 2022		As at 31st March, 2021	
	5% Increase	5% Decrease	5% Increase	5% Decrease
	USD	9.56	(9.56)	24.29
GBP	7.23	(7.23)	8.20	(8.20)
EURO	-	-	5.25	(5.25)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

c) Other Price Risk

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. Other price risk arises from financial assets such as investments in equity instruments. The Company is mainly exposed to the price risk due to its investments in mutual funds recognised at FVTPL. As at 31st March, 2022, the carrying value of the investments in mutual funds amounts to ₹ 3023.04 Lacs (₹ 3938.86 Lacs as at 31st March, 2021). The details of such investments in mutual funds are given in Note 6. The price risk arises due to uncertainties about the future market values of these investments.

The Company is also exposed to price risk arising from investments in equity instruments recognised at FVTOCI. As at 31st March, 2022, the carrying value of such instruments recognised at FVTOCI amounts to ₹ 96.17 Lacs (₹ 24.40 Lacs as at 31st March, 2021). The details of such equity instruments are given in Note 6.

The Company has laid policies and guidelines which it adheres to in order to minimise price risk arising from investments in mutual funds.

The Company is mainly exposed to change in market rates of its investments in mutual funds recognised at FVTPL. A sensitivity analysis demonstrating the impact of change in market prices of these instruments from the prices existing as at the reporting date is given below:

If the prices had been higher/lower by 10% from the market prices existing as at 31st March, 2022. Gain in the Statement of Profit and Loss for the year ended 31st March, 2022 would increase/decrease by ₹ 302.3 Lacs (2020-21 ₹ 393.89 Lacs) with a corresponding increase/decrease in Total Equity of the Company as at 31st March, 2022. 10% represents management's assessment of reasonably possible change in prices.

2) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information. The Company considers Credit risk arises primarily from financial assets such as trade receivables, investment in mutual funds, derivative financial instruments, other balances with banks, loans.

Credit risk arising from investment in mutual funds, derivative financial instruments and other balances with banks is limited and there is no collateral held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the credit rating agencies.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loan 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 measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no provision considered.

Ageing of Trade receivables

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Not Due	2,885.47	1,529.28
2-4 months	492.81	719.36
4-6 months	179.32	202.13
6 months to 12 months	145.37	68.74
beyond 12 months and less than 5 years	435.07	636.46
More than 5 Years	20.62	-
Total	4,158.66	3,155.98

Financial Assets are considered to be of good quality and there is no significant increase in credit risk.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

3) Liquidity Risk

Liquidity risk is the risk that the company will encounter in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The approach of the company to manage liquidity is to ensure, as far as possible, that Company will have sufficient liquidity to meet their respective liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risk damage to their reputation. The company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments.

(Amount In ₹ Lacs)

As at 31st March, 2022	0-3 Months	3 Month to 12 Months	Between 1 to 5 Years	Beyond 5 years	Total
Trade payables	1,547.46	12.55	-	-	1,560.01
Lease liabilities	2.77	5.05	19.84	-	27.66
Other financial liabilities	56.24	299.40	3.11	-	358.75
Total	1,606.47	317.00	22.95	-	1,946.42
As at 31st March, 2021					
Borrowings	5.20	14.71	48.68	-	68.60
Trade payables	1,193.03	12.55	-	-	1,205.58
Lease liabilities	8.28	25.07	27.66	-	61.01
Other financial liabilities	8.81	239.52	-	-	248.33
Total	1,215.32	291.86	76.34	-	1,583.52

NOTE 32 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity shareholders of the Company. The primary objective of the Company when managing capital is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure so as to maximize shareholder value.

As at 31st March, 2022, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or re-investment into business based on its long term financial plans.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

NOTE 32 : DIVIDEND

(Amount In ₹ Lacs)

PARTICULARS	Year 2021-22	Year 2020-21
Dividend on equity shares paid during the year		
Final dividend for the FY 2019-20 [₹ 2.50 (Previous year ₹ 9.00) per equity share of ₹ 10 each]	-	100.13
Final dividend for the FY 2020-21 [₹ 11 (Previous year ₹ 2.50) per equity share of ₹ 10 each]	440.55	-
TOTAL	440.55	100.13

Proposed Dividend:

The Board of Directors at its meeting held on 23rd May, 2022 have recommended a payment of final dividend of ₹ 12.10/- (Twelve rupees and Ten Paise only) per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2022. The same amounts to ₹ 484.61 Lacs.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognised as a liability.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE 34: CONTINGENT LIABILITIES AND COMMITMENTS

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
a. Contingent Liabilities		
Claims against the Company not acknowledged as debts:		
Income Tax matter in dispute under appeal	29.42	37.56
Service tax matter in dispute under appeal	14.17	14.17
TOTAL	43.59	51.74
b. Commitments		
1 Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)		
i) Towards Property, Plant and Equipment	6.28	286.96

NOTE 35 : DISCLOSURE UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006 ARE PROVIDED AS UNDER FOR THE YEAR 2021-22, TO THE EXTENT THE COMPANY HAS RECEIVED INTIMATION FROM THE "SUPPLIERS" REGARDING THEIR STATUS UNDER THE ACT

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
(i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act)		
Principal amount due to micro and small enterprise	106.33	71.65
Interest due on above	-	-
(ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
(iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
(v) 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 enterprises	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022
NOTE 36 : EMPLOYEE BENEFITS

1) Post-employment benefits :

The Company has the following post-employment benefit plans:

1.1) Defined contribution plans

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹ 46.95 Lacs (31st March, 2021 ₹ 48.85 Lacs).

1.2) Defined benefit gratuity plan

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

As per Actuarial Valuation as on 31st March, 2022 and 31st March, 2021 recognised in the financial statements in respect of Gratuity Benefits:

A. Amount recognised in the Balance Sheet

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Gratuity:		
Present value of plan liabilities	749.91	695.57
Fair value of plan assets	733.68	673.35
Deficit/(Surplus) of funded plans	16.23	22.22
Unfunded plans	-	-
Net plan liability/ (Asset)	16.23	22.22

B. Movements in plan assets and plan liabilities

(Amount In ₹ Lacs)

GRATUITY	Year ended 31st March, 2022			Year ended 31st March, 2021		
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net
As at 1st April	673.35	695.57	22.22	587.90	665.10	77.20
Current service cost	-	39.92	39.92	-	38.98	38.98
Interest Income	35.94	-	(35.94)	32.32	-	(32.32)
Interest cost	-	36.07	36.07	-	36.05	36.05
Return on plan assets excluding amounts included in Interest Income	(7.00)	-	7.00	20.26	-	(20.26)
Actuarial loss/(gain) due to change in financial assumptions	-	(22.78)	(22.78)	-	10.39	10.39
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	-	-
Actuarial loss/ (gain) due to experience adjustments	-	101.40	101.40	-	(27.83)	(27.83)
Employer Contribution	131.67	-	(131.67)	60.00	-	(60.00)
Benefits paid	(100.27)	(100.27)	-	(27.13)	(27.13)	-
As at 31st March	733.68	749.91	16.23	673.35	695.57	22.22



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses (Amount In ₹ Lacs)

GRATUITY	As at 31st March, 2022	As at 31st March, 2021
Current service cost	39.92	38.98
Net interest cost	0.14	3.72
Net (Gain)/Loss recognised in the Statement of Profit and Loss	40.05	42.71
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in Interest Income	7.00	(20.26)
Actuarial (gains)/losses arising from changes in financial assumption	(22.78)	10.39
Actuarial (gains)/losses arising from changes in demographic assumption	-	-
Experience (gains)/losses arising on experience adjustments	101.40	(27.83)
Net (Gain)/Loss recognised in the Other Comprehensive Income	85.62	(37.69)

D. Assets (Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
GRATUITY:		
Policy of Insurance	733.68	673.35
TOTAL	733.68	673.35

E. Assumption

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
GRATUITY:		
Discount Rate	6.70% p.a.	6.15% p.a.
Salary Growth Rate	4% p.a.	4% p.a.
Withdrawal Rate	7% p.a.at all ages	7% p.a.at all ages

F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

(Amount In ₹ Lacs)

Increase / (Decrease) in defined benefit obligation	Year ended 31st March, 2022		Year ended 31st March, 2021	
	Define Benefit Obligation(DBO)	Change in DBO %	Define Benefit Obligation(DBO)	Change in DBO %
GRATUITY:				
Discount Rate				
Increase by 0.50%	730.37	(2.61)%	678.44	(2.46)%
Decrease by 0.50%	770.56	2.75%	713.71	2.61%
Salary growth Rate				
Increase by 0.50%	770.97	2.81%	713.98	2.65%
Decrease by 0.50%	729.82	(2.68)%	678.04	(2.52)%
Withdrawal Rate				
Increase by 10%	754.62	0.63%	698.90	0.48%
Decrease by 10%	744.82	(0.68)%	691.82	(0.54)%

