KILBURN ENGINEERING LTD.

Plot No.6, MIDC - Saravali, Kalyan Bhiwandi Road, Distt. Thane 421 311 Maharashtra, India
: +91 2522 283000 : +91 2522 281026 : www.kilburnengg.com

Ref : KEL/ BSE-CSE / 22 – 23/ AGM

25th August, 2022

To
The Corporate Relationship Department
BSE Limited
1st Floor, P.J. Tower
Dalal Street, Fort
Mumbai-400 001
Scrip Code : BSE 522101.

To,
The Secretary
The Calcutta Stock Exchange Ltd.,
7 , Lyons Range,
Kolkata – 700 001
Scrip Code : CSE 21022.

Sub: Notice of 34th Annual General Meeting (AGM) to be held on 19th September, 2022 at 11:00 A.M. through VC / OAVM

Dear Sir / Madam

In accordance with General Circular Nos. 14/2020 and 17/2020 dated April 08, 2020 and April 13, 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID-19", Circular No. 20/2020 dated May 05, 2020, in relation to "Clarification on holding of Annual General Meeting ("AGM")through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), Circular No. 02/2021 dated January 13, 2021 in relation to "Clarification on holding of AGM through VC or OVAM and Circular No. 02/2022 dated May 05, 2022 in relation to "Clarification on holding of AGM through VC or OVAM (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - COVID-19 pandemic", Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11dated January 15, 2021 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID-19 pandemic" and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13,2022 in relation to "Relaxation from compliance with certain provisions of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred as "SEBI Circular") the 34th Annual General Meeting ("AGM") of the Company will be held on Monday, 19th September 2022 at 11:00 a.m. through VC/OVAM.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report of the Company along with the Notice of the AGM and other Statutory Reports for the Financial Year 2021-22, which has also been mailed to the shareholders at their registered e-mail address on 25th August, 2022.

Further, the Annual Report of the Company along with the Notice of the Meeting will also be available on website of the Company at :

www.kilburnengg.com/wp-content/uploads/2014/08/Kilburn-AR-2021-22.pdf

Thanking You,

Yours faithfully,
For Kilburn Engineering Limited

Arvind Bajoria Digitally signed by Arvind Bajoria Date: 2022.08.25 21:19:35 +05'30'

Arvind Bajoria
Company Secretary
& DGM (Costing)
(M. no. ACS : 15390)

Encl : i. Notice of AGM (inclusive of instructions for E-voting and participation in AGM through VC).

ii. Copy of Annual Report for 2021-22

KILBURN ENGINEERING LTD.

Annual Report
2021-22

Designed for **growth**
Trusted for **excellence**

Contents

Corporate overview

Statutory reports

Financial statements

At Kilburn, relentless pursuit of excellence and enduring trust of all stakeholders have been the cornerstones of our success for decades.

Designed for growth. Trusted for excellence.

The business scenario transforms, customer aspirations evolve, new processes and technologies are adopted across decades, but our core anchors of growth — excellence and trust remain ever relevant for us.

Despite temporary headwinds in our operating environment, we remain optimistic of the multi-sectoral opportunity that we see unfolding before us.

Our in-depth knowledge and experience in various aspects of materials have enabled us to develop specialised drying systems for a broad range of industrial applications.

From technical competence, research effectiveness, manufacturing capability, marketing reach to technical collaborations, deep-rooted governance and above all a customer-oriented business model facilitate our value creation approach.

We have crossed many milestones in our journey of growth, but our best years are still ahead of us.

Financial highlights, FY 2021-22

39% ↑
₹ 123 crore
Total Revenue

87% ↑
₹ 13 crore
Profit from operations before Depreciation, Finance Cost & Tax

180% ↑
₹ 3 crore
Profit Before Tax

↑ Growth in FY 2021-22 from FY 2020-21

ABOUT US

AIMING HIGHER WITH ROBUST FUNDAMENTALS

With nearly four decades of experience, Kilburn has emerged as a technology-led company, specialising in process design, engineering and manufacture of equipment and systems for various process plants, primarily engaged in the chemical and petrochemical sectors. We are a market leader in solid, liquid and gas drying systems and also provide a comprehensive package of solutions for the tea, fertiliser, carbon black, soda ash, pharmaceuticals, dyes and pigments and specialty chemicals, among other industries.

We have notable installations in critical applications in oil and gas and nuclear power with skid mounted packages for offshore platforms and heavy water drying systems in nuclear plants. We have system engineering capabilities with a multi-disciplinary approach, supported by a highly qualified and talented pool of engineers in mechanical, chemical, instrumentation and electrical engineering disciplines.

We undertake end-to-end responsibility of design, engineering, supply, site erection and commissioning of a system. With a successful track record in manufacturing customised process equipment for various industries, we cater to the requirements of both international and domestic customers including large conglomerates.

Our core strength lies in successful assimilation of world-class technologies. Our R&D Centre is engaged in developing cutting-edge technologies and new equipment of international standards for our end-user industries. We have a state-of-the-art manufacturing facility at Thane, Maharashtra, India with in-house pilot facility for testing of different material. Our manufacturing facility spans over 8 acres of land and is well connected by highways and ports, facilitating the transportation of large-sized equipment within India and overseas.

We are a professionally managed Company, guided by the Board of Directors with representatives from promoters and independent directors. We are listed on Bombay Stock Exchange, India and the Calcutta Stock Exchange, India.

Quick facts

40+
Years of rich experience

₹110 Cr
Order book as on 31st March, 2022

200+
Workforce

Several
Countries where we export our products including USA, France, Germany, the Netherlands, China, Indonesia, Hungary, Thailand, Kenya, South Africa, Brazil and Bangladesh, among others

Our vision

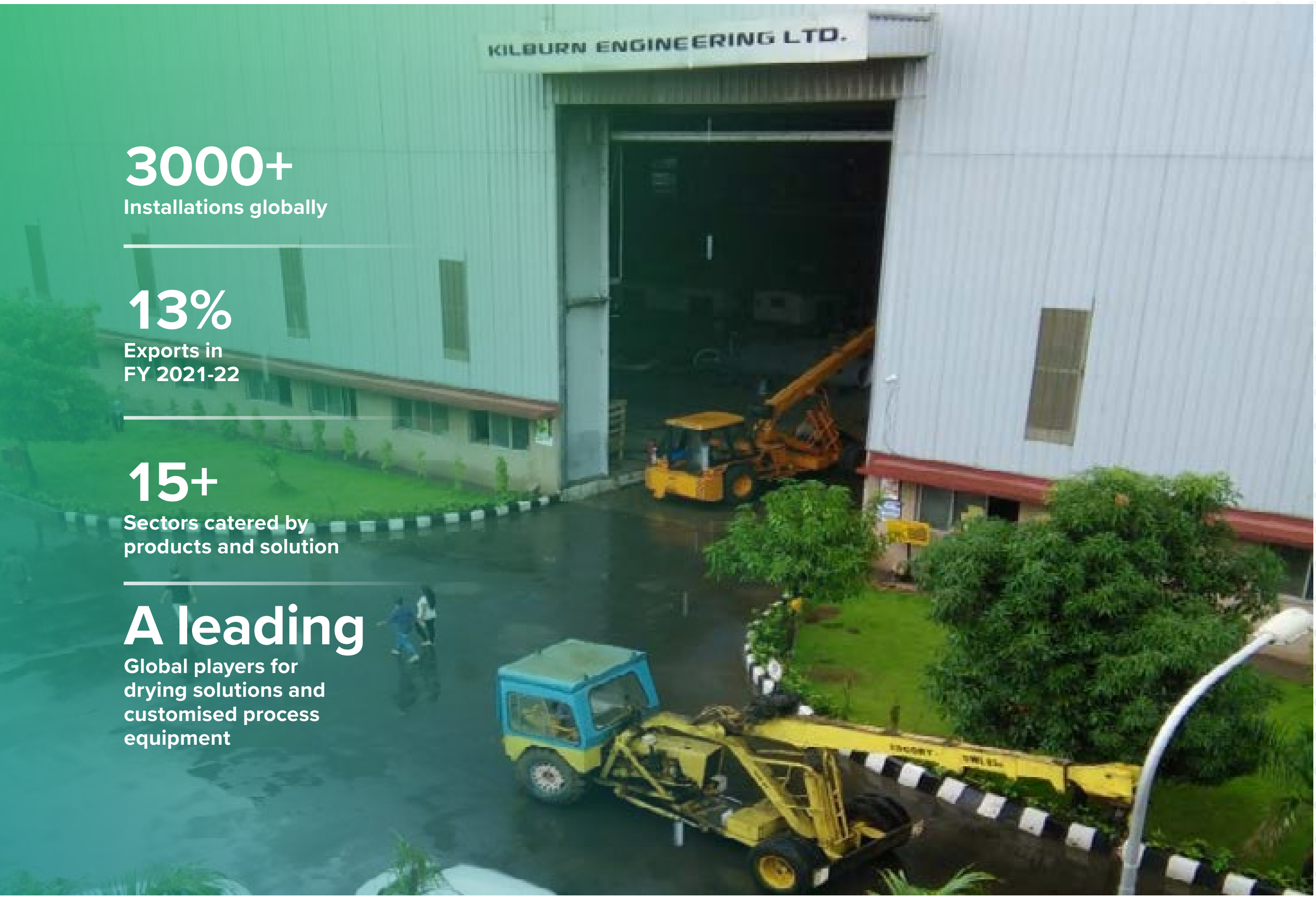
To be a major global player and the most admired organisation in the domestic and international markets.

Our mission

To deliver world class quality & cost-effective Equipment, Projects & EPC Services on time

To focus utmost on Customer Delight

To acquire leadership in the international market



3000+
Installations globally

13%
Exports in FY 2021-22

15+
Sectors catered by products and solution

A leading
Global players for drying solutions and customised process equipment

CORE STRENGTHS

EXCELLENCE IS AN OUTCOME OF CAPABILITY AND COMMITMENT

Prominence

We are a global leader in designing and manufacturing of rotary dryers, coolers, kilns and calciners. We have successfully rolled out several installations of rotary dryers worldwide. Our rotary dryers are well known across various industries.

Range

We are one of the very few companies in the world to offer a comprehensive range of dryers for solid, liquid and gas under one roof. We cater to a wide range of industries such as chemical, petrochemical, oil & gas, refineries, power, steel, cement, fertiliser, sewage treatment and food, among others. We also manufacture specially designed packages required for various onshore and offshore applications.

Technology

We work with state-of the-art technologies leading to designing and manufacturing of cutting-edge products and solutions. We have technology oriented functional groups, having in-depth knowledge and vast experience in various aspects.

Innovation

With an in-built capacity to design and innovate (supported by a well-equipped R&D Centre), we have successfully assimilated best-of-breed technologies and developed equipment to serve a broad range of industries. Moreover, we possess extensive and sophisticated R&D facilities equipped with an entire range of pilot plant dryers.

Collaborations

We have technical collaboration agreements, both on regular and case-to-case basis, with world-class technology companies. KEL has ongoing technical collaborations and tie-ups on case-to-case basis with Nara Machinery Co Ltd (Japan), Carrier Vibrating Equipment, Inc (USA), Emde Industrietechnik (Germany), Bertrams (Switzerland), Komline Sanderson (USA) and FEI (Japan), among others. Over the years, we have successfully assimilated collaborator's technology and have continuously upgraded our equipment and systems to match the developments across the world. We actively participate in international technical meetings and seminars, workshops and trade fairs to keep abreast of latest developments.

Quality

We are certified for an ISO 9001-2015 and ASME 'U' stamp. Our superior quality standards have ensured enhanced customer satisfaction with every product manufactured and supplied by us. This, in turn, has brought about repeat orders and consistent growth in business volumes.

Team

Our seamless operation is driven by our 200+ talented workforce across various disciplines. We have a highly qualified and talented pool of engineers in mechanical, chemical, electrical and instrumentation disciplines. Our team of engineers has catalysed product innovation, reduced fuel consumption, optimised raw material usage, ensured quality benchmarks and enhanced capacity.

Trustworthy governance framework

We adhere to a responsible and sound corporate governance framework and practices, which are reviewed periodically by the Board to safeguard the interests of all stakeholders. For more details, refer to the corporate governance report.

OFFERINGS

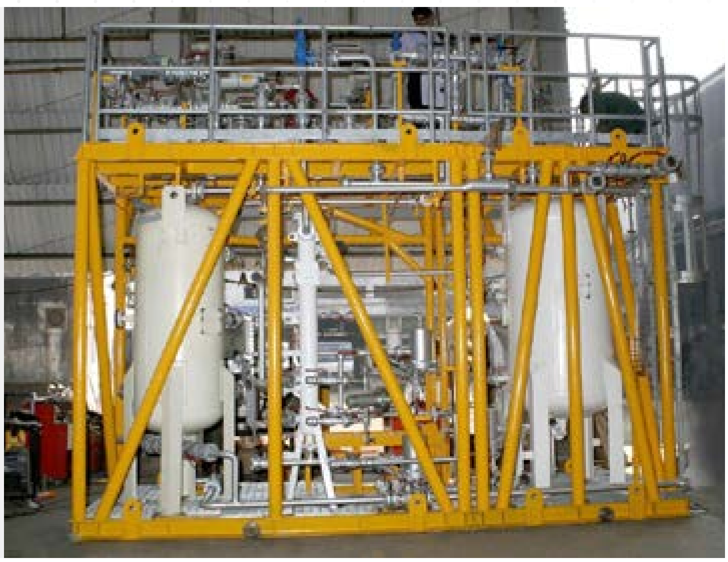
DIVERSE PRODUCTS TO DELIGHT CUSTOMERS

Customised industrial drying systems

- Rotary dryers
- Spray dryers
- Calciners
- Band dryers
- Fluid bed dryers and coolers
- Paddle dryers and coolers
- Flash dryers
- Vibrating fluid bed dryers and coolers

Customised packaged systems

- Air / Gas / Liquid drying systems
- Gas conditioning systems
- Solvent / vapour recovery systems
- Pneumatic conveyors and silos
- Instrument utility gas drying systems
- Vibratory conveyors and feeders
- Skids

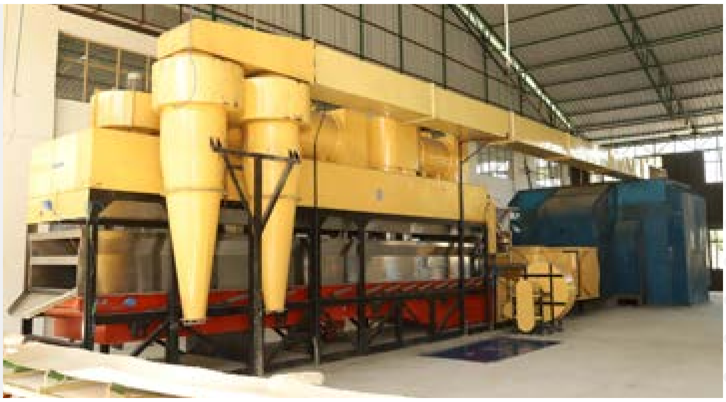


Fabricated and large critical equipment

- Pressure Vessels
- Reactors
- Heat Exchangers
- Silos
- Columns

Standard products

- Tea dryers
- Sugar dryers
- Paddy dryers
- Coconut dryers



Others

- Industrial fans
- Continuous Mechanised Withering System for tea leaf

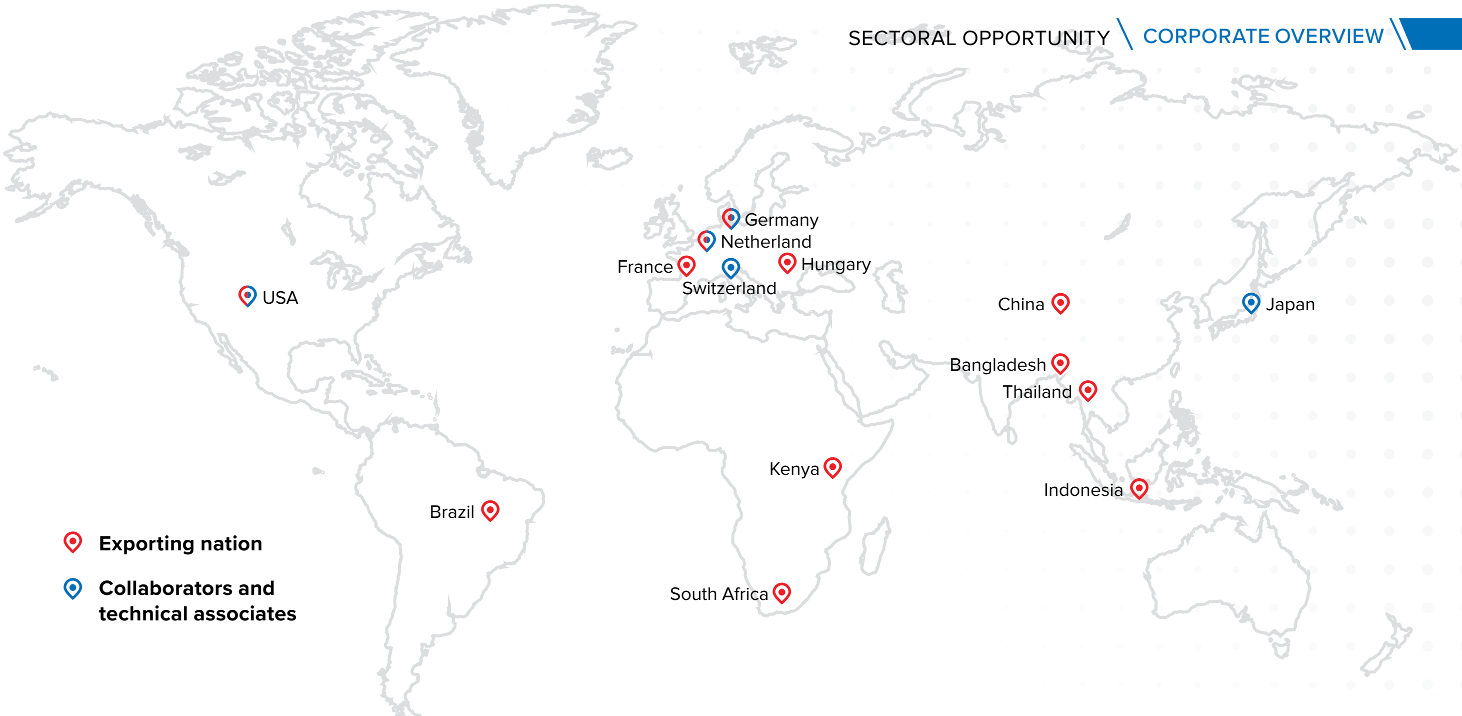
SECTORAL OPPORTUNITY

GROWING PROSPECTS INSPIRE US TO PERFORM

At Kilburn, we are confident of our consistent progress despite headwinds, owing to the immense growth potential India and various other markets worldwide offer. We closely analyse the broad operating scenario to understand, where opportunities lie and how to respond to them through robust strategies.

World of opportunity

Petrochemical	Indian petrochemical market in estimated to expand at a compound annual growth rate (CAGR) of ~6.14% between FY 2021 and FY 2025.
Speciality chemical	The Indian specialty chemicals industry will outpace its Chinese counterpart and double its share of the global market to ~6% by 2026 from 3-4% in FY 2020-21.
Oil & gas	The India oil and gas market is expected to register a CAGR of more than 3% during FY 2022-2027.
Power	The Central Electricity Authority (CEA) estimates India's power requirement to touch 817 GW by 2030, driving consistent capacity addition in the sector.
Steel	The National Steel Policy, 2017 envisages 300 million tonnes of production capacity by 2030-31.
Carbon black	Carbon Black demand stood at 16.42 million tonnes in 2020 and is forecast to reach 27.21 million tonnes by 2030, growing at a healthy CAGR of 4.82% until 2030.



Pharmaceutical	According to Economic Survey 2020-21, the Indian pharma industry is expected to expand to US$ 65 billion by 2024 and ~US$ 130 billion by 2030.
FMCG	The FMCG industry has been projected to grow to a market size of almost US$ 220 billion by 2025.
Nuclear power	India's current nuclear power capacity of 6,790 MW is expected to increase to 22,480 MW by 2031.
Tea	The Indian tea industry is expected to grow at a CAGR of about 4.2% in the 2021-26 period and reach an approximate volume of 1.40 million tonnes by the end of this period.
Fertiliser	India's fertiliser market is projected to reach Rs. 1,131 billion by 2027, achieving a CAGR of 4.8% during 2022-2027.
Sewage treatment	India's wastewater treatment market was valued at US$ 3.981 billion in 2020 and is expected to grow at a CAGR of 12.92% over the forecast period to reach a market size of US$ 9.320 billion by 2027.

MANUFACTURING FACILITY

MAKING IN INDIA, FOR THE WORLD

We have a state-of-the-art manufacturing facility for fabrication, machining and assembly of the equipment situated at Thane, Maharashtra (India). Our manufacturing plant is spread across 30,960 square metres.

Metal cutting and forming	Machining	Material handling equipment	Others
Cutting machines	Drilling machines	EOT cranes	Painting
Other metal forming machines	Universal milling machine	Mobile cranes	Balancing equipment
Presses	Lathes		Utilities
Shears / bending machines	Shaping machine		
Welding machines			




Design and engineering capability

- In-house process design and detailed engineering capability
- System design capability includes electrical, instrumentation and control system design
- Mechanical design capability includes software such as Solid Works, PVElite, Autocad and other internally developed software
- System engineering including integration for balance of plant

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman (Non-Executive Independent)
Mr. Manmohan Singh

Managing Director
Mr. Ranjit Pamo Lala

Whole Time Director (Operations)
Mr. Anil S. Karnad

Non Executive Directors
Mr. Amritanshu Khaitan
Mr. Aditya Khaitan
Mr. Navin Nayar
Mr. Vasumitra Sharma

Independent Directors
Mr. Mahesh Shah
Ms. Arundhuti Dhar
Mr. Amitav Roy Choudhury
Mr. Shourya Sengupta

CHIEF FINANCIAL OFFICER

Mr. Sachin J. Vijayakar

COMPANY SECRETARY

Mr. Arvind Bajoria

CIN: L24232WB1987PLC042956
Website: www.kilburnengg.com
email: cs@kilburnengg.com

BOARD COMMITTEES

Audit Committee
Mr. Mahesh Shah (Chairman)
Mr. Manmohan Singh
Mr. Amitav Roy Choudhury

Stakeholders Relationship Committee
Mr. Amitav Roy Choudhury (Chairman)
Mr. Mahesh Shah
Mr. Shourya Sengupta

Nomination And Remuneration Committee
Mr. Amitav Roy Choudhury (Chairman)
Mr. Mahesh Shah
Ms. Arundhuti Dhar

Corporate Social Responsibility (CSR) Committee
Mr. Amritanshu Khaitan (Chairman)
Mr. Mahesh Shah
Mr. Amitav Roy Choudhury

STATUTORY AUDITORS

V. Singhi & Associates
Chartered Accountants

COST AUDITORS

M/s. D. Sabyasachi & Co.

SECRETARIAL AUDITOR

M/s. Nitin S. Sharma & Associates

REGISTERED OFFICE

Four Mangoe Lane
Surendra Mohan Ghosh Sarani, Kolkata - 700 001
Tel. No.- (033) 2231 3337/3450
Fax No.- (033) 2231 4768

CORPORATE OFFICE

Plot no. 6, MIDC – Saravali, Taluka Bhiwandi, Kalyan - Bhiwandi Road, Thane 421 311 Maharashtra
Tel. No. - (02522) 663800
Fax No. - (02522) 281026

NOTICE OF ANNUAL GENERAL MEETING

Kilburn Engineering Limited
CIN : L24232WB1987PLC042956
Regd. Office: Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata-700001
TEL: 033-2231-3337, 3450 FAX: 91-33-2231-4768
E-Mail: cs@kilburnengg.com; Website: www.kilburnengg.com

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the Company will be held on Monday, 19th September 2022 at 11:00 a.m. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statement for the year ended 31st March, 2022 and Report of Directors and Auditors' Report thereon.

2. To appoint a Director in place of Mr. Amritanshu Khaitan (holding DIN 00213413), who retires by rotation and being eligible offers himself for reappointment.

3. To appoint a Director in place of Mr. Aditya Khaitan (holding DIN 00023788), who retires by rotation and being eligible offers himself for reappointment.

Special Business

To consider and, if thought fit, to pass the following Resolutions:-

4. As a Special Resolution - Ratification of re-appointment of Mr. Manmohan Singh (DIN: 00699314) as an Independent Director for a second term of 5 years and continuation of directorship after attainment of 75 years:

"RESOLVED THAT in partial modification of the earlier resolution passed in the 33rd Annual General Meeting of the Company held on 29.09.2021 and pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force), Articles of Association of the Company and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,as amended from time to time and pursuant to the recommendations of the Nomination and Remuneration Committee, the members of the Company be and is hereby ratifies the re-appointment of Mr. Manmohan Singh (DIN: 00699314), who was re-appointed as an Non-Executive Independent Director of the Company, not liable to retire by rotation, in the 33rd Annual General Meeting of the Company held on 29.09.2021 for a second term of five consecutive years from the conclusion of the Company's 33rd Annual General Meeting to the conclusion of the Company's 38th Annual General Meeting.

RESOLVED FURTHER THAT the consent of the members of the Company be and is hereby accorded for continuation of directorship of Mr. Manmohan Singh (DIN: 00699314) as an Independent Director on Board after attaining the age of 75 years.

RESOLVED FURTHER THAT the Board of directors of the Company authorised by them, be and are hereby authorised to do all such acts, deeds, matters and things and execute such documentation as may be necessary to give effect to this Resolution."

5. As an Ordinary Resolution - Remuneration of Cost Auditor:

"RESOLVED that pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013, and the Rules thereof, (including any statutory modification(s) or re-enactment thereof for the time being in force), the appointment and remuneration of the Cost Auditors, M/s. D. Sabyasachi & Co., for auditing the Cost Accounts of the Company in respect of the products, as may be applicable, for the year ending March 31, 2023, as approved by the Board of Directors on the recommendation of the Audit Committee and as set out in the Explanatory Statement in respect of this item of business, be and is hereby ratified."

By Order of the Board of Directors

Arvind Bajoria
Company Secretary
Membership No. :15390

5th August, 2022
Kolkata

Regd. Office :
FOUR MANGOE LANE,
SURENDRA MOHAN GHOSH SARANI
KOLKATA – 700 001
CIN : L24232WB1987PLC042956

NOTES:

1. Explanatory Statement for Special Business in terms of Section 102 of the Companies Act, 2013 is enclosed and constitutes part of this Notice.

2. Additional information, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India, in respect of the Directors seeking appointment/ re- appointment at this AGM, forms part of the Notice.

3. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

4. M/s. V. Singhi & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 31st Annual General Meeting held on 13th Aug, 2019, to hold office from the conclusion of that Annual General Meeting ("AGM"), until the conclusion of the fifth consecutive AGM of the Company to be held in year 2024 (subject to ratification of the appointment by the Members at every AGM held after that AGM). Pursuant to Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting ("AGM") has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.

5. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular no. 02/2021 dated January 13, 2021, Circular no. 19/ 2021 dated December 8, 2021 and Circular no. 02/ 2022 dated May 5, 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. SEBI has also vide its circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, granted relaxation in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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.kilburnengg.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www. bseindia.com. 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.

11. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated

April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

12. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Kilburn Engineering Limited ("KEL" or "the Company") is offering e-voting facility to its Members in respect of the businesses to be transacted at the Thirty Second Annual General Meeting

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities.

The Instructions for shareholders voting electronically are as under:

(i) The voting period begins on Thursday, 15th September, 2022 from 10:00 a.m. (IST) and ends on Sunday day, 18th September, 2022 up to 5:00p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Monday, 12th September, 2022 i.e. the cut-off date, 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.

(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 is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The 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. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & 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. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be 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.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.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. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg. jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider 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	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 abovementioned 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.comor 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

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.

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) • 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. • 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 as mentioned in instruction (v).
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares 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 for the relevant <Company Name> on which you choose to vote.

(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) Facility for Non – Individual Shareholders and Custodians –Remote Voting

- 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 should be mailed to helpdesk.evoting@ cdslindia.com and on approval of the accounts they would be able to cast their vote.

- 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 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; cs@kilburnengg.com if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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 Remote 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 Remote 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 10 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at cs@ kilburnengg.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@kilburnengg.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.

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 Company/ RTA email id.

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 022-23058738 and 022-23058542/43.

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 on 022-23058542/43.

OTHER INFORMATION FOR MEMBERS

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. through e-mail at cs@kilburnengg.com or mdpldc@ yahoo. com or scrutinizeraklabh@gmail.com with a copy marked to helpdesk.evoting@cdslindia.com before 18th

September, 2022 without which the vote shall not be treated as valid.

2. In case you have any queries or issues regarding e-voting, please contact the Company or Registrar & Share Transfer Agents or send mail to cs@ kilburnengg.com or mdpldc@yahoo.com. You may also send mail to helpdesk. evoting@cdslindia. com or refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www. evotingindia.co.in.

3. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company held on the cut-off date of 12th September, 2022

4. The member already cast his/her vote through remote e-voting would not be allowed to cast vote again through e-voting at the AGM. However, he/ she can attend the AGM.

5. Mr. A. K. Labh, Practicing Company Secretary (FCS: 4848) of M/s. A.K. Labh & Co., Company Secretaries, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner, whose e-mail address is aklabhcs@gmail.com.

6. The Scrutinizer shall within a period not exceeding 48 hrs from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

7. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kilburnengg.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company. On receipt of requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting.

Members holding shares in physical form are requested to notify immediately change of address, transfer, demat, ECS credit request, if any, to the Registrars and Transfer Agents of the Company i.e. M/s Maheshwari Datamatics Pvt. Ltd. at 23, R.N. Mukherjee Road, 5th Floor, Kolkata - 700 001. Tel No.: (033) 2243 5809 / 5029; 2248 2248; Fax No.: (033) 2248 4787; e-mail: mdpldc@yahoo.com shareholders may also note that the Notice of the 33rd AGM and the Annual Report 2020-21 will be available on the Company's website, www. kilburnengg.com.

8. Members holding shares in demat mode are requested to notify any change in address, Bank Details, ECS Credit request to their respective depository participants and make sure that such changes are recorded by them.

9. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 13th September, 2022 to Monday, 19th September, 2022 (both days inclusive). Duly executed and stamped transfer deeds, along with the relative Share Certificates, should be submitted to the Company's Registrar & Share Transfer Agents before the closure of the Register of Members for registration of transfers.

10. The members who have not encashed their Dividend warrants or who have not received the Dividend for the FY 2015-16, FY 2016-17, FY 2017- 18 and FY 2018-19 should approach the Registrars & Transfer Agents of the Company. It may be noted that the amount of dividend remaining unclaimed for a period of Seven (7) years shall be transferred to the Investor Education and Protection Fund as per the provisions of Section 124 of the Companies Act, 2013.

11. The Securities & Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market transaction and off-market/ private transaction including, transfer of shares held in physical form, deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders, transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares and transposition of shares - when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

12. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

By Order of the Board of Directors

Arvind Bajoria
Company Secretary
Membership No. :15390

5th August, 2022
Kolkata

Regd. Office :
FOUR MANGOE LANE,
SURENDRA MOHAN GHOSH SARANI
KOLKATA – 700 001
CIN : L24232WB1987PLC042956

Particulars of the Directors seeking Appointment / re-appointment in the Annual General Meeting, as required pursuant to SEBI (LODR) Regulations, 2015 :

Name of Director	Mr. Amritanshu Khaitan	Mr. Aditya Khaitan
Category	Non Executive Director	Non Executive Director
Date of Birth	07/11/1982	30/01/1968
Date of Appointment	27/05/2005	31/03/2015
Qualification	B. Com (Hons), MBA from London Business School	B. Com (Hons.)
No. of Equity Shares held	1,30,000	1,50,000
Brief Resume	Mr. Amritanshu Khaitan has a rich experience of Corporate Management as ex Managing Director of Eveready Industries India Limited and as a member of Board of directors of several other listed and unlisted companies.	Mr. Aditya Khaitan has a rich experience of Corporate Management as Managing Director of Mcleod Russel India Limited and as a member of Board of directors of several other listed and unlisted companies.
Directorships held in other Companies (as on 31-03-2022)	Mcleod Russel India Limited Prana Lifestyle Pvt. Ltd. Preferred Consumer Products Pvt. Ltd. Indian Chamber of Commerce, Kolkata	McNally Bharat Engineering Co. Limited McNally Sayaji Engineering Co. Ltd. Mcleod Russel India Limited Williamson Financial Services Ltd. Prana Lifestyle Pvt. Limited D1 Williamson Magor Bio Fuel Limited Seajuli Investments Private Ltd. Mcleod Russel India Limited
Particulars of Committee Chairmanship / Membership held in other Companies	Mcleod Russel India Limited Member - Nomination and Remuneration Committee	Mcleod Russel India Limited Member - Audit Committee McNally Bharat Engg. Company Limited Member - Nomination and Remuneration Committee Williamson Financial Services Limited Chairman – CSR Committee Member – Share Transfer Committee Member – Committee of Investments, Loans and Borrowings D1 Williamson Magor Bio Fuel Limited Chairman – Audit Committee Chairman – Nomination and Remuneration Committee Chairman – Nomination and Remuneration Committee
Relationship with other directors / KMPs	NIL	NIL

Name of Director	Mr. Manmohan Singh
Category	Non Executive - Independent
Date of Birth	13/03/1949
Date of Appointment	21/04/2021
Qualification	B.A. LLB (Hons.)
No. of Equity Shares held	Nil
Brief Resume	He has over 40 years of experience in Hotel and Travel Industry. Manor Hotel, owned by him, is one of the Delhi's first designer boutique hotel and won accolade as one of the world's best new hotels in the year 1991 by Conde Nast.
Directorships held in other Companies (as on 31-03-2022)	Manor Hotels Private Limited Manor Travels Private Ltd. International Caterers Private Ltd. Big Balls and Stiff Shafts Golf Club Private Ltd. Glen Eagles Golf Club Pvt. Ltd.
Particulars of Committee Chairmanship / Membership held in other Companies	Nil
Relationship with other directors / KMPs	None

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

Item No. 4

Mr. Manmohan Singh (DIN: 00699314) was appointed as an Independent Director on the Board of the Company under provisions of Section 149 of the Companies Act 2013, for a fixed term of upto 5 consecutive years. Accordingly, the appointment of Mr. Manmohan Singh as an Independent Director of the Company under the Companies Act, 2013 ("the Act") was approved by the members of the Company at the 26th Annual General Meeting ("AGM") held on September 30, 2014 for a term 5 consecutive years from the conclusion of 26th AGM till the conclusion of 31st AGM. Further, Mr. Manmohan Singh had tendered his resignation as an Independent Director on April 30, 2019.