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore in presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

G Expected cash flows based on past service liability after year end 31st March, 2022 as follows:

(Amount In ₹ Lacs)

PARTICULARS	As At 31st March, 2022	As At 31st March, 2021
GRATUITY		
2,022	-	217.98
2,023	177.67	56.20
2,024	54.07	41.38
2,025	72.43	57.09
2,026	63.99	53.27
2,027	75.21	-
Thereafter	399.10	304.70

2) Other Long term employee benefits :

2.1) Defined Privilege Leave Benefit plan

Entitlements to annual leave, which are expected to be availed or encashed within 12 months from the end of the year are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of leave encashment as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Entitlements to annual leave, which are expected to be availed or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial losses/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

As per Actuarial Valuation as on 31st March, 2022 and 31st March, 2021 recognised in the financial statements in respect of Privilege Leave Benefit:

A. Amount recognised in the Balance Sheet

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Privilege Leave Benefit:		
Present value of plan liabilities	134.22	124.77
Fair value of plan assets	218.70	177.87
Deficit/(Surplus) of funded plans	(84.48)	(53.10)
Unfunded plans	-	-
Net plan liability/ (Asset)	(84.48)	(53.10)

B. Movements in plan assets and plan liabilities

(Amount In ₹ Lacs)

PRIVILEGE LEAVE BENEFIT	Year ended 31st March, 2022			Year ended 31st March, 2021		
	Plan Assets	Plan Liabilities	Net	Plan Assets	Plan Liabilities	Net
	As at 1st April	177.87	124.77	(53.10)	128.44	123.84
Current service cost	-	16.37	16.37	-	16.21	16.21
Interest Income	13.13	-	(13.13)	9.38	-	(9.38)
Interest cost	-	6.92	6.92	-	7.20	7.20
Return on plan assets excluding amounts included in Interest Income	(5.45)	-	5.45	2.06	-	(2.06)
Actuarial loss/(gain) due to change in financial assumptions	-	(4.85)	(4.85)	-	2.43	2.43
Actuarial loss/(gain) due to change in demographic assumption	-	-	-	-	(2.36)	(2.36)
Actuarial loss/ (gain) due to experience adjustments	-	0.28	0.28	-	(15.24)	(15.24)
Employer Contribution	42.42	-	(42.42)	45.31	-	(45.31)
Benefits paid	(9.27)	(9.27)	-	(7.32)	(7.32)	-
As at 31st March	218.70	134.22	(84.48)	177.87	124.77	(53.10)



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

C. Amount recognised in the Statement of Profit and Loss as Employee Benefit Expenses (Amount In ₹ Lacs)

PRVILEGE LEAVE BENEFIT	As at 31st March, 2022	As at 31st March, 2021
Current service cost	16.37	16.21
Net interest cost	(6.20)	(2.19)
Net value of remeasurements on the obligation and plan assets	0.88	(17.22)
Net (Gain)/Loss recognised in the Statement of Profit and Loss	11.04	(3.19)

D. Assets (Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
PRVILEGE LEAVE BENEFIT		
Policy of Insurance	218.70	177.87
TOTAL	218.70	177.87

E. Assumption

With the objective of presenting the plan assets and plan liabilities of the Privilege defined Leave benefits at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
PRVILEGE LEAVE BENEFIT		
Discount Rate	6.70% p.a.	6.15% p.a.
Salary Growth Rate	4.0% p.a.	4.0% p.a.
Withdrawal Rate	7% p.a.at all ages	7% p.a.at all ages
Leave Availment Rate	0.0% p.a.	0.0% p.a.
Leave Encashment Rate	0.0% p.a.	0.0% p.a.