In order to broad base the Board of Directors and pursuant to terms of Debt Restructuring Plan by RBL, and as per the recommendation received from Nomination and Remuneration Committee (the "NRC Committee"), Board of Directors had approved the re-appointment of Mr. Manmohan Singh as additional Director in the category of Independent Director vide Resolution by circulation on 21st April, 2021. Further, the said re-appointment was approved by Members in the 33rd AGM of the Company held on 29.09.2021 for a second term of five consecutive years from the conclusion of the Company's 33rd AGM to the conclusion of the Company's 38th AGM. However, in the Notice of 33rd AGM, item no. 7 viz. "Appointment of Mr. Manmohan Singh as an Independent director" has been inadvertently mentioned as an 'Ordinary Resolution' instead of a 'Special Resolution'. Therefore, based on his skills, experience, knowledge and report of his performance evaluation, his re-appointment has been sought to be ratified by the members at this AGM by way of Special Resolution(s).

Brief details of Mr. Manmohan Singh, the nature of his expertise and vast experience, with other details relating to his directorship, are annexed to this Notice.

The Company has received from Mr. Manmohan Singh, his consent to act as Director of the Company along with a declaration to the effect that he meets the criteria of independence as provided in Section 149 of the Act and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and an intimation to the effect that he is not disqualified from being appointed as a Director in terms of Section 164(2) of the Act.

In terms of Regulation 17(1A) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 and effective from April 1, 2019, no company shall appoint or continue the directorship of any person as a non-executive director who has attained the age of 75 years unless a special resolution is passed to that effect. The Board on the recommendation of NRC Committee has recommended the re-appointment of Mr. Manmohan Singh as an Independent Director of the Company for the second term, even though he would attain the prescribed age of seventy five years during the proposed second term of appointment. Your Directors recommend the resolution set forth in Item no. 4 for the approval of the Members, by passing the resolution as a Special Resolution.

In accordance with the provisions of Section 149 read with Schedule IV to the Act and SEBI Listing Regulations, re-appointment of Independent Directors for their second term requires approval of Members by way of a Special Resolution. Further, pursuant to the provisions of the Listing Regulations, the approval of the Members by way of a Special Resolution is required for continuing the appointment of a Non-Executive Director (which includes independent director), who shall attain the age of seventy five years during his term of appointment. Accordingly, the approval of the Members of the Company is being sought by way of a Special Resolution.

In the opinion of the Board, Mr. Manmohan Singh fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company, he is not debarred from holding the office of director by virtue of any SEBI order and he is independent of the management.

Except for Mr. Manmohan Singh to whom the resolution relates and his relatives (to the extent of their shareholding interest in the Company), none of the other Directors, Promoters and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution.

Item No. 5

The Board of Directors, on the recommendation of the Audit Committee has approved the appointment of M/s. D. Sabyasachi & Company, Cost Accountants, as Cost Auditors of the Company, subject to approval(s) as may be necessary, for auditing the cost accounts of the Company relating to any products as may be applicable for the financial year 2022 -23 at a remuneration of ₹ 40,000/- and GST at the applicable rate and reimbursement of out of pocket expenses at actuals. In terms of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders of the Company.

The Board recommends the resolution set out at Item no. 5 for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item no. 5.

By Order of the Board of Directors

Arvind Bajoria
Company Secretary
Membership No. :15390

5th August, 2022
Kolkata

Regd. Office :
FOUR MANGOE LANE,
SURENDRA MOHAN GHOSH SARANI
KOLKATA – 700 001
CIN : L24232WB1987PLC042956

REPORT OF THE DIRECTORS

For The Financial Year Ended 31st March, 2022

The Directors of your Company are pleased to present the 34th Annual Report and Audited Statement of Accounts for the financial year ended 31st March, 2022.

FINANCIAL RESULTS

₹ in Lakhs

Financial Results	Year ended 31st March, 2022	Year ended 31st March,2021
Revenue from Operations	12275	8841
Total Expenses (excluding finance cost & depreciation)	10979	8147
Profit from Operations before Depreciation, Finance cost and Tax	1296	694
Other Income	165	949
Finance Costs	878	1133
Depreciation & Amortization Expenses	279	402
Profit Before Tax & Exceptional Loss	304	108
Exceptional Loss	-	12689
Profit/(Loss) Before Tax	304	(12581)
Tax Expenses	149	(3411)
Profit/(Loss) for the Year	155	(9170)

As the Company made serious efforts to reverse the impact of Corona pandemic, revenue from Operations for the year under review increased to ₹ 12275 Lakhs as against ₹ 8841 Lakhs for the previous year registering an increase of 39%. Profit from Operations before Depreciation, Interest and taxation excluding other income was higher by ₹ 602 Lakhs. Profit after taxation stood at ₹ 155 Lakhs against a loss of ₹9170 Lakhs in the previous year.

DIVIDEND

No dividend could be declared for FY 2021-22 due to inadequate profits.

OPERATIONAL REVIEW & STATE OF THE COMPANY'S AFFAIRS

As you are aware your company is primarily engaged in Designing, Manufacturing, & Commissioning Customized / Critical Equipment/Systems for critical applications across a wide range of industries.

Process Equipment (PE): An improved economic environment led to a substantially higher inflow of orders as compared to the previous year.

Some of the orders which have been received and which were and are being executed during the year under review are :

- Rotary Dryers, Rotary Kiln and Air Pre Heaters for Carbon Black Industries for customers across the globe
- Multi Coil Dryer which is an import substitute.
- Vibrating Fluid Bed Dryer for drying flower petals for medicinal use.
- Paddle Dryer and Paddle coolers for various applications.
- Sludge dryer for drying of Palm Oil Mill affluent sludge and other industrial sludge.

Food Processing Equipment

During the year under review we have bagged a total of 51 orders in the domestic market and 8 from Bangladesh for tea dryers. With Indian Tea Board easing out the sanction process now, we expect a growth in demand of Vibro Fluid Bed Dryers (VFBDs) for tea industry in the domestic market.

Order Booking

The total order booking during the year was ₹ 163 Crores (previous year ₹ 89 Crores) and total unexecuted orders as on 31st March, 2022 stood at ₹110 Crores (previous year ₹ 70 Crores)

Issue of Fresh Capital:

During the year ended 31st March, 2022, the Company has issued 44,02,826 Equity Shares of face value of ₹ 10/- each at a premium of ₹ 24/- each on preferential allotment basis to the allottees under Public Category. The Company has also issued 44,11,764 Convertible Warrants of face value of ₹ 10/- each at a premium of ₹ 24/- each on preferential basis to the allottees under Promoter Category. The holder of 17,00,000 warrants has paid 100% subscription money and equivalent number of Equity Shares have been issued. Holders of balance warrants would need to exercise the option to subscribe to Equity Shares before the expiry of 18 months from the date of allotment made on 7th March, 2022 upon payment of the balance 75% of the consideration of warrants.

FUTURE OUTLOOK

Your Company operates primarily in two divisions viz. Process Equipment and Tea Drying Equipment. The future outlook based on orders in hand and the expected order inflow appears to be encouraging.

A detailed review of the outlook of each division is incorporated in the Management Discussion and Analysis Report in Annexure I which forms part of this Report.

AUDITORS & AUDIT REPORT

a) Statutory Auditors : At the AGM on 13.08.2019 M/S. V. Singhi & Associates, Chartered Accountants (FRN :311017E) were appointed as Statutory Auditors for a tenure of five years upto AGM to be held in 2024.

   Statutory Audit Report for FY 2021-22, has an unmodified opinion.

b) Internal Auditors : M/s. Bhide & Bhide, Chartered Accountants were appointed as Internal Auditors by the Board of Directors for 2021-22 and they have conducted internal audits periodically and submitted their reports to the Audit Committee. Their reports have been reviewed by the Statutory Auditors and the Audit Committee.

c) Cost Auditors : Your Company appointed M/s. D. Sabyasachi & Co. (FRN : 00369) Cost Accountants as Cost Auditors of the Company for the Financial Year 2021-22 and their appointment is proposed for 2021-22 at the remuneration set out in the notice of AGM and explanatory statement thereto.

d) Secretarial Auditors : M/s. Nitin Sharma & Associates, Mumbai were appointed as secretarial auditor of the Company for the Financial Year 2021–22, as required under section 204 of the Companies Act, 2013 read with the applicable rules. The Secretarial Audit Report for 2021-22 forms part of the Annual Report as Annexure - VI.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provision of Section 134 (5) of the Companies Act, 2013, the Board of Directors of your Company hereby confirms:

1) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure;

2) that 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 the end of the financial year and of the Profit and Loss of the Company for the period;

3) that 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;

4) that the Directors have prepared the annual accounts on a going concern basis.

5) that the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

6) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGEMENT DISCUSSION & ANALYSIS

A separate report on Management Discussion & Analysis is appended to the Annual Report as Annexure "I" and forms part of this Directors Report;

CORPORATE GOVERNANCE

Report on Corporate Governance has been attached herewith as Annexure - II pursuant to the provisions of Regulation 34(3) and 53(f) read with schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

EMPLOYEE RELATIONS

Employee relations remained cordial throughout the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo as required to be disclosed pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, as amended, is appended to this Annual Report as Annexure VII and forms part of this Directors' Report.

ADEQUACY OF INTERNAL CONTROL SYSTEM WITH RESPECT TO THE FINANCIAL STATEMENTS

The Company has a comprehensive system of internal control which is being strengthened. The internal control system is also subject to review by auditors. The Company has appointed a firm of auditors for conducting internal audit periodically and the report is considered by the Audit Committee of the Board headed by a Non-executive Independent Director.

DIRECTORS

Mr. Aditya Khaitan (DIN : 00023788) and Mr. Amritanshu Khaitan (00213413) retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for reappointment.

Mr. Aditya Khaitan stepped down as Chairman of the Board, w.e.f. 17th June, 2021.

With an objective of inducting professionals from diverse background, Board of Directors appointed Mr. Navin Nayar (DIN : 00136057) and Mr. Vasumitra Sharma (DIN : 09177255) as additional directors w.e.f. 21st April, 2021 and 29th June, 2021 respectively as nominees of new investor M/s. Firstview Trading Pvt. Limited

Two new Independent Directors, Mr. Manmohan Singh (DIN : 00699314) and Mr. Shourya Sengupta (DIN : 09216561) were appointed as additional directors w.e.f. 21st April, 2021 and 29th June, 2021, respectively and the appointment of additional directors was approved by members at 33rd Annual General Meeting held on 29th September, 2021. Mr. Manmohan Singh was appointed as Chairman of the Board of Directors w.e.f. 12th August, 2021.

Mr. Subir Chaki (DIN : 05174555) Managing Directors passed away on 18th October, 2021 and directors place on record their gratitude and appreciation for his sincere efforts in steering the Company during highly challenging times.

Mr. Anil Somshekar Karnad (DIN : 07551892) was appointed as additional director and designated as Whole Time Director (operations) w.e.f. 1st December, 2021 and his appointment as director and terms of remuneration were approved by members in Extra Ordinary General Meeting (no. 01/ 2021 – 22) held on 15th February, 2022.

Mr. Ranjit Pamo Lala (DIN : 07266678) was appointed as additional director and designated as Managing Director w.e.f. 15th May, 2022 and his appointment as director and terms of remuneration were proposed for approval of members by postal ballot on 14th July, 2022 and the outcome will be announced on 12th Aug., 2022 .

DECLARATIONS BY INDEPENDENT DIRECTORS

Necessary declarations from all the Independent Directors of the Company, confirming that they meet the criteria of independence as prescribed, have been received.

KEY MANAGERIAL PERSONNEL

During the year 2021-22, following officials continued as Key Managerial Personnel, pursuant to section 203 of The Companies Act, 2013 :

i. Mr. Subir Chaki, Wholetime Director (from 1st April, 2021 to 30th June, 2021) and Managing Director (from 1st July, 2021 till his demise on 18th October, 2021).

ii. Mr. Anil S. Karnad, Wholetime Director (operations) w.e.f. 1st December, 2021.

iii. Mr. Sachin J. Vijayakar, Chief Financial Officer

iv. Mr. Arvind Bajoria, Company Secretary

BOARD EVALUATION

Securities Exchange Board of India (SEBI) vide its circular no. SEBI /HO /CFD /CMD /CIR /P /2017/004 dated 5th January, 2017 had issued a guidance note on Board Evaluation which inter alia contains indicative criterion for evaluation of the Board of Directors, its Committees and the individual members of the Board.

Pursuant to the new Evaluation Framework adopted by the Board, the Board evaluated the performance of the Board, its Committees and the Individual Directors for the financial year 2021-22. After the evaluation process was complete, the Board was of the view that the performance of the Board as a whole was adequate and fulfilled the parameters stipulated in the evaluation framework. The Board also ensured that the Committees functioned adequately and independently in terms of the requirements of the Companies Act, 2013 and the Listing Regulations and at the same time supported as well as coordinated with the Board to help in its decision making. The individual Directors' performance was also evaluated and the Board was of the view that the Directors fulfilled their applicable responsibilities and duties as laid down by the Listing Regulations and the Companies Act, 2013 and at the same time contributed with their valuable knowledge, experience and expertise to grab the opportunity and counter the adverse challenges faced by the Company during the year.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Your Company has no holding or subsidiary company. Firstview Trading Pvt. Limited was holding 82,00,000 equity shares (29.07%) upto 28th March, 2022 and 99,00,000 equity shares (28.86%) w.e.f. 29th March, 2022 and your company can be termed as associate Company of Firstview Trading Pvt. Limited within section 2(6) of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

Your Board has developed and approved a Related Party Transactions Policy for purposes of identification and monitoring of related party transactions and the same has been displayed on the Company's website at http:// www.kilburnengg.com/company-policy-main.

The Statement in Form AOC -2 containing the details of the Related Party Transactions pertaining to contracts with Related Parties forms a part of this Report as Annexure - VIII.

MANAGERIAL REMUNERATION

Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as per Annexure - IX. Mr. Subir Chaki, Managing Director and Mr. Anil S. Karnad, Whole Time Director (operations) are the only Executive Directors in receipt of remuneration during 2021-22, and remuneration details are available in the corporate governance details attached to this directors' report.

VIGIL MECHANISM

The Company has formulated a vigil mechanism for Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The VIGIL MECHANISM is available on the website of Company and can be accessed at http://www. kilburnengg.com/company-policy-main.

REMUNERATION POLICY

The Company has formulated a Remuneration Policy for Directors, Key Managerial Personnel and employees of the Company to ensure that adequate remuneration paid to attract, retain and motivate the senior management employees to run the company successfully. The Policy is available on the website of the Company at http:// www.kilburnengg.com/company-policy-main/ and also annexed herewith as Annexure - V.