F. Sensitivity

The sensitivity of the defined benefit obligation to changes in the weighted key assumptions are:

(Amount In ₹ Lacs)

Increase / (Decrease) in defined benefit obligation	Year ended 31st March, 2022		Year ended 31st March, 2021	
	Define Benefit Obligation(DBO)	Change in DBO %	Define Benefit Obligation(DBO)	Change in DBO %
PRVILEGE LEAVE BENEFIT				
Discount Rate				
Increase by 0.50%	130.10	(3.07)%	120.76	(3.21)%
Decrease by 0.50%	138.62	3.27%	129.05	3.43%
Salary growth Rate				
Increase by 0.50%	138.71	3.34%	129.12	3.49%
Decrease by 0.50%	129.98	(3.16)%	120.67	(3.29)%
Withdrawal Rate				
Increase by 10%	135.46	0.92%	125.72	0.77%
Decrease by 10%	132.88	(1.00)%	123.73	(0.84)%

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore in presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

G Expected cash flows based on past service liability after year end 31st March, 2022 as follows:

(Amount In ₹ Lacs)

PARTICULARS	AS AT 31st March, 2022	AS AT 31st March, 2021
PRMILEGE LEAVE BENEFIT		
2,022	-	24.42
2,023	26.68	11.06
2,024	10.42	8.87
2,025	13.21	11.46
2,026	14.31	12.40
2,027	13.62	-
Thereafter	59.06	49.80

2.2) Sick Leave assumptions

The liability towards compensated absences (sick leave) for the year ended 31st March, 2022 based on actuarial valuation carried out by using Projected Unit credit Method resulted in increase in liability to ₹20.61 Lacs (Previous Year ₹ 20.55 Lacs)

a) Financial Assumption

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Discount Rate (p.a.)	6.70%	6.15%
Salary growth rate (p.a.)	4.00%	4.00%

b) Demographic Assumption

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Mortality	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Employee Turnover	7% at all ages	7% at all ages
Leave Availment Rate	6.00%	6.00%

NOTE 37 : EARNINGS PER SHARE

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Earning Per Share has been computed as under:		
Profit after tax as per Statement of Profit and Loss (Amount In ₹ Lacs)	2,124.40	1,632.89
Weighted average number of equity shares outstanding	40,05,000	40,05,000
Basic and diluted earnings per share in rupees (Face Value – ₹ 10 per share)	53.04	40.77

NOTE: 38 INFORMATION ON RELATED PARTY TRANSACTIONS AS REQUIRED BY IND AS-24 - 'RELATED PARTY DISCLOSURES' FOR THE YEAR ENDED 31ST MARCH, 2022.

(i) Name of the Related Party and Nature of Relationship

a) Key Management Personnel

Mr. Sorab R. Mody *	Managing Director
Mr. Percy X. Avari	Whole Time Director
Ms. Shanaya Mody Khatua	Whole Time Director
Mr. Cyrus J. Bhagwagar	Chief Financial Officer
Mr. Nishith C. Kayasth	Company Secretary



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

b) Independent/ Non- Executive Director

Mr. Mohib N. Khericha	Independent/ Non-Executive Director
Mr. Saurin V. Palkhiwala	Independent/ Non-Executive Director
Mr. Nilesh C. Mankiwala	Independent/ Non-Executive Director
Mr. Samuel W. Croll III	Non-Executive Director
Mrs. Houtoxi F. Contractor	Non-Executive Director
Mrs. Sheila S. Mody	Non-Executive Director

c) Enterprises where relatives of Key Managerial Personnel (KMP) are able to exercise significant influence

H.T. Engineering (Gujarat) Pvt. Ltd. Enterprises

d) Relatives of Key Managerial Personnel (KMP)

Mrs. Khushnum Percy Avari	Relative of KMP
Mr. Xerxes D. Avari	Relative of KMP
Mrs. Katty X Avari	Relative of KMP

* Mr. Sorab Mody ceased to be the KMP due to his demise on 5th May, 2021.

(ii) Transactions carried out with related parties referred in (i) above, in ordinary course of business:

(Amount In ₹ Lacs)