RISK MANAGEMENT

Directors have adopted risk management policy to identify the risks involved in all activities of the Company. The main objective of this policy is to ensure sustainable business growth and to promote a pro-active approach in identifying, reporting, evaluating and mitigating risks associated with the business. The policy guides the board in identification of various business risks and to take appropriate steps to mitigate the same.

CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted Corporate Social Responsibility (CSR) Committee in compliance with provisions of Section 135 of the Companies Act 2013 and SEBI Listing Regulations, with Mr. Amritanshu Khaitan (Chairman), Mr. Subir Chaki (Member upto 18th October, 2021) and Mr. Amitav Roy Choudhury (Member). The Committee was reconstituted on 9th November, 2021 with Mr. Shourya Sengupta as its new member to fill the vacancy due to sad demise of Mr. Subir Chaki. The CSR Committee laid down the CSR policy of the Company which can be accessed at http:// www.kilburnengg.com/ company-policy-main/. The Company made a total CSR expenditure amounting to ₹ 10.00 Lakhs during the FY 2021-22 (₹ 20 Lakhs during FY 2020-21). The details of said expenditure are given in Annual Report on CSR Activities, attached herewith as Annexure - IV in the form prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

EXTRACT OF THE ANNUAL RETURN

Annual return of the Company for the year 2021 – 22 has been uploaded on the website of the Company at http://www.kilburnengg.com/annual-returns-of-the-company.

OTHER DISCLOSURES

During the year under review:

a. Your Company has constituted an Internal Committee (IC) to consider and resolve all sexual harassment complaints reported by women employees. The constitution of IC is as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no complaints reported or cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

b. Your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

c. There were no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

COLLABORATORS

The Directors place on record its sincere appreciation to all its Collaborators for extending their valuable support and co-operation.

ACKNOWLEDGEMENT

The Directors wish to convey their appreciation to their Customers, Bankers, Dealers, Suppliers, Stock Exchanges, Government and all other Stakeholders for the excellent assistance and cooperation. The Directors also thank all the employees of the Company for their valuable service and support during the year.

For and on behalf of the Board

Manmohan Singh
Chairman
(DIN : 00699314)

Place : Kolkata
Date : 5th August, 2022

ANNEXURE - I

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MACRO-ECONOMIC SCENARIO

ECONOMIC OVERVIEW

The global economy recovered strongly in FY 2021-22 even as new variants of the COVID-19 virus fueled additional waves of the pandemic. Robust policy support in advanced economies, availability of vaccines and relaxation of pandemic restrictions helped economies bounce back. Overall, the global economy grew by 6.1% in 2021, as against 7.3% decline in 2020. The advanced economies grew by 5.2% and the Emerging Market and Developing Economies (EMDE) grew by 6.8%. Global trade growth remained strong during 2021, as its value continued to increase through each quarter of the year. Trade growth was not only limited to goods. Trade in services also grew substantially through 2021, to finally reach pre-pandemic levels during Q4 2021.

Towards the end of Q4 FY 2021-22, geopolitical tension arising from prolonged Russia-Ukraine conflict has led to increased volatility in economic activity and global trade. Oil and other commodity prices have surged significantly, thereby worsening the already high inflation dynamics of both advanced as well as developing economies. Record inflation has led Central Banks to accelerate the process of monetary policy normalisation. A gradual correction of supply-demand imbalances and a modest pickup in labour supply are expected in the medium term, which will eventually ease price inflation.

India still continues to be one of the fastest growing major economies. With a growth rate of 8.7% in FY 2021-22, India's gross domestic product (GDP) surpassed its pre-pandemic (FY 2019-20) level by 1.5%. The fiscal stimulus measures of the Government of India and the accommodative monetary policies of the RBI helped cushion the impact to a certain extent. India's Consumer Price Index (CPI) inflation stood at 6.95% YoY in March 2022 breaching the targeted tolerance band of the Reserve Bank of India. The inflation was largely driven by supply-side disruptions, caused by the pandemic, driving up input costs of businesses and exerting pressure on margins.

As per the Economic Survey 2022-23, the Indian economy is fundamentally strong to deliver a growth of 8.0-8.5% in the year 2023 as a result of a successful vaccination programme that has covered a substantial portion of the population, the economic momentum building up and the likely long-term benefits of supply-side reforms in the pipeline that range from simplification of processes to production-linked incentives and others.

INDUSTRY SCENARIO AND FUTURE BUSINESS OUTLOOK

The Company is engaged in design and manufacturing of special purpose process equipment and systems for critical applications primarily in the chemical, petrochemical and nuclear power sector.

The overall scenario in the chemical industry is positive. Strong demand and Policy support are driving investments in the country which will have a direct positive impact on order intake in coming quarters. In tea industry, the company still continues to be the dominant player and fortifying our position by offering comprehensive services to customers. Below are some key trends:

- The India soda ash market is primarily driven by the increasing product demand from the soap and detergent industry. It is extensively utilized as an additive in various home detergents and cleaning products due to its ability to remove alcohol and grease stain from clothing. Apart from this, a considerable increase in the production of glass due to the rising demand from the construction and renovation industries is also providing a boost to the market. This trend can be attributed to sustained economic growth, expanding commercial real estate and the rising urban population.
- The future of the carbon black market globally looks promising with opportunities in the transportation, industrial, and building and construction sectors. The major drivers for this market are increasing tire production and growth in plastic and coating market.

  Emerging trends, which have a direct impact on the dynamics of the industry, include growing usage of recycled and bio-based carbon black and a shifting focus from commodities to more specialized grades of carbon black.
- With special thrust of Government of India (GoI) on indigenizing production & reducing reliance on imports of various chemicals/specialty chemicals, GOI has introduced production linked incentive (PLI). To benefit from the same, manufacturers of various chemicals are coming-up with green-field, brown-field, replacement, capacity enhancement etc. projects.
- With the Indian Tea Board easing out the sanction norms now, we expect a growth in demand for tea dryers in the domestic market as new factories/expansions will come up. Growing tea business in Bangladesh is also expected to lead to good order inflow for tea dryers in the financial year 2022-23

The above sectors are key to our business and have in the past generated significant number of orders of high value.

The company continues to be a preferred partner for companies manufacturing Carbon black and Soda Ash. Newer applications for our current product range are regularly pursued to ensure a strong growth in future. Furthermore; we also explore tailoring our existing portfolio to suit customers' evolving needs. During the year under review, the order booking was 163 Crores.

Further, the Company has a break-through in procuring an order from a reputed EPC Contractor for manufacture and supply of Silos for a Government PSU for their site in eastern India. So far such Silos were supplied by companies outside India and this is the first time that an Indian Company will be manufacturing the same. These type of Silos are required in all the Petrochemical Plants. Successful execution of this order will create a PTR (Past Track Record) for us which will help us in bidding in other major projects for such Silos.

FINANCIAL PERFORMANCE

Financial performance has been separately dealt with under the Director's Report.

Significant Changes in some Key Financial Ratios (i.e change of 25% or more as compared to the immediately previous financial year) was as following:

Key Financial Ratios	FY 2021-22	FY 2020-21	Change (%)	Reasons
Inventory Turnover Ratios (Number of times)	13.31	9.74	36.65%	NA
Net Profit Margin (%)	1.26%	-103.72%	-101.21%	Impact of exceptional item during the Year Ended 31st March, 2021.
Operating profit margin (%)	11.93%	18.66%	-36.10%	NA
Return on Net Worth (%)	2.11%	-192.16%	- 101.10 %	Impact of exceptional item during the Year Ended 31st March 2021.
Debtors Turnover Ratio (Number of times)	2.66	2.38	11.76%	-
Current Ratio (Number of times)	1.68	1.45	15.86%	-
Debt Equity Ratio (Number of times)	1.20	2.05	41.70%	During the year the company has infused funds in the form of Equity Share Capital, out of the issue proceeds a part of borrowings has been paid.
Interest Coverage Ratios (Number of times)	1.84	1.54	19.27%	Reduction in interest expense.

Segment-wise or Product-wise Performance

The Company is primarily engaged in designing and manufacture of drying systems for diverse applications. The Company's performance in respect of these business groups has been outlined in the Directors Report.

1. RISKS CHALLENGES AND THREATS :

Risks	Mitigation
▶ Infringement of Intellectual property Rights. (IPR)	a) Constant innovation of the Company's products to deter copying of the product by unscrupulous competitors. b) Your Company is providing a total system to customers against products by some competitors which mitigate the risk from competition to an extent
▶ Business Risk The primary risk faced by your Company comes from increased competition in various segments due to entry of large number of domestic and international players.	Your Company provides a performance guarantee to its customers which in short guarantees the technology provided which many of the smaller players are unable to provide. Chinese challenge is being mitigated by providing post commissioning support and strengthening the trust with the customers.
▶ Long execution periods expose your Company to the risk of price variations.	At the time of quotation your Company executes Suitable contracts with vendors where price & credit period are matched with the buyers terms.
▶ As significant portion of the Company's sales is export the Company also faces the risk of currency fluctuations.	Your Company has a policy of hedging currency exposures to optimum levels.

Risks	Mitigation
▶ As the Company's products are capital goods in nature, cyclical dip in sales is an inherent risk in its business.	Your Company is continuously developing several new products and expanding geographically which helps to bridge dip in sales if any of established products.
▶ Due to changing economic environment Customers delaying i) Payments ii) Taking Delivery of the manufactured product on committed date	The Company insists Letter of Credit (LC) terms with new and overseas customers. However, there remains a risk about the customers asking for postponing delivery when Company's manufacture is completed. Such demands are settled through negotiations.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

The Company has a system of regular internal audit and they report inter-alia on the adequacy of the internal controls. The internal audit reports are presented to the Audit Committee and are discussed at the Board meeting. Their recommendations are duly compiled with.

HUMAN RESOURCE DEVELOPMENT:

Human resources are the key to the success of any organisation and the company continues to induct young talent with a futuristic view. Training and development of employees is continuous and aligned to the changing needs of the engineering industry. The overall industrial and employees relation has remained cordial and positive.

GENTLE WORD OF CAUTION:

Some of the statements in this management discussion and analysis report describing the Companies objectives, projections, estimates and expectation may be Forward Looking Statements within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in industry, significant changes in political and economic environment in India, tax laws, foreign exchange fluctuation, custom duties, litigations and labour relations.

For and on behalf of the Board

Manmohan Singh
Chairman
(DIN: 00699314)

Place : Kolkata
Date : 5th August, 2022

ANNEXURE - II

REPORT ON CORPORATE GOVERNANCE

(Pursuant to applicable provisions of the SEBI (LODR) Regulations, 2015)

I. COMPANY'S PHILOSOPHY

Corporate Governance is very important for an organization as it shows the effectiveness of governance, the strength and standard of the Company. Your Company always follows principles and standards, ethical practices and remains transparent when it deals with stake holders.

The Company has adopted Code of Conduct for its employees including Executive and Non-Executive Directors. Human resource policy of the Company is also modified from time to time keeping the principles and culture of work in the interest of the employees and growth of the Company and its stakeholders.

The Company has strong legacy of fair, transparent and ethical governance practices. Compliance of all the provisions, rules and regulations is regularly audited to fulfill the demand of regulators and stakeholders and to give worth to their money, time, effort and investment.

Composition of Board of Directors

i) As on 31st March 2022, the Company has Ten directors including a Non-Executive, Independent Chairman. The Board consists of optimum numbers of Non-Executive and Independent Directors as per Regulation 17 of the SEBI (LODR) Regulations, 2015. There are Four Non-Executive Directors and Five Independent Directors out of total Ten Directors in the Board.

ii) None of the Directors hold membership in more than ten committees and chairmanship in more than five committees. The names and categories of the Directors on the Board, their attendance at the Board Meetings and last Annual General Meeting, Directorship held in other Companies, Committee Chairmanship / Membership held in other Companies as on 31st March, 2022 is given below:

Sr. No.	Names of the Directors	Category	No. of Board Meetings during the year 2021-22		Attendance at the last AGM held on 30.09.21	Directorship in other public Companies[1]	Committee position held in other public Companies[2]	
			Held	Attended			Chairman	Member
1	Mr. Manmohan Singh, Chairman	Independent	5	5	No	-	-	-
2	Mr. Anil S. Karnad Whole Time Director	Executive	2	2	NA	-	-	-
3	Mr. Aditya Khaitan	Non-Executive	5	5	Yes	5	1	1
4	Mr. Amritanshu Khaitan	Non-Executive	5	5	Yes	-	-	-
5	Mr. Navin Nayar	Non-Executive	5	3	Yes	9	3	2
6	Mr. Vasumitra Sharma	Non-Executive	5	5	Yes	-	-	-
7	Mr. Amitav Roy Choudhury	Independent	5	5	Yes	-	-	-
8	Mr. Mahesh Shah	Independent	5	5	Yes	2	1	1
9	Ms. Arundhuti Dhar	Independent	5	5	Yes	5	5	5
10	Mr. Shourya Sengupta	Independent	5	5	Yes	-	-	-

[1] Directorship held in Private Companies, Not for profit Companies and Foreign Companies and alternate directorship is not included.
[2] Only Audit Committee and Stakeholders' Relationship Committee are taken into consideration as per the provisions of SEBI (LODR) Regulations, 2015.
[3] Mr. Subir Chaki, Managing Director passed away on 18th October, 2021. During the year he attended two board meetings and AGM.

The Company's Chairman is a Non-Executive Independent Director as at March 31, 2022.

Independent Directors comprise one-half of the Board strength. Composition of Board has changed since the last report, due to demise of Mr. Subir Chaki, Managing Director on 18th October, 2021 and appointment of additional directors during the year

iii) The fees / compensation, if any, paid to the Non-Executive Directors has been disclosed hereafter in this Report. None of the Non- Executive Directors of the Company has any pecuniary relationship and / or transaction with the Company.

iv) Board has met from time to time as detailed hereafter taking into consideration the compliance reports of all applicable laws. The information as specified in Part A of Schedule II to SEBI (LODR) Regulations, 2015 is provided to the Board as and when applicable and material.

v) Composition of Board had undergone change during 2021-22, due to sad demise of Mr. Subir Chaki, Managing Director on 18th October, 2021 and appointment of additional directors during the year.

vi) The Board has adopted "Code of Conduct for Board Members and Senior Management of the Company". All the Board Members and Senior Management have affirmed the compliance with the said Code of Conduct during the year 2021-22. A declaration to this effect signed by Managing Director is appended to this Report of Corporate Governance. The Code of Conduct is available on the website of the Company i.e., www.kilburnengg.com

II. BOARD MEETINGS AND COMMITTEE MEETINGS

The Board of Directors of the Company regularly meets as per the provisions of the Companies Act, 2013 and other rules, regulations and agreement etc. to take note of the compliance of transactions & activities of the Company from time to time. All major decisions of the Company are taken by the Board in duly held meetings of it and its committees.

i) The Board has been called within the required time gap under the listing agreement. During the financial year 2021-22, the Board has met five times as on 29/06/2021, 12/08/2021, 11/11/2021, 19/01/2022 and 11/02/2022. The meetings are convened by giving appropriate advance notice with material and important items pertaining to the development and working of the Company in an explanatory agenda leading to take strategic decisions. Detailed agenda, management reports and other explanatory statements are circulated in advance amongst the Board members for facilitating meaningful, informed and focused decisions at the meetings. All the meetings of the Board and its committees were completed with proper quorum.

ii) Details of remuneration and sitting fees to Directors (for attending meetings of Board of Directors, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Share Allotment Committee) for the year 2021-22 are as under:

(Amount in ₹)

Names of Directors	Designation	Sitting Fees	Salary & Perquisites**	Commission	Total
Mr. Manmohan Singh	Independent	80,000	Nil	Nil	80,000
Mr. Anil S. Karnad	Whole Time Director (Operations)	NA	₹ 21.24 Lakhs**	Nil	₹ 21.24 Lakhs**
Mr. Aditya Khaitan	Non-Executive	50,000	NA	NA	50,000
Mr. Amritanshu Khaitan	Non-Executive	80,000	NA	NA	80,000
Mr. Navin Nayar	Non-Executive	60,000	NA	NA	60,000
Mr. Vasumitra Sharma	Non-Executive	50,000	NA	NA	50,000
Mr. Amitav Roy Choudhury	Independent	1,30,000	NA	NA	1,30,000
Mr. Mahesh Shah	Independent	1,40,000	NA	NA	1,40,000
Ms. Arundhuti Dhar	Independent	80,000	NA	NA	80,000
Mr. Shourya Sengupta	Independent	90,000	NA	NA	90,000

** Includes salary, house rent allowance, bonus and other allowances. Mr. Anil Karnad was appointed Whole Time Director w.e.f. 1st December, 2021 and his remuneration is inclusive of remuneration since his appointment as Vice-President (Operations) in May, 2021
During the year, Mr. Subir Chaki, Managing Director had a sad demise on 18th October, 2021 and he was paid a total remuneration of ₹ 87 Lakhs during the year 2021-22

Directors have not been granted any stock options during the year.

Shareholding of Non-Executive Directors

Details of the equity shares held by Non-Executive Directors (Individually) as on 31st March, 2022 were as under

Names of Directors	Nature of Directorship	No. of Equity shares held
Mr. Manmohan Singh	Independent Director	NIL
Mr. Aditya Khaitan	Non-Executive	1,50,000
Mr. Amritanshu Khaitan	Non-Executive	1,30,000
Mr. Navin Nayar	Non-Executive	NIL
Mr. Vasumitra Sharma	Non-Executive	NIL
Mr. Amitav Roy Choudhury	Independent Director	NIL
Mr. Mahesh Shah	Independent Director	NIL
Ms. Arundhuti Dhar	Independent Director	NIL
Mr. Shourya Sengupta	Independent Director	NIL

Core Skills of the Board

The following is a list of core skills/expertise/competencies mapped with every director of the Company identified by the Board of Directors of the Company as required in the context of the Company's business(es) and sector(s) for the Company to function effectively and those available with the Board :

Core skills/expertise/ competencies	Adequate knowledge of the Company's business and the industry in which the Company operates	Strategy Acumen	Financial Skills	Communication Skills	Leadership & Management
Mr. Manmohan Singh	Y	Y	Y	Y	Y
Mr. Anil S. Karnad	Y	Y	Y	Y	Y
Mr. Aditya Khaitan	Y	Y	Y	Y	Y
Mr. Amritanshu Khaitan	Y	Y	Y	Y	Y
Mr. Subir Chaki	Y	Y	Y	Y	Y
Mr. Navin Nayar	Y	Y	Y	Y	Y
Mr. Vasumitra Sharma	Y	Y	Y	Y	Y
Mr. Amitav Roy Choudhury	Y	Y	Y	Y	Y
Mr. Mahesh Shah	Y	Y	Y	Y	Y
Ms. Arundhuti Dhar	Y	Y	Y	Y	Y
Mr. Shourya Sengupta	Y	Y	Y	Y	Y

Here 'Y' stands for yes and 'N' for no

III. AUDIT COMMITTEE

i) Members of the Audit Committee:

All members of the Audit Committee are financially literate and have acquired financial, accounting and legal expertise. The Chairman of the Audit Committee is a Non-Executive Independent Director. The Audit Committee is constituted as per regulation 18 of SEBI (LODR) Regulations, 2015 read with Section 177 of the Companies Act, 2013 has following members:

Names of the Members	Position Held	Category
Mr. Mahesh Shah	Chairman	Non-Executive Independent Director
Mr. Subir Chaki (demise on 18-10-2021)	Member (till 18-10-2021)	Managing Director
Mr. Manmohan Singh	Member (appointed 09-11-2021)	Non-Executive Independent Director
Mr. Amitav Roy Choudhury	Member	Non-Executive Independent Director
Mr. Arvind Bajoria	Secretary	Company Secretary & Compliance Officer

ii) Details of the meetings of the Audit Committee during the year 2021-22 and its objectives :-

During the year 2021-22, five meetings of the Audit Committee were held and attended by the members as per the details given below;

Sr. No.	Name of Members	Meetings / Attendance				
		29/6/2021	12/08/2021	11/11/2021	19/01/2022	11/02/2022
1	Mr. Mahesh Shah	Present	Present	Present	Present	Present
2	Mr. Subir Chaki	Present	Present	N.A.	N.A.	N.A.
3	Mr. Manmohan Singh	N.A.	N.A.	N.A.	Present	Present
4	Mr. Amitav Roy Choudhury	Present	Present	Present	Present	Present

Chief Financial Officer of the Company and Statutory Auditors are invitees to the meetings of the Audit Committee. The Company Secretary acts as the Secretary to the Committee

iii) Terms of reference

The terms of reference of Audit Committee cover the matters specified under regulation 18 of SEBI (LODR) Regulations, 2015 as well as section 177 of the Companies Act, 2013 and broadly following functions are performed by it:

a) Overseeing the Company's financial reporting process to ensure disclosure of financial information as per the requirements of Stock Exchange and the Company Law requirements and to ensure that the financial statements are correct and credible.

b) Review of quarterly, half yearly and annual financial statements before submission to the Board for approval.

c) Review of Management Discussion & Analysis of financial condition and results of operations, statement of significant related party transactions.

d) Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditors and Internal Auditors and the fixation of audit fees.

e) Review of the adequacy of internal control systems, 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 and further recommending to the Internal Auditors regarding the nature and scope of internal audit. Review of reports of Statutory and Internal Auditors and replies of the management thereof.

f) Disclosure of any related party transactions, approval or any subsequent modification of transactions of the company with related parties.

g) Scrutiny of inter-corporate loans and investments.

h) Valuation of undertakings or assets of the Company, wherever it is necessary.

i) Review of 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.

j) Review of the annual financial statements with the management before submission to the Board for approval, with particular reference to :

- Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Clause (5) of Section 134 of the Companies Act, 2013.
- Changes, if any, in the accounting policies and practices and reasons for the same.
- Major accounting entries involving estimates based on exercise of judgment of the management.
- Significant adjustments made in the financial statements arising out of audit findings.
    - Compliance with listing and other legal requirements relating to financial statements.
    - Qualifications in the draft audit report.

k) Review of management representation letters to be issued to the Statutory Auditors.

l) Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

m) Reviewing compliances as regards the Company's Whistle Blower Policy.

n) Approval of the appointment of the Chief Financial Officer (CFO) of the Company after assessing the qualifications, experience & background, etc. of the Candidate.

Change in constitution of Audit Committee during FY 2021-22 :

Constitution of Audit Committee had changed during 2021-22 due to sad demise of Mr. Subir Chaki on 18th October, 2021. Remaining members of the Audit Committee constituted the committee, and Mr. Manmohan Singh, Independent Director joined the Committee as its new member.

IV. Nomination and Remuneration Committee

i) The Nomination and Remuneration Committee consisted of the following members during the year 2021-22 :

Names of the Members	Position Held	Category
Mr. Amitav Roy Choudhury	Chairman	Non-Executive Independent Director
Mr. Mahesh Shah	Member	Non-Executive Independent Director
Ms. Arundhuti Dhar	Member	Non-Executive Independent Director
Mr. Arvind Bajoria	Secretary	Company Secretary & Compliance Officer

Two meetings of the Committee were held during the financial year 2021-22 on 20th April, 2021 (attended by Mr. Amitava Roy Choudhury, Ms Arundhuti Dhar and Mr. Mahesh Shah), in which the committee members recommended the appointment of four Additional directors and terms of appointment of Mr. Subir Chaki as Managing Director w.e.f. 1st April, 2021 and second meeting was held on 10th November, 2021 (attended by Mr. Amitava Roy Choudhury, Ms Arundhuti Dhar and Mr. Mahesh Shah), in which the terms of appointment of Mr. Anil Karnad, Whole Time Director were recommended.

ii) Terms of reference:

a) To determine and set forth, in consultation with the Board, the Remuneration package of Executive Directors of the Company;

b) To determine and approve the remuneration and commission / incentive payable to the Managing Director of the Company for each financial year;

c) To approve the sitting fees / commission payable to the Non-Executive Directors of the Company;

d) To approve, in the event of loss or inadequacy of profits in any given financial year, the minimum remuneration payable to the Managing Director and Whole-time Directors within the limits as specified in Schedule V of the Companies Act, 2013.

iii) Employee Stock Option Scheme:

The Company does not have any Employee Stock Option Scheme in place.

iv) Remuneration Policy:

Mr. Subir Chaki was designated as Managing Director during the year 2021-22, he was paid Salary and other benefits as per below mentioned details. He did not hold any equity shares in the Company on the date of his demise on 18th October, 2021. His tenure as per the agreement was approved by shareholders upto 31st March, 2022. His remuneration during the past two years (inclusive of Bonus paid for previous year) was as following :

₹ in Lakhs

Remuneration details (Mr. Subir Chaki)	2021-22	2020-21
Salary	26,19,355	48,00,000
Perquisites (Car, Gas, Electricity etc.)	2,75,303	4,32,396
Bonus and allowances	57,37,089	62,31,792
Contribution to Super Annuation Fund	3,92,903	7,20,000

Mr. Anil Karnad was appointed as an additional director and designated as Whole Time Director (Operations) w.e.f. 1st December, 2021, during the year 2021-22, and was paid ₹ 12.40 Lakhs as Salary, ₹ 9.24 Lakhs as bonus and allowances, and other benefits as per below mentioned details. He does not hold any equity shares in the Company His tenure as per the agreement was approved by shareholders upto 1st December, 2023.

₹ in Lakhs

Remuneration details (Mr. Anil Karnad)	2021-22
Salary	12,40,000
Bonus and allowances	9,23,800

Remuneration of Non Executive Directors :

The details of relationship between Directors inter-se, sitting fees paid to Non-Executive Directors during the year 2021-22 (for attending the meetings of Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Share Allotment Committee) and the number of equity shares held by them is as follows:

Names of Directors	Relationship between Directors inter-se	Sitting fees paid for Board Meetings and Committee Meetings (in ₹)	Number of Equity Shares held in KEL as on 31st March, 2022
Mr. Manmohan Singh	-	80,000	NIL
Mr. Aditya Khaitan	-	50,000	1,50,000
Mr. Amritanshu Khaitan	-	80,000	1,30,000
Mr. Navin Nayar	-	60,000	NIL
Mr. Mahesh Shah	-	1,40,000	NIL
Mr. Amitav Roy Choudhury	-	1,30,000	NIL
Ms. Arundhuti Dhar	-	80,000	NIL
Mr. Vasumitra Sharma	-	50,000	NIL
Mr. Shourya Sengupta	-	90,000	NIL

The Non-Executive Directors were paid sitting fees of ₹ 10,000/- for each meeting of the Board and of Committee thereof (other than Corporate Social Responsibility Committee) attended by them. Except for sitting fees, Non-Executive Directors are not paid any remuneration and / or commission.

v) Board Evaluation :

The Board has devised the process and the criteria for the performance evaluation which has been recommended by the Nomination & Remuneration Committee and approved by the Board.

The process for performance evaluation is as under:

- The Board evaluates the performance of the Directors excluding the Director being evaluated.
- The Nomination & Remuneration Committee evaluates the performance of each Director.
- The Independent Directors evaluate the performance of the Non- Independent Directors including the Chairperson of the Company taking into account the views of the Executive and Non-Executive Directors and of the Board as a whole.
- Performances of the Audit, Nomination & Remuneration, Stakeholders Relationship and Corporate Social Responsibility Committees are also evaluated.

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

- Appropriate Board size, composition, independence, structure
- Appropriate expertise, skills and leadership initiatives
- Attendance in meetings and participation in discussions
- Adequate knowledge about the Company's business and the economic scenario
- Innovative ideas for growth of the Company's business and economic scenario
- 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
- Defining roles and effective coordination and monitoring
- Effective and prompt disclosures and communication
- Compliance with applicable laws and adherence to Corporate Governance
- Compliance with Policies, Code of Conduct etc.

V. Stakeholders' Relationship Committee

i) During 2021-22, the Company had a Stakeholders' Relationship Committee pursuant to section 178 (5) of the Companies Act, 2013 for effective redressal of shareholders' complaints like transfer of shares, non-receipt of Annual Report, non- receipt of declared dividend etc. and reporting of the same to the Board periodically. The Committee oversees performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

ii) The Committee as on 31st March, 2022 comprised of following members:

Names of the Members	Position Held	Category
Mr. Amitav Roy Choudhury	Chairman	Non-Executive Independent Director
Mr. Mahesh Shah	Member	Non-Executive Independent Director
Mr. Shourya Sengupta	Member	Non-Executive Independent Director
Mr. Arvind Bajoria	Secretary	Company Secretary & Compliance Officer

Change in constitution of Stakeholders' Relationship Committee during 2021-22 :

Constitution of Stakeholders' Relationship Committee had changed during 2021-22 and Mr. Shourya Sengupta joined the committee as member.

iii) Procedure for approval and details of meetings and attendance during the year 2021-2022:

During the year 2021-2022, one meeting was held and attended by all the committee members on 30th March, 2022.

The power to approve the share transfer / transmission and dematerialization and / or rematerialisation has been delegated severally to Chief Financial Officer and Company Secretary. The request for share transfer/transmission, dematerialization / rematerialisation and issue of new share certificates in lieu of old/worn-out/lost/defaced/split/consolidation etc. is processed and attended at least once in a fortnight in co-ordination with Maheshwari Datamatics Private Limited, Registrars & Transfer Agents of the Company.

All the above requests processed during a quarter are then taken into record for approval of Shareholders / Investors' Grievance cum Share Transfer Committee.

iv) Name, Designation and Contact details of Compliance Officer:

Mr. Arvind Bajoria
Company Secretary & Compliance Officer
Plot No.6, MIDC Industrial Area, Kalyan Bhiwandi Road, Saravali, Thane 421 311, Maharashtra – India.
Phone: 91 2522 283000
Fax: 91 2522 281026
E-mail: cs@kilburnengg.com

v) Details of Investors Complaints/Grievances and their status:

The details of Investors' Complaints received and redressed by the Company and its registrars Maheshwari Datamatics Pvt. Ltd. during the year 2021-22 is as follows:

Nature of Complaints	Number of Complaints Received	Number of Complaints Resolved
Non-receipt of Declared Dividend	NIL	NIL
Non-receipt of Share Certificates	NIL	NIL
Non-receipt of Annual Reports	NIL	NIL
Shares not dematerialized / rematerialized	NIL	NIL
Others	NIL	NIL
Total	**0**	**0**

VI. Subsidiary Companies

The Company does not have any subsidiary companies.

VII. General Body Meetings

i) Details of Annual General Meetings (AGM) / Extra Ordinary General Meetings (EGM) in the last three years :

Financial year	AGM / EGM	Day & Date	Venue	Time
2021-22	EGM (01/ 2021-22)	Tuesday, 15th February, 2022	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") at regd. Office of the Company at Four Mangoe Lane, S. M. Ghosh Sarani, Kolkata – 700 001.	11:00 a.m.
	33rd AGM	Wednesday, 29th September, 2021	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") at regd. Office of the Company at Four Mangoe Lane, S. M. Ghosh Sarani, Kolkata – 700 001.	11:00 a.m.
2020-21	EGM	Wednesday, 27th March, 2021.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") at regd. Office of the Company at Four Mangoe Lane, S. M. Ghosh Sarani, Kolkata – 700 001.	11:00 a.m.
	32nd AGM	Wednesday, 30th September, 2020.	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") at regd. Office of the Company at Four Mangoe Lane, S. M. Ghosh Sarani, Kolkata – 700 001.	11:00 a.m.
2019-20	31st AGM	Tuesday, 13th August, 2019.	Williamson Magor Hall, The Bengal Chamber of Commerce and Industry, 6, Netaji Subhash Road, Kolkata – 700 001	11.00 a.m.

ii) Details of Special resolutions passed in Annual General Meetings (AGM) / Extra Ordinary General Meetings (EGM) in the last three years :

AGM / EGM	No. of Special resolutions passed	Particulars of Special resolutions
EGM	3 (Three)	1. Approval for the appointment of Mr. Anil Somshekar Karnad as a Director of the Company and the terms and conditions of his appointment as Whole Time Director (operations) 2. Issue of Equity Shares on Preferential Allotment Basis. 3. Issue of Convertible Warrants on Preferential Allotment Basis.
33rd AGM	3 (Three)	1. Appointment of Mr. Subir Chaki as Whole Time Director w.e.f. 1st April, 2021 upto 30th June, 2021 2. Appointment of Mr. Subir Chaki as Managing Director w.e.f. 1st July, 2021 upto 31st March, 2023 3. Approval of continuation of Mr. Manmohan Singh as director, even after completion of 75 years of age.
EGM	3 (Three)	1. Issue of Equity Shares on Preferential Allotment Basis to RBL Bank Limited. 2. Issue of Equity Shares on Preferential Allotment Basis to Firstview Trading Private Limited 3. Issue of Cumulative Redeemable Preference Shares (CRPS) to RBL Bank Ltd.
32nd AGM	2 (Two)	1. Approval of appointment of Mr. Subir Chaki as Whole Time Director 2. Ratification of appointment of Mr. Amitav Roy Choudhury as Independent Director.
31st AGM	2 (Two)	1. 1. Approval of appointment of Mr. Gobind Saraf as Independent Director 2. Approval of continuation of Mr. Gobind Saraf as director of the Company, on completion of 75 years of Age.

iii) Details of resolutions passed through Postal Ballot in the past three years :

No resolutions were passed through Postal Ballot in the past three years

2. Disclosures

i) Related party transactions:

Related party transactions have been disclosed under Note 36 of Audited Accounts in accordance with "Accounting Standard 18". A statement in summary form of transactions with related parties in the ordinary course of business is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

No material transactions are entered with related parties in conflict with the interest of the Company's business. All the transactions with related parties are entered at arm's length price. The Disclosure of interest in any of the transaction is made to the Board every year by the Directors as and when they become interested. Further, interested Directors neither participate nor vote in the transaction wherein they have potential interest.

ii) Disclosure of Accounting treatment:

The financial statements of the Company for the year ended 31st March, 2022 are prepared in conformity with the Accounting Standards. Refer Significant Accounting Policies para 2 and Revenue recognition policy.

iii) Risk Assessment:

The Company has an effective and efficient Risk Assessment and Management System to track, analyze and mitigate the risks associated with the Company. The Board of Directors periodically reviews the procedure of Risk Assessment and Management and thereby frame a properly defined network with help of which executive management can control risks. The details of risks associated with the Company and the ways to mitigate those risks are discussed in Management Discussion & Analysis Report annexed to the Directors' Report.

iv) Proceeds from public issues, rights issues, preferential issues, etc.:

During the year 2021-22, the Company has made allotment of equity shares and convertible warrants by way of preferential issue as following:

44,02,826 equity shares allotted to following investors in non-promoter category for Cash consideration @ ₹ 34 per share, inclusive of premium of ₹ 24 per share on 07-03-2022.