Nature of Transactions	Relationship	2021-22	2020-21
(a) Sitting Fees for Board Meetings			
Mrs. Sheila S. Mody	Non-Executive Director	4.25	4.20
Mr. Mohib N. Khericha	Independent/ Non-Executive Director	4.20	4.10
Mr. Nilesh C. Mankiwala	Independent/ Non-Executive Director	2.05	2.10
Mr. Saurin V. Palkhiwala	Independent/ Non-Executive Director	4.10	4.05
Mr. Samuel W. Croll III	Non-Executive Director	1.00	1.00
Mrs. Houtoxi F. Contractor	Non-Executive Director	1.50	2.00
(b) Labour Charges			
H.T. Engineering (Guj) Pvt Ltd	Enterprises	51.39	39.92
(c) Purchase of Raw Materials/Consumables			
H.T. Engineering (Guj) Pvt Ltd	Enterprises	284.63	232.82
(d) Purchase of Capital Goods			
H.T. Engineering (Guj) Pvt Ltd	Enterprises	0.74	-
(e) Rent Paid			
Mr. Sorab R. Mody	Managing Director	7.30	43.80
Mrs. Sheila S. Mody	Non-Executive Director	36.50	-
(f) Commission on Profit			
Mr. Sorab R. Mody	Managing Director	-	35.19
Mr. Percy X. Avari	Whole Time Director	64.01	23.04
Mrs. Shanaya Mody Khatua	Whole Time Director	64.01	23.04
(g) Dividend Paid			
Mr. Sorab R. Mody	Managing Director	-	33.11
Mr. Percy X. Avari	Whole Time Director	44.13	1.13
Mrs. Shanaya Mody Khatua	Whole Time Director	136.02	10.64
Mrs. Sheila S. Mody	Non-Executive Director	30.33	1.89
Mr. Cyrus J. Bhagwagar	Chief Financial Officer	0.11	0.03
Mrs. Houtoxi F. Contractor	Non-Executive Director	0.07	0.01
Mrs. Khushnum Percy Avari	Relative of KMP	0.27	0.06
Mr. Xerxes D. Avari	Relative of KMP	0.28	0.06
Mrs. Katty X Avari	Relative of KMP	0.01	0.00



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(Amount In ₹ Lacs)

Nature of Transactions	Relationship	2021-22	2020-21
(h) Remuneration Paid			
Mr. Sorab R. Mody	Managing Director	62.31	59.81
Mr. Percy X. Avari	Whole Time Director	117.01	71.96
Mrs. Shanaya Mody Khatua	Whole Time Director	117.01	71.96
Mr. Cyrus J. Bhagwagar	Chief Financial Officer	50.65	42.75
Mr. Nishith C. Kayasth	Company Secretary	20.41	16.02
(i) Purchase of Motor Vehicle			
Mr. Cyrus J. Bhagwagar	Chief Financial Officer	-	1.80

(iii) Balances with related parties referred in (i) above, in ordinary course of business: (Amount In ₹ Lacs)

Nature of Transactions	Relationship	As at 31st March, 2022	As at 31st March, 2021
(a) Trade Payables			
H.T Engineering(Guj) Pvt Ltd	Enterprises	31.25	38.78
Mr. Sorab R. Mody	Managing Director	-	10.13
(b) Commission Payables			
Mr. Sorab R. Mody	Managing Director	-	35.19
Mr. Percy X. Avari	Whole Time Director	64.01	23.04
Mrs. Shanaya Mody Khatua	Whole Time Director	64.01	23.04
(c) Office Rent Deposit Given			
Mrs. Sheila S. Mody	Non-Executive Director	50.00	50.00
(d) Remuneration Payable			
Mr. Cyrus J. Bhagwagar	Chief Financial Officer	1.38	0.66
Mr. Nishith C. Kayasth	Company Secretary	1.71	0.59

Executive Directors Compensation

(Amount In ₹ Lacs)

PARTICULARS	2021-22	2020-21
Short-term employee benefits	423.89	284.35
Post-employment benefits	0.47	0.65
Total Compensation *	424.36	285.00

* This aforesaid amount does not includes amount in respect of gratuity as the same is not determinable.

NOTE 39 : SEGMENT REPORTING

A) Description of Segment and Principal activities:

The Company's Board of Directors monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and has identified two reportable segments of its business:

	Reportable Segment	Products/Services
1	Engineering Products	Manufacturing of Engineering goods like Vaccum Products, Evaporators, Pollution Control Equipments
2	Food Products	Manufacturing of Food Products like Food Colour, various Fruit Jams & Fruit Mix Powders etc.

B) Segment revenue and expenses:

Revenue and Expenses have been identified to a segment on the basis of operating activities of the segment. Revenue and Expenses which relate to common activities and are not allocable to segment on reasonable basis have been disclosed as "Unallocable".

C) Segment Assets and Liabilities:

Fixed Assets used in the Company's business or liabilities contracted have not been identified to any of the reportable segments, as allocation of assets and liabilities to segments is currently not practicable.

D) Information about geographical areas:

The Company has identified its geographical segments as India and outside India.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

E) Information about major customers:

Revenue contributed by any single customer in any of the operating segments, does not exceed ten percent of the Company's total revenue, for the year ended 31 March 2022.

SUMMARY OF SEGMENT INFORMATION :

(Amount In ₹ Lacs)

PARTICULARS	Year ended 31 March, 2022			Year ended 31 March, 2021		
	ENGINEERING PRODUCTS	FOOD PRODUCTS	TOTAL	ENGINEERING PRODUCTS	FOOD PRODUCTS	TOTAL
SEGMENT REVENUE						
External Revenue	13,994.99	2,504.37	16,499.36	12,719.04	2,523.43	15,242.47
Inter Segment Revenue	-	-	-	-	-	-
Total Segment Revenue	13,994.99	2,504.37	16,499.36	12,719.04	2,523.43	15,242.47
SEGMENT RESULT	3,791.13	444.00	4,235.13	2,826.29	608.59	3,434.88
SPECIFIED AMOUNTS INCLUDED IN SEGMENT RESULTS						
Identifiable Operating Expenses	(10,235.82)	(2,072.45)	(12,308.27)	(9,894.30)	(1,961.52)	(11,855.82)
Segment Operating Income	31.96	12.08	44.04	1.55	46.68	48.23
SEGMENT RESULT	3,791.13	444.00	4,235.13	2,826.29	608.59	3,434.88
Unallocable Expenses			(1,668.74)			(1,414.28)
Unallocable Income			198.57			188.48
Income Taxes			(640.56)			(576.18)
PROFIT AFTER TAX AS PER STATEMENT OF PROFIT AND LOSS			2,124.40			1,632.89

GEOGRAPHICAL SEGMENT INFORMATION:

(Amount In ₹ Lacs)

PARTICULARS	Year 2021-22	Year 2020-21
REVENUE FROM EXTERNAL CUSTOMERS		
Within India	11,797.47	11,569.42
Outside India	4,701.89	3,673.04
	16,499.36	15,242.47

NOTE: 40 LEASES

A. Where the company is Lessee

The Company's leasing arrangements are in respect of operating leases for premises (Office, godown, factory etc.). These lease arrangements range for a period between 1-5 years. Most of the lease agreements are renewable for further period on mutually agreeable terms.

(i) Movement in Lease Liabilities during the year:

(Amount In ₹ Lacs)

PARTICULARS	
Balance as at 1st April 2020	61.84
Lease Liabilities recognised on account of renewal of lease agreement	35.30
Finance Costs incurred during the year	7.68
Payments of Lease Liabilities	(43.80)
Balance as at 31st March 2021	61.01
Finance Costs incurred during the year	5.45
Payments of Lease Liabilities	(38.80)
Balance as at 31st March 2022	27.66



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(ii) Lease Liabilities as at March 31, 2022:

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Non- Current Lease Liabilities	19.84	27.66
Current Lease Liabilities	7.82	33.35
Total lease Liability	27.66	61.01

(iii) Amount recognised in Statement of Profit & loss Account during the year:

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Finance Cost	5.45	7.68
Depreciation of Right of use Assets	34.45	39.63
Expenses relating to Short-term Leases and low value assets	155.00	143.99
Total Expenses	194.90	191.30

(iv) Total cash outflow for leases amounts to ₹ 193.80 Lacs during the year (including cash outflow of short-term/low value leases).

B. Where the company is Lessor

The Company has entered into operating leases on its investment properties consisting of buildings .These leases have term of 36 months.

Annual lease rentals receivable are as follows:-

(Amount In ₹ Lacs)

PARTICULARS	As at 31st March, 2022	As at 31st March, 2021
Within one year	10.99	NA
1-2 Years	11.76	NA
2-3 Years	9.27	NA

The Company has not entered into any sub-leases during the year.