Sr. no.	Name of Allottees of equity shares	Number of equity shares allotted
1	Salarpuria Investment Pvt. Limited	1,47,058
2	Khivraj Motors Pvt. Limited	6,00,000
3.	Viswadham Commodities LLP	2,94,117
4.	Veer Multicomplex LLP	1,00,000
5.	Aamara Capital Private Limited	10,29,300
6.	Swaran Financial Pvt. Limited	5,00,000
7.	Chirag Dilipkumar Parekh	8,50,000
8.	Tusk Investment Limited	2,94,117
9.	Aditya Agarwalla Family Trust	2,94,117
10.	Girdhar Tracom Private Limited	2,94,117

44,11,764 convertible warrants allotted to three investors in promoter category for cash consideration @ ₹ 34 per share, inclusive of premium of ₹ 24 per share on 07-03-2022 on receipt of 25% of the total issue price of warrant as application money, as following :

Sr. no.	Name of Allottees of convertible warrants	Number of convertible warrants allotted
1.	Firstview Trading Private Limited	32,35,294
2.	Ekta Credit Pvt. Limited	5,88,235
3.	Vivaya Enterprises Pvt. Limited	5,88,235

Out of above convertible warrants, 17,00,000 convertible warrants held by Firstview Trading Private Limited were converted into equal no. of equity shares on payment of balance 75% of issue price.

v) Remuneration of Directors:

Already disclosed in Clause V which is "Nomination and Remuneration committee" section.

vi) Management:

a) Management Discussion & Analysis report is attached as Annexure - I to Directors' Report.

b) There were no material financial and commercial transactions by Senior Management as defined in regulation 23 SEBI (LODR) Regulations, 2015 where they have personal interest that may have a potential conflict with the interests of the Company at large.

vii) Shareholders:

The brief profile and other information pertaining to Directorship held in other Companies, shareholding etc. of the Directors proposed to be re-appointed at the ensuing Annual General Meeting of the Company are attached to the Notice of Annual General Meeting.

viii) Compliances:

a) During the last three years ending on 31st March, 2022, there were no non-compliances, penalties, strictures imposed on the Company by Stock Exchanges, SEBI or any other statutory authority, on any matter related to capital markets.

b) The Company has fully complied with all the statutory requirements of Listing Agreement entered into with Stock Exchanges including mandatory requirements of SEBI (LODR) Requirements, 2015.

c) The details of compliance with non- mandatory requirements of SEBI (LODR) Requirements, 2015 is as follows;

i) The Board has set up a Remuneration Committee to determine competitive remuneration package of Executive Directors of the Company. The details of Remuneration Committee are given earlier in this report.

ii) Whistle Blower Policy:

The Company has established a mechanism for employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguard to the victimized employees and spreads the way to curb those practices being followed in the office premises. None of the personnel of the Company has been denied access to the Audit Committee.

ix) Means of Communication:

Kilburn's commitment to the principles of transparency in all its dealings is the foundation of its continuous endeavour to create sustainable value for all its stakeholders. In this pursuit, the Company places highest emphasis on communicating information to its stakeholders.

In line with SEBI (LODR) Requirements, 2015 Company has maintained a functional website at www.kilburnengg.com containing basic information about the Company, financial information, shareholding pattern, Notices, compliance with corporate governance, contact information of the Compliance Officer, Investor Relation Officer and Registrar and Transfer Agent of the Company for investor grievances. The contents of the said website are updated from time to time.

a) Financial results

The quarterly, half yearly and annual results of the Company in the format prescribed under regulation 33 of the SEBI (LODR) Regulations, 2015 are published in prominent dailies such as Free Press Journal (English) and Duronto Barta (Bengali) and also posted on the website of the Company i.e., www. kilburnengg.com

b) Other information

Important official news and presentation made to institutional investors or to the analysts is also posted on the Company's website www.kilburnengg.com, as and when released.

x) CEO / CFO Certificate:

The CEO/CFO Certificate for the year ended 31st March, 2022 as required under SEBI Listing Regulations, 2015 was placed and taken on record at the Board Meeting of the Company held on 5th August, 2022.

xi) Certificate of compliance:

The Certificate of a Practicing Company Secretary confirming compliance with all requirements of the SEBI (LODR) Regulations for the year ended 31st March, 2022 is appended to this report.

xii) Insider Trading Code:

The Company has adopted Code of Conduct for Prevention of Insider Trading in line with provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct elaborates ways and measures to deal with unpublished price sensitive information and restricts the insider trading by any of the Directors and Senior Management personnel of the Company.

xiii) Credit Ratings for Debt Instruments, Fixed Deposit Programmes or any other scheme involving mobilisation of funds :

The Credit ratings of the Company's debt facilities is available on the Company's website (http://www.kilburnengg.com/credit-rating/)

xiv) General Shareholders Information:

a) Annual General Meeting

Date : 19th September, 2022
Time : 11:00 A.M.
Venue : Through Video conferencing or other Audio Visual means

b) Financial year 2022 -2023 (tentative schedule)

Quarter Results Ending on June 30, 2022 : First week of August 2022
Ending on September 30, 2022 : First week of November 2022
Ending on December 31, 2022 : First week of February 2023
Year ended March 31, 2023 : AGM is proposed to be held in August/September, 2023

c) Date of Book Closure : 13th September, 2022 to 19th September, 2022 (Both days inclusive)

d) Listing on Stock Exchanges : BSE Limited (BSE), Mumbai
The Calcutta Stock Exchange Limited (CSE), Kolkata

The Annual Listing fees for the year 2022-2023 has been paid.

e) Stock Code

BSE Ltd : 522101

The Calcutta Stock Exchange Association Ltd. : 21022

f) Corporate Identification Number : L24232WB1987PLC042956

g) ISIN number : INE338F01015

h) Stock Market Price Data

Performance of share price of the Company in comparison to BSE Sensex, for FY : 2021-22 was as following:

Month & Year	Share Price of KEL on BSE			
	Month's High	Month's Low	Month's Closing Price	Volume of shares traded
	(₹)	(₹)	(₹)	(In no.)
Apr-21	23.75	19.10	21.50	98,528
May-21	27.65	21.20	24.95	3,72,781
Jun-21	30.00	24.25	27.55	3,02,396
Jul-21	45.80	26.20	42.70	7,50,059
Aug-21	44.00	28.10	31.00	2,47,035
Sep-21	32.50	27.15	28.00	1,47,628
Oct-21	29.50	22.55	25.45	1,91,849
Nov-21	34.20	24.15	33.35	2,64,149
Dec-21	38.80	27.75	30.00	2,60,952
Jan-22	48.50	29.00	45.55	10,76,701
Feb-22	55.10	34.05	39.00	5,57,696
Mar-22	57.55	36.60	49.85	6,55,723

i) Registrars and Transfer Agents : Maheshwari Datamatics Private Limited 5th Floor, 23, R. N. Mukherjee Road, Kolkata – 700 001.

Tel No.: (033) 2243 5809 / 5029; 2248 2248
Fax No.: (033) 2248 4787
E-mail: mdpldc@yahoo.com

j) Share Transfer System:

The physical transfer of shares is processed and approved by the Company in co-ordination with Maheshwari Datamatics Private Limited, at least once in every fortnight. The Share Certificates after effecting transfer are dispatched to the shareholders within 15 days from the date of receipt of transfer request, if the transfer documents are found technically in order and complete in all respects. The transfer of shares held in Demat mode is processed electronically by Maheshwari Datamatics Private Limited within 15 days from the date of receipt of the request.

The Shares of the Company are compulsorily traded in dematerialized form.

k) Distribution of shareholding as on 31st March, 2022:

No. of Equity shares held	No. of shareholders	% of shareholders	No. of shares	% of shareholding
UPTO – 500	6217	83.9908	9478420	2.9067
501 – 1000	563	7.6061	4678880	1.4349
1001 – 2000	282	3.8098	4401250	1.3497
2001 – 3000	99	1.3375	2524950	0.7743
3001 – 4000	59	0.7971	2130950	0.6535
4001 – 5000	32	0.4323	1502270	0.4607
5001 – 10000	69	0.9322	5147110	1.5785
10001 and above	81	1.0943	297922110	90.8417
TOTAL	**7402**	**100.0000**	**343085940**	**100.0000**

Shareholding pattern as on 31st March, 2022:

Category	No. of Shareholders	No. of Shares held	Percentage of Shareholding
A Promoters' Holding			
1 Promoters			
Indian	15	17832137	51.98
Foreign	-	-	-
B Public Shareholding			
2 Institutional Investors	-		
a. Mutual Funds and UTI	2	800	0.01
b. Banks, Financial Institutions	1	6750000	19.67
c. Insurance Companies	-	-	-
d. Foreign Institutional Investors	-	-	-
3 Others			
a. Bodies Corporate	67	3922070	11.43
b. Indian Public	6944	5191045	15.13
c. NRIs / OCBs	66	77382	0.23
d. IEPF	1	144381	0.51
e. Others	219	390770	1.04
Total (1+2+3)	**7315**	**34308594**	**100.00**

l) Dematerialization of shares and liquidity: Details of Shares in Physical & Electronic Mode as on 31st March 2022

The Company's Shares are traded in Stock Exchange in dematerialized form and are available for trading in both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2022 the data are as follows.

Particulars	No. of Shares	Percentage of Total Shares
Physical Segment	63,44,365	18.49 %
NSDL	2,45,48,789	71.55 %
CDSL	34,15,450	9.96 %
Grand Total	**3,43,08,594**	**100.00 %**

ISIN No. of the Company's Equity Shares is: INE338F01015

Note : 44,02,826 equity shares allotted by way of preferential allotment on 07-03-2022 and 17,00,000 equity shares allotted on 29-03-2022 by conversion of warrants, were credited in demat account of the Allottees in the month of April / May, 2022. Listing approval for these equity shares was also received in April / May, 2022.

m) Dividend

Dividend History

Financial Year	Type	Dividend		
		Per share	Face Value	% on face value
2018-2019	Equity	₹ 1/-	₹ 10/-	10 %
2017-2018	Equity	₹ 1/-	₹ 10/-	10 %
2016-2017	Equity	₹ 2/-	₹ 10/-	20 %
2015-2016	Equity	₹ 2/-	₹ 10/-	20 %

n) Transfer of Unpaid / Unclaimed dividend and the shares to Investor Education and Protection Fund (IEPF).

Section 124 of the Companies Act, 2013, mandates that the companies transfer dividend that has been unclaimed for a period of 7 years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). In accordance with the following schedule, the dividend for the years mentioned below, if unclaimed within a period of seven years, will be transferred to IEPF.

Financial Year	Unclaimed dividend amount as on 31.03.2021 (in ₹)	Date of Declaration	Dividend Payment Date	Due date for transfer to IEPF
2015-2016 Final	593834.00	22nd September, 2016	10th October, 2016	9th October, 2023
2016-2017 Final	587970.00	25th September, 2017	10th October, 2017	9th October, 2024
2017-2018 Final	222385.00	28th September, 2018	12th October, 2018	11th October, 2025
2018-2019 Final	176146.00	13th August, 2019	26th August, 2019	25th August, 2026

Transfer of Shares to IEPF

Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 read alongwith the Investor Education and Protection Fund Authority (Accounting Audit, Transfer and Refund) Rules, 2016 ("The Rules") notified by the Ministry of Corporate Affairs, New Delhi, transfer of all shares in respect of which dividend has not been paid or claimed by the shareholders for seven consecutive years was made to the Investor Education and Protection Fund (IEPF) set up by the Central Government. Accordingly, individual communication was sent to those shareholders whose shares were liable to be transferred to IEPF under the said Rules at their latest available address alongwith the notice in the newspaper and thereafter the shares were transferred in 2018.

o) Investors Safeguards:

- Dematerialization of Shares and Liquidity

  Shareholders are requested to convert their physical holding to demat/electronic form through any of the registered Depository Participants (DPs) to avoid the hassles involved in dealing in physical shares such as possibility of loss, mutilation, etc. and also to ensure safe and speedy transaction in respect of the shares held.

- **Update Address Details and Bank Details**
  To receive all communications/corporate actions promptly, shareholders holding shares in dematerialized form are requested to please update their address/bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

- **National Electronic Clearing Service (NECS) / Electronic Clearing Services (ECS) mandate for Dividend**
  NECS/ECS facility ensures timely remittance of dividend without possible loss/delay in postal transit. Shareholders/Members holding shares in electronic form may register their NECS/ ECS details with the respective DPs and Shareholders/Members holding shares in physical form may register their NECS/ECS details with the Registrars and Share Transfer Agent, M/s. Maheshwari Datamatics Pvt. Ltd., 5th Floor, 23, R.N. Mukherjee Road, Kolkata – 700 001 to receive dividends, if declared, via the NECS / ECS mode.

- **Register Nomination(s)**
  Members holding shares in physical form are requested to register the name of their nominee(s), who shall succeed the member as the beneficiary of their shares and in order to avail this nomination facility, they may obtain/ submit the prescribed Form 2B from/with the Registrars & Share Transfer Agents. Members holding shares in dematerialized form are requested to register their nominations directly with their respective DPs.

- **Register E mail Address**
  As you all may be aware, Ministry of Corporate Affairs has taken a Green Initiative in Corporate Governance by issuing Circulars 17/2011 and 18/2011 dated 21st April, 2011 and 29th April, 2011, whereby Companies are permitted to send Notices/documents including Annual Report comprising Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report etc. in electronic mode (hereinafter referred to as 'documents'), provided the Company has obtained email addresses of its members for sending these documents through email by giving an advance opportunity to every shareholder to register their email address and changes therein from time to time with the Company. Accordingly, shareholders holding shares in physical form are requested to register their email addresses and changes therein from time to time, by directly sending the relevant email address along with details such as name, address, folio no., no. of shares held to the Registrars and Share Transfer Agents, M/s. Maheshwari Datamatics Pvt. Ltd. In respect of shares held in electronic form, the email address along with DP ID/ Client ID and other shareholder details as mentioned above should be registered by the shareholders with their respective Depository Participants. Upon registration of the email address, the Company proposes to send notices and documents, in electronic form, to such shareholders.

a) Outstanding GDRs /ADRs /Warrants or any Convertible instruments, conversion date and likely impact on equity: NIL

b) Plant Location : Kilburn Engineering Limited

Plot No. 6, MIDC Industrial Area, Kalyan Bhiwandi Road, Saravali, Thane 421 311, Maharashtra.

c) Address for Correspondence : Registered Office

Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700 001. Tel. No. : 033 22313337/3450 Fax No. : 033 22314768
E-mail: cs@kilburnengg.com

Corporate Office
Plot No. 6, MIDC Industrial Area, Kalyan Bhiwandi Road, Saravali, Thane 421 311, Maharashtra.
Phone: 91 2522 663800
Fax: 91 2522 281026
E-mail: cs@kilburnengg.com

Registrars & Transfer Agents
M/s Maheshwari Datamatics Pvt. Ltd., 5th Floor, 23, R.N. Mukherjee Road, Kolkata – 700 001.
Tel No.: (033) 2243 5809 / 5029; 2248 2248
Fax No.: (033) 2248 4787
E-mail: mdpldc@yahoo.com

For and on behalf of the Board

Anil Karnad
Whole Time Director (operations)
(DIN : 07551892)

Place : Kolkata
Date : 5th August, 2022

ANNEXURE - III

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
KILBURN ENGINEERING LTD

I have examined all the relevant records of **Kilburn Engineering Ltd** ('the Company') for the purpose of certifying compliance with the conditions of Corporate Governance under Chapter IV to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the year ended **31st March, 2022**.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation process adopted by the Company for ensuring compliance with the conditions of Corporate Governance. This certificate is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the said Listing regulations.