NOTE:41 FINANCIAL RATIOS

Ratios	Numerator	Denominator	2021-22	2020-21	% Variance	Explanation for significant change
(a) Current Ratio	Current Assets	Current Liabilities	4.47	4.51	-0.86%	
(b) Debt-Equity Ratio	Total Debt i.e Borrowings (Current as well as Non Current)	Shareholders Equity	-	0.0047	-100.00%	decrease was primarily on account of repayment of Loans
(c) Debt Service Coverage Ratio	Earning for Debt Service = Net Profit after taxes+ Non-cash operating expenses + Interest (excluding interest on lease liabilities) +Other non-cash adjustments	Debt service = Interest (excluding interest on lease liabilities) +Lease Payments + Repayments of borrowings	21.48	26.84	-19.97%	
(d) Return on Equity (ROE) ratio	Profit after Tax	Average Shareholder's Equity	13.64%	11.69%	16.65%	
(e) Inventory Turnover Ratio	Revenue from operations	Average Inventory	5.20	4.55	14.15%	
(f) Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	4.51	4.71	-4.14%	
(g) Trade Payables Turnover Ratio	Net Purchases of raw material and Stores & Spares	Average Trade Payables	6.53	4.75	37.33%	increase was primarily on account of payment of trade payables



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

(h) Net Capital Turnover Ratio	Revenue from Operations	Working Capital i.e. Current Assets- Current Liabilities	1.88	1.90	-0.92%	
(i) Net Profit Ratio	Profit after Tax	Revenue from Operations	12.88%	10.71%	20.19%	
(j) Return on Capital Employed	Profit before interest (excluding interest on lease liabilities), and tax	Capital employed = Total Equity + Total Debt+Deferred tax liabilities	16.66%	14.77%	12.81%	
(k) Return on Investment	Gain on Sale of Investment+ Gain on fair value of Investment	Average cost of Investment	5.53%	5.50%	0.42%	

NOTE 42 : ADDITIONAL REGULATORY INFORMATION

i) TITLE DEEDS

The title deeds of all the Immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

ii) REVALUATION OF PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The Company has not undertaken any revaluation of Property Plant & Equipments / Intangible assets during the year.

iii) DETAILS OF BENAMI PROPERTY

The company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder. No proceeding has been initiated or pending against the company for holding any benami property.

iv) BORROWINGS OBTAINED ON THE BASIS OF SECURITY OF CURRENT ASSETS

Quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

v) WILFUL DEFAULTER

The Company is not declared wilful defaulter by any bank or financials institution or lender.

vi) RELATIONSHIP WITH STRUCK OFF COMPANIES

The company does not have any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956, during the current year and in the previous year.

vii) REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company does not have any charges or satisfaction of charges which is yet to be registered with Registrar of Companies beyond the statutory period.

viii) UTILISATION OF BORROWED FUNDS/ADVANCES

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

ix) 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.

x) UNDISCLOSED INCOME

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).

xi) DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

xii) The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was obtained.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

NOTE: 43 CORPORATE SOCIAL RESPONSIBILITY

A. Gross amount required to be spent by the Company during the year 2021-22: ₹ 38.31 Lacs
(Year 2020-21: ₹ 32.66 Lacs)

B. Amount spent during the year on: (Amount In ₹ Lacs)

PARTICULARS	Year 2021-22			Year 2020-21		
	In Cash	Yet to be paid in Cash	TOTAL	In Cash	Yet to be paid in Cash	TOTAL
i) Construction/Acquisition of any asset	-	-	-	-	-	-
ii) For purposes other than (i) above	38.88	-	38.88	32.66	-	32.66
	38.88	-	38.88	32.66	-	32.66
C. Related party transactions in relation to Corporate Social Responsibility:			Nil			Nil

(Amount In ₹ Lacs)

D. PARTICULARS	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Details of excess amount spent	-	38.31	38.88	0.57

- E. (i) The Company does not carry any provisions for Corporate social responsibility expenses for current year and previous year.
(ii) The Company does not wish to carry forward any excess amount spent during the year.
(iii) The Company does not have any ongoing projects as at 31st March, 2022.

As per our report of even date attached

For MAYANK SHAH & ASSOCIATES
Chartered Accountants
(Firm Registration No. 106109W)

Sd/-

M. S. SHAH

Partner

Membership No. 044093

Place : Ahmedabad

Date : May 23, 2022

For and on behalf of the Board of Directors of Mazda Limited

Sd/-

Percy Avari

Whole-Time Director

(DIN: 00499114)

Sd/-

Cyrus Bhagwagar

Chief Financial Officer

Sd/-

Mohib Khericha

Chairman

(DIN: 00010365)

Sd/-

Nishith Kayasth

Company Secretary

To,

If undelivered, please return to:

MAZDA LIMITED

Mazda House, 650/1, Panchwati 2nd Lane, Ambawadi, Ahmedabad - 380 006.