I 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 Nitin S. Sharma & Associates
UDIN: F008518D000751590

Nitin Sharma
Practising Company Secretary
CP 8518; FCS 9761

Place: Kolkata
Date: 5th August, 2022

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Anil Karnad, Whole Time Director (operations) of the Company do hereby give this declaration pursuant to provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has laid down code of conduct for all Board Members and Senior Management of the Company and the same is posted on the website of the Company i.e., www.kilburnengg.com. All the Board Members and Senior Management personnel have affirmed compliances with the code for the year ended 31st March, 2022.

For and on behalf of the Board

Anil Karnad
Whole Time Director (Operations)
(DIN : 07551892)

Place: Kolkata
Date: 5th August, 2022

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
Kilburn Engineering Ltd.,
4, Mangoe Lane, Kolkata, WB - 700001.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Kilburn Engineering Ltd** having CIN **L24232WB1987PLC042956** and having registered office at 4, Mangoe Lane, Kolkata, West Bengal - 700001, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Names of Director	DIN	Date of appointment
1.	Subir Chaki[1]	05174555	13/11/2017
2.	Aditya Khaitan	00023788	31/03/2015
3.	Amritanshu Khaitan	00213413	27/05/2005
4.	Amitav Roychoudhury	08501895	29/05/2019
5.	Mahesh Shah	00405556	06/08/2019
6.	Arundhuti Dhar	03197285	06/08/2019
7.	Navin Nayar[2]	00136057	21/04/2021
8.	Manmohan Singh[3]	00699314	21/04/2021
9.	Vasumitra Sharma[4]	09177255	29/06/2021
10.	Shourya Sengupta[5]	09216561	29/06/2021
11.	Anil Somshekar Karnad[6]	07551892	01/12/2021

Note:

1. Mr. Subir Chaki Ceased to be a Director of the Company due to sad demise w.e.f. October 18, 2021.
2. Mr. Navin Nayar appointed as an Additional Director in Non-Executive Director Category w.e.f. April 21, 2021 and was regularised as a Director in Non-Executive Director Category through resolution passed at Annual General Meeting held on September 29, 2021.
3. Mr. Manmohan Singh appointed as an Additional Director in Independent Director Category w.e.f. April 21, 2021 and was regularised as a Director in Independent Director Category through resolution passed at Annual General Meeting held on September 29, 2021.
4. Mr. Vasumitra Sharma appointed as an Additional Director in Non-Executive Director Category w.e.f. June 29, 2021 and was regularised as a Director in Non-Executive Director Category through resolution passed at Annual General Meeting held on September 29, 2021.
5. Mr. Shourya Sengupta appointed as an Additional Director in Independent Director Category w.e.f. June 29, 2021 and was regularised as a Director in Independent Director Category through resolution passed at Annual General Meeting held on September 29, 2021.
6. Mr. Anil Somshekar Karnad appointed as an Additional Director in Whole-Time Director Category w.e.f. December 01, 2021 and was regularised as a Director in Whole-Time Director Category through resolution passed at Extra-Ordinary General Meeting held on February 15, 2022.

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 Nitin S. Sharma & Associates
UDIN: F008518D000751612

Nitin Sharma
Practising Company Secretary
CP 8518; FCS 9761

Place: Mumbai
Date: 5th August, 2022

ANNEXURE – IV

ANNUAL REPORT ON CSR ACTIVITIES

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY.

The Company's Corporate Social Responsibility (CSR) Policy encompasses the Company's philosophy for delineating its responsibility as a Corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare & sustainable development of the community at large. In alignment with the vision of the Company, KEL, through its CSR initiatives, strives to create and enhance value in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth and development and welfare for the society and community at large, more specifically for the deprived and underprivileged persons.

The main objective of the Policy is to establish and lay down the basic principles and the general framework of action for the Company to undertake and fulfil its Corporate Social Responsibility. The Policy functions as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the spirit of law, ethical standards and requisite norms. In brief, the Policy provides inter alia, the following:

a. CSR Activities identified are related to the activities included in the Companies Act, 2013 (the Act) and the Companies (CSR Policy Rules) 2014 and exclude the activities undertaken in the normal course of business as well as exclude projects or programmes or activities that benefit only the employees of the Company and their families.

b. CSR Activities may be through a registered Trust or a registered society or a Company established under section 8 of the Act, subject to provisions in the Act and the CSR Rules.

c. The Company may also collaborate with other Companies for undertaking projects or programmes for CSR activities in such manner as provided.

d. CSR expenditure shall include all expenditure including contribution to corpus, for projects or programmes relating to CSR activities but does not include any expenditure on an item not in conformity with the CSR Policy.

e. CSR expenditure of at least 2% of the average net profits of the Company made during the 3 immediately preceding financial years in pursuance of CSR Policy.

f. CSR expenditure excludes any amount contributed, directly or indirectly to any political party u/s 182 of the Act.

g. Any surplus arising out of the CSR projects or programmes or activities shall not form part of the business profit of the Company.

Being aware of its CSR, the Company continues to be associated with a unique sustainable initiative- purpose of eradication of hunger and poverty and promotion of education, special education for differently abled, promotion of sports and education for rural development, details of which are provided below

The Policy is available on the Company's website at http://www.kilburnengg.com/company-policy- main/

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/ Nature of Directorship		Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
		Designation	Nature of Directorship		
1	Mr. Amritanshu Khaitan	Chairman	Non- executive Independent Director	One	One
2	Mr. Mahesh Shah	Member	Non- executive Independent Director	One	One
3	Mr. Amitav Roy Choudhury	Member	Non- executive Independent Director	One	One

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

http://www.kilburnengg.com/company-policy- main/

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

Not Applicable

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

(Amount in Lakhs)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ Lakhs)	Amount required to be set- off for the financial year, if any (₹ Lakhs)
		Nil	

6. Average net profit of the company as per section 135(5) is ₹ 340.52 Lakhs

7. a) Two percent of average net profit of the company as per section 135(5) – ₹ 6.81 Lakhs

b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – NA

c) Amount required to be set off for the financial year, if any – NA

d) Total CSR obligation for the financial year (7a+7b- 7c): ₹ 6.81 Lakhs

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

Amount Unspent (in ₹)

Total Amount Spent for the Financial Year. (in Lakhs.)	Total Amount transferred to Unspent CSR Account as per Section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer.
₹10 Lakhs	NA		NA		

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (₹ in Lakhs).	Amount spent in the current financial Year (₹ in Lakhs).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Lakhs).	Mode of Implementation-Direct (Yes/No).	Modeof Implementation–Through Implementing Agency	
				State	District						Name	CSR Registration number.
						NA						

c) Details of CSR Amount Spent Against other than Ongoing Projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (₹ Lakhs)	Mode of implementation- Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Livelihood opportunities generation for underprivileged women	Sch. VII Item (ii) and (iii)	Yes	West Bengal	Howrah, Hooghly and Kolkata	10.00	Yes		-
TOTAL						**10.00**			

d) Amount spent in Administrative Overheads: NA

e) Amount spent on Impact Assessment, if applicable: NA

f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 10 Lakhs

g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	6.81
(ii)	Total amount spent for the Financial Year	10.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3.19
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NA
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3.19

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
Nil							

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

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

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

a) Date of creation or acquisition of the capital asset(s).

b) Amount of CSR spent for creation or acquisition of capital asset.

c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

Mr. Amritanshu Khaitan
Chairman (CSR Committee of the Board)
(DIN: 00213413)

Date: 5th August, 2022
Place: Kolkata

Mr. Mahesh Shah
Member (Independent Director)
(DIN: 00405556)

ANNEXURE – V

REMUNERATION POLICY

The Remuneration Policy of Kilburn Engineering Ltd (the "Company") is designed to attract, motivate and retain manpower in a competitive and international market. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

The Remuneration Policy applies to the Company's senior management, including its Key Managerial Persons (KMPs) and Board of Directors

GUIDING PRINCIPLES

The Guiding Principle is that the remuneration and other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent executives.

The Remuneration Policy for executives reflects the overriding remuneration philosophy and principles of the Kilburn. When determining the remuneration policy and arrangements for Whole time Directors / KMPs, the Nomination and Remuneration Committee, constituted in accordance with Section 178 of the Companies Act, 2013, considers parity with peers and employment conditions elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that levels of remuneration remain appropriate in this context.

The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.

The Nomination and Remuneration Committee while considering a remuneration package must ensure a direct relationship with the Key Result Areas and individual achievements considering short as well as long term performance objectives appropriate to the working of the company and its goals.

The Committee considers that a successful remuneration policy must ensure that a significant part of the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

The Remuneration policy is guided by a common reward framework and set of principles and objectives as envisaged under section 178 of the Companies Act 2013 and Companies (Meetings of Board and its Powers) Rules, 2014 inter-alia principles pertaining to determining qualifications, positive attributes and independence of the Directors, integrity, etc. The main objectives are –

Attract and retain: Remuneration packages are designed to attract high-calibre executives in a competitive global market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.

Motivate and reward: Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful short and long-term targets.

The principal terms of non-monetary benefits: The Executives will also be entitled to customary non- monetary benefits such as Company Cars, Telephones/ Mobiles, Health care facilities, etc. In addition thereto, in specific cases, particularly at the Unit levels, company may also provide housing and other benefits.

EXECUTIVE REMUNERATION – SENIOR MANAGEMENT

Executive remuneration is proposed by the Committee and subsequently approved by the Board of Directors and further by the shareholders and central Government as per legal requirements. Executive remuneration is evaluated annually against performance and a benchmark of international companies, which are similar to Kilburn in size and complexity.

Benchmarking is done with the help of reports generated by/through internationally recognized compensation service consultancies. In determining remuneration packages, the Committee may consult with the Chairman/ Managing Director and Independent Directors as well, as appropriate. Total remuneration shall include of following:

- **A fixed base salary**, set at a level aimed at attracting and retaining executives with professional and personal competencies required to drive the Company's performance.
- **Other allowances / incentives**, based on the work profile / achievement of individuals as per business targets, duly approved by the Managing Director.
- **Pension / ESI contributions**, made in accordance with applicable laws and employment agreements.

- **Loyalty / Belongingness to Company**, to be achieved by aligning the rewards and recognitions for longer association of the employees with the organization and encouraging Referrals as one of the sources of recruitment to strengthen the company work- force. Necessary steps to be taken to introduce it in the Company.

- **Working Atmosphere at the workplace**, company committed to provide good working atmosphere conducive to efficient and effective functioning of the employees with excellent culture and good inter-personal relationship within the organization as well as with external business associates.

- **Female employees**, HR policy of the company gives fair chance to males as well as females in employment and prefers to maintain the reasonable balance. It also provides requisite protection to female employees through effective implementation of HR Policies to safeguard against Sexual Harassment, etc.

  Severance payments in accordance with termination clauses in employment agreements. Severance payments shall comply with the legal framework.

DISCLOSURE OF INFORMATION

Information on the total remuneration of members of the Company's Board of Directors, Executive Board of Management and senior management may be disclosed in the Company's annual financial statements. This includes any deferred payments and extraordinary contracts during the preceding financial year.

APPROVAL OF THE REMUNERATION POLICY

This Remuneration Policy shall apply to all future employment agreements with members of Company's Senior Management including Key Managerial Person and Board of Directors.

The Remuneration Policy is binding for the Board of Directors. In other respects, the Remuneration Policy shall be of guidance for the Board and shall be modified /revised with the consent of the Nomination and Remuneration committee and Board of Directors of the company from time to time as may be required. Any departure from the policy shall be recorded and reasoned in the Board's minutes.

DISSEMINATION

The Company's Remuneration Policy shall be published on its website.

For and on behalf of the Board

Amitav Roy Choudhury
Chairman
(DIN : 08501895)

Place : Kolkata
Date : 5th August, 2022

ANNEXURE – VI

FORM NO MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
KILBURN ENGINEERING LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KILBURN ENGINEERING LIMITED** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended **March 31, 2022** according to the provisions of:

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

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

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

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

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

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - Not applicable to the company for the financial year ended March 31, 2022;

   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 for the financial year ended March 31, 2022**;

   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;

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;- **Not applicable to the company for the financial year ended March 31, 2022**; and

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

vi. The Company has informed that there are no laws which are specifically applicable to the Company.

I have also examined compliance of Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).

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

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive, Independent Directors and Woman Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions have been taken unanimously and no dissent recorded in Board Meetings.

I further report that there are 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.

The following event has occurred during the year which has a major bearing on the company's affairs in pursuance of the Laws, Rules, Regulations, Guidelines Standards etc. referred to above.

a) Issue and Allotment of 44,02,826 Equity shares on March 07, 2022 at an issue price of ₹ 34.00/- aggregating to ₹ 14,96,96,084/- on preferential basis under Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and the same are listed with Stock Exchange.

b) Issue and Allotment of 44,11,764 Convertible Warrants on March 07, 2022 at an issue price of ₹ 34.00/- aggregating to ₹ 14,99,99,976/- on preferential basis under Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. Further, the Company has converted 17,00,000 Convertible Warrants into 17,00,000 Equity Shares on March 29, 2022 on receipt of entire issue price and the same are listed with Stock Exchange.

For Nitin Sharma & Associates
UDIN: F008518D000751524

Nitin S Sharma
Practicing Company Secretary
M. No. F8518, C. P. No. 9761

Place: Mumbai
Date: 5th August, 2022

This Report is to be read with my letter of even date which is annexed as Annexure- I and forms an integral part of this report.

ANNEXURE - I

(To the Secretarial Audit Report)

To,
The Members,
KILBURN ENGINEERING LIMITED

My 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. My responsibility is to express an opinion on these Secretarial Records based on my audit.

2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

5) The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.

6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Nitin Sharma & Associates
UDIN: F008518C000900453

Nitin S Sharma
Practicing Company Secretary
M. No. F8518, C. P. No. 9761

Place: Mumbai
Date: 5th August, 2022

ANNEXURE - VII

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2022.

A. CONSERVATION OF ENERGY-

a) steps taken or impact on conservation of energy:

i. Purchase of 6 nos. inverter based welding machines to reduce the consumption of energy by replacement of conventional welding machines.

ii. Active monitoring of utilization of energy to reduce wastage.

b) Steps taken by company for utilizing alternate sources of energy: Nil

c) Capital investment on energy conservation equipments :

₹ 4.34 Lakhs were invested in inverter based welding machines.

I) TECHNOLOGY ABSORPTION

-- ENHANCING THE CAPACITY OF EXISTING S-PVC DRYER

Developed process to increase the capacity of S-PVC Fluid bed dryer from existing capacity of 28 tons/hr to 40 tons/hr maintaining the quality of the product. During this change, consumption of power and steam or heat requirement was maintained without any major change in the drying system.

-- DEVELOPED DRYING SYSTEM FOR MARIGOLD FLOWER FOR AGRO INDUSTRY

Our R&D team developed drying system for Marigold flower by combining two Vibro-Fluid bed dryers in series, which has produce better quality dried product with much lower utility requirement.

-- DRYING OF SEAWEED USING VIBRO-FLUID BED DRYER.

Our R&D team carried out research to select suitable drying system for seaweed. VFBD was developed for drying of seaweed to get better quality and minimising the consumption of utilities.

II) BENEFITS DERIVED

--- System for drying S-PVC has been improved by increasing output by maintaining the same level of consumption of utilities

--- Improved quality of dried Marigold flower will provide better yield during extraction process.

--- Drying system for handling seaweed using VFBD will help in better drying of seaweed.

III) INFORMATION RELATED TO IMPORTED TECHNOLOGY.

a) Technology related to fluid bed technology with embedded tubes has been fully absorbed and the same is being applied to Polymer based dryers like HDPE, S-PVC, C-PVC drying process

b) Technology from M/s Carrier Vibrating system for heavy duty vibratory fluid bed dryer has been fully utilized for supply of large size fluid bed cooler for food application.

c) Whether the technology been fully absorbed - Yes

d) If not fully absorbed. areas where absorption has not taken place, and the reasons thereof - N/A

IV) BENEFIT FROM IMPORTED TECHNOLOGY.

--- Improvement in product quality, proper utilization of energy efficient system and latest tools for manufacturing of equipments has increased our capability.

B. EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT:

Expenditure on R&D:

a)	Capital	- Nil
b)	Recurring	₹ 18.46 Lakhs
c)	Total	₹ 18.46 Lakhs

d) Total R&D expenditure as a 0.15 percentage of total turnover

FOREIGN EXCHANGE EARNINGS AND OUTGO:

a) Activities relating to exports, initiative taken to increase exports, development of new export markets for products and services and export plans:

The Company's executives regularly interacted with prospective customers overseas. The Company also actively participated in international trade fairs to explore available opportunities.

b) Total foreign exchange used and earned:

Total foreign exchange used - ₹ 627.03 Lakhs

Total foreign exchange earned - ₹ 1584.99 Lakhs

For and on behalf of the Board

Manmohan Singh
Chairman
(DIN : 00699314)

Place : Kolkata
Date : 5th August, 2022

ANNEXURE - VIII

FORM NO. AOC-2

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

(Pursuant to Section 134 (3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. **Details of contract or arrangements or transactions at arm's length basis during the year ended 31st March 2022 :**
The Omnibus approval was given by Audit Committee and Board in the meeting held on 29th June 2021.

Name of Party	Relationship	Nature of transaction and date of approval of audit committee	Date / Duration	Salient terms including value (₹ Lakhs)
Mrs. Isha Khaitan	Spouse of Director (Mr. Amritanshu Khaitan)	Payment of Salary	April 1, 2021 to March 31, 2022	27
Mrs. Yashodhara Khaitan	Mother of Director (Mr. Amritanshu Khaitan)	Payment of consultancy fees	April 1, 2021 to March 31, 2022	27

There were no material contracts or arrangements or transactions entered into by the Company with related parties which may have a potential conflict with the interests of the Company at large. Disclosure of other Directors' remuneration has been made in the Directors Report.

For and on behalf of the Board

Manmohan Singh
Chairman
(DIN : 00699314)

Place : Kolkata
Date : 5th August, 2022

ANNEXURE - IX

REMUNERATION AND OTHER SPECIFIED PARTICULARS OF EMPLOYEES

Information pursuant to Section 197(12) of the Companies Act, 2013 (the Act) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each director to the median remuneration of the employees and other details in terms of Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of

Sr. no.	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	**Whole Time Director**	
		Mr. Anil Karnad	5.62:1
		Managing Director	
		Mr. Subir Chaki	22.84:1
		Non Executive Directors	
		Mr. Manmohan Singh	0.21:1
		Mr. Aditya Khaitan	0.13:1
		Mr. Amritanshu Khaitan	0.21:1
		Mr. Amitav Roy Choudhury	0.34:1
		Mr. Mahesh Shah	0.37:1
		Mr. Navin Nayar	0.16:1
		Mr. Vasumitra Sharma	0.16:1
		Ms. Arundhuti Dhar	0.21:1
		Mr. Shourya Sengupta	0.24:1
2	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year	No increment was made in the salary of any director during the year 2021-22 or in the salary and CFO. Salary of CS was increased by 2.8%.	
3	The percentage increase in the median remuneration of employees in the financial year	There was 5% increase in the median remuneration of employees during 2021-22.	
4	The number of permanent employees on the rolls of the Company	243 employees were on the rolls of company as on March 31, 2022.	
5	The explanation on the relationship between average increase in remuneration and Company performance	During 2021-22, Net Profit (PAT) of Company is 1.69 % (approx.) as compared to the figure of Net Loss for the Company during 2020-21. There was no increase in remuneration of managerial personnel and wages of workmen increased by 6% as per agreement with workmen.	
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	Total remuneration of Key Managerial Personnel is 2.06% of the Total Income for the year 2021-22.	
7	Variations in the market capitalisation of the Company, price earnings ratio as at the closing date of the current FY and previous FY and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer	The Market capitalization of the Company has increased from ₹ 65.45 Crores as on March 31, 2021 to ₹ 171.03 Crores as of March 31, 2022. Over the same period, the price to earnings ratio moved from (0.33) to 92.30. The stock price of the Company as at March 31, 2022 has increased by 149.25% to ₹ 49.85 over the last offering of equivalent equity shares of ₹ 10/- each on preferential allotment basis in March, 2021 at an issue price of ₹ 20/- share.	
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile in the managerial remuneration and justification thereof.	There was approx. 6% increase in the salary of workmen and no increase in the remuneration of managerial personnel during the year 2021-22.	
9	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Remuneration of Key Managerial Personnel was 2.06% of the Total Income for the year 2021-22. WTD (1.71%), CFO (0.20%) and CS (0.15%)	

Sr. no.	Requirements	Disclosure
10	The key parameters for any variable component of remuneration availed by the directors.	There is no variable component of remuneration of directors.
11	The ratio of the remuneration of the highest paid directors to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	No employee in the company is paid remuneration higher than the Managing Director/ Whole Time Director.
12	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes, affirmed

For and on behalf of the Board

Manmohan Singh
Chairman
(DIN : 00699314)

Place : Kolkata
Date : 5th August, 2022

INDEPENDENT AUDITOR'S REPORT

To The Members of
Kilburn Engineering Limited

REPORT ON THE AUDIT OF THE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying Ind AS Financial Statements of Kilburn Engineering Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Companies Act, 2013, as amended ("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 31st March, 2022, and its profit (including other comprehensive income), the changes in Equity and its cash flows for the year ended on that date.

We conducted our audit of Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS 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 "(the ICAI)" together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS 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 Ind AS financial statements for the financial year ended 31st March, 2022. These matters were addressed in the context of our audit of the Ind AS 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 matters to be communicated in our report. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying Ind AS Financial Statements.

Key Audit Matters	Auditor's Response
Revenue recognition from design, construction and commissioning contracts with customer (as described in Note 42 of the accompanying Ind AS financial statements) The Company's significant portion of business is from design, construction and commissioning contracts with customer. Revenue from these contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, Revenue from Contracts with Customers.	Our audit procedures included the following, among others: • We tested the effectiveness of controls relating to (1) recording of costs incurred and estimation of costs required to complete the remaining contract performance obligations and (2) evaluated the design and operative effectiveness of the financial controls;

Key Audit Matters	Auditor's Response
Due to the nature of the contracts, revenue is accounted over a period of time (using input method) which involves significant judgments and estimates including: • Identification of contractual obligations and the Company's rights to receive payments for performance completed till date, • Changes in scope and consequential revised contract price including provision of liquidated damages and recognition of the liability for loss making contracts/ onerous obligations, • Estimation of total contract costs to be incurred. Revenue and profits may deviate significantly on account of change in judgements and estimates. Accordingly, revenue recognition for contracts is considered as a key audit matter.	• We selected a sample of fixed price contracts with customers accounted using percentage of completion method and performed the following: a) Compared costs incurred with Company's estimate of costs incurred to date to identify significant variations and evaluate whether those variations have been considered appropriately in estimating the remaining costs to complete the contract. b) Tested the estimate for consistency with the status of delivery of milestones and customer acceptances and sign off from customers to identify possible delays in achieving milestones, which require changes in estimated costs to complete the remaining performance obligations. c) We evaluated the revenue recognized over a period of time, status of the project and of contractual obligation, total cost estimates and re-calculated the arithmetic accuracy of the same.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's information, but does not include the Ind AS Financial Statements and our Auditor's Report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Ind AS financial statements for the financial year ended 31st March, 2022 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 Act, we give in the "**Annexure 1**" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) in our opinion, the aforesaid Ind AS 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 and 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure 2**" to this report.

(g) in our opinion, the managerial remuneration for the year ended 31st March, 2022 has been paid/ provided by the Company to the directors in accordance with the provisions of section 197 read with Schedule V to 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 the financial position in the Ind AS financial statements – Refer Note 34 to the Ind AS Financial Statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented to us that, to the best of its knowledge and belief, 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 or in any other person(s) or entity(ies), including foreign entities ("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, during the year;

(b) The management has represented to us that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entities, including foreign entities ("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, during the year; and

(c) Based on our audit procedures that are considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under paragraph 2(h) (iv)(a) &(b) above, contain any material mis-statement.

v. The Company has declared and paid dividend on Cumulative Redeemable Preference Shares during the year in compliance with Section 123 of the Act.

For **V. Singhi & Associates**
Chartered Accountants
Firm Registration No.: 311017E

(Tarun Jain)
Partner
Membership No.: 130109
UDIN: 22130109AITYGW8002

Place: Mumbai
Date: 11th May, 2022

ANNEXURE 1 REFERRED TO IN PARAGRAPH 1 OF THE SECTION ON "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF KILBURN ENGINEERING LIMITED ON THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE YEAR ENDED 31ST MARCH, 2022.

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 business, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such physical verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in Property, Plant and Equipment are held in name of the Company. In respect of immovable properties of land and building that have been taken on lease and disclosed under Right of Use asset under the Note 3 to the Financial Statements, the lease agreements are in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended 31st March, 2022.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company as at the balance sheet date for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate.

(b) The Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

(iii) (a) According to the information and explanations given to us, the Company has not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, or any other parties, during the year.

(b) Considering the perceived uncertainties of recovery, the terms, and conditions of the grant of loans amounting to ₹ 9,920.96 lacs as at the balance sheet date, as described in Note 5b to the Financial Statements, are prejudicial to the Company's interest. However, the investments made are not prejudicial to the Company's interest. We further report that the Company has not provided guarantees or given security.

(c) According to the information and explanations given to us, the loans as described in Note 5b to the Financial Statements are repayable on demand and accordingly, the schedule of repayment of principal and payment of interest has not been stipulated and the receipts are not regular.

(d) As on 31st March 2022, ICDs and accrued interest thereon of ₹ 9,920.96 lacs and ₹ 2,738.72 lacs respectively are overdue. The Company has issued reminders to the recipient companies for recovery of principal and repayment of interest.

(e) According to the information and explanations given to us and based on our examination of the records of the Company, there is no loan or advance in the nature of loan¬ granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.

(f) The Company has granted loans repayable on demand without specifying any terms or period of repayment. As on 31st March 2022, ICDs and accrued interest thereon of ₹ 9,920.96 lacs and ₹ 2,738.72 lacs respectively are recoverable from Promoter and Promoter Group companies, which is repayable on demand and constitutes 100 percent of the loans given by the Company. However, it is pertinent to report that considering the financial position of these recipient companies and the perceived uncertainties of recovery, the management had considered it prudent to recognise a provision for the entire outstanding amount of ICDs given in earlier years and to write-off the entire amount of interest accrued on such ICDs during the previous year ended 31st March, 2021, without prejudice to any of the legal rights and remedies available to recover the outstanding amounts as described in Note 5b to the Financial Statements.

(iv) In our opinion and according to the information and explanations given to us, the provisions of Section 185 and 186 of the Act in respect of loans given and investments made have been complied with, wherever applicable. The Company has not provided any guarantees and securities.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Companies Act, 2013, related to the manufacture or service of Process Equipment and Tea Dryer, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determine whether the same are accurate or complete.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs and other statutory dues applicable.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Provident Fund, Employees' State Insurance, Goods and Service Tax, Duty of Customs, duty of excise and cess which have not been deposited on account of any dispute. The particulars of statutory dues on account of any dispute, is as follows:

Name of the Statute	Nature of Dues	Amount (in ₹ lakhs) – net of amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Sales Tax	Non- Production of declaration forms	13.86	FY 2008-09	Jt. Comm. of Sales Tax (Appeals)
Income Tax Act, 1961	Income Tax Dues	8.66	AY 2009-10	Assessing Officer
Income Tax Act,1961	Income Tax Dues	14.14	AY 2010-11	Assessing Officer
Income Tax Act ,1961	Income Tax Dues	89.92	AY 2011-12	Assessing Officer
Income Tax Act,1961	Income Tax Dues	42.28	AY 2017-18	Assessing Officer
Finance Act, 1994	Disallowance of CENVAT Credit	-	FY 2011-12	Commissioner of Central Excise (Appeals)

(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) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not raised any term loans during the year.

(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 during the year.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under Companies Act, 2013, during the year.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to information and explanations given to us and on overall examination of the balance sheet, the Company has made preferential allotment on private placement basis of Equity Shares during the year under review. We report that the applicable requirements of Section 42 and Section 62 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) According to the information and explanations given to us, 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) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company. Therefore, the requirement to report on clause 3(xii)(a) (b) & (c) of the Order is not applicable to the Company.

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

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion and 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 3(xvi) (a) of the Order are not applicable.

(b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016).

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, in respect of other than ongoing projects, there are no unspent amount that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.

(b) In our opinion and according to the information and explanations given to us, there are no unspent amount in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

For **V. Singhi & Associates**
Chartered Accountants
Firm Registration No.: 311017E

(Tarun Jain)
Partner
Membership No.: 130109
UDIN: 22130109AITYGW8002

Place: Mumbai
Date: 11th May, 2022

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF KILBURN ENGINEERING LIMITED

Report on the Internal Financial Controls with reference to the accompanying Ind AS Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of Kilburn Engineering Limited ("the Company") as of 31st March, 2022, in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Ind AS Financial Statements were established and maintained and whether 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 with reference to these Ind AS Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these Ind AS Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to these Ind AS Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to these Ind AS Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these Ind AS Financial Statements, 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 with reference to these Ind AS Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these Ind AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these Ind AS Financial Statements and such internal financial controls over financial reporting with reference to Ind AS Financial Statements were operating effectively as of 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **V. Singhi & Associates**
Chartered Accountants
Firm Registration No.: 311017E

(Tarun Jain)
Partner
Membership No.: 130109
UDIN: 22130109AITYGW8002

Place: Mumbai
Date: 11th May, 2022

BALANCE SHEET

as at 31st March, 2022

₹ in lacs

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
A. Assets			
1. Non-current Assets			
Property, Plant and Equipment	3	4,154.59	4,464.10
Intangible Assets	4	6.83	11.15
Financial Assets			
- Investments	5a	967.44	813.35
- Loans	5b	-	-
- Other Financial Assets	5c	26.15	19.43
Income Tax Assets (net)	9	268.22	279.33
Deferred Tax Assets (net)	21	3,302.69	3,427.02
Other Non-Current Assets	10	49.07	49.07
Total Non-current Assets		**8,774.99**	**9,063.45**
2. Current Assets			
Inventories	11	1,026.78	817.81
Financial Assets			
- Trade Receivables	6	5,045.78	4,190.81
- Cash and Cash Equivalents	7	709.92	936.58
- Bank Balance other than included in Cash and Cash Equivalents above	8	939.39	364.28
- Other Financial Assets	5c	37.70	33.98
- Contract Assets	5d	5,692.89	4,019.13
Other Current Assets	12	1,058.76	703.89
Total Current Assets		**14,511.22**	**11,066.47**
Total Assets		**23,286.21**	**20,129.92**
B. Equity and Liabilities			
1. Equity			
Equity Share Capital	13	3,430.86	2,820.58
Other Equity	14	3,913.59	1,951.52
Total Equity		**7,344.45**	**4,772.10**
2. Non-current Liabilities			
Financial Liabilities			
- Borrowings	15	6,145.47	6,526.94
- Other Financial Liabilities	17	1,173.02	1,210.60
Total Non-Current Liabilities		**7,318.49**	**7,737.54**
3. Current Liabilities			
Financial Liabilities			
- Borrowings	15	1,470.98	2,057.84
- Trade Payables	16		
a) Total Outstanding dues of Micro Enterprises and Small Enterprises		54.67	70.89
b) Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		2,591.26	2,113.45
- Other Financial Liabilities	17	28.91	19.39
Contract Liabilities	19	4,279.11	3,168.73
Other Current Liabilities	20	139.21	113.87
Provisions	18	59.13	76.12
Total Current Liabilities		**8,623.27**	**7,620.28**
Total Equity and Liabilities		**23,286.21**	**20,129.92**
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date

For V. Singhi & Associates
Chartered Accountants
Firm Registration No.: 311017E

(Tarun Jain)
Partner
Membership No.: 130109

Place : Kolkata
Date : 11th May, 2022

For and on behalf of the Board of Directors of
Kilburn Engineering Limited

(Manmohan Singh)
Director
DIN : 00699314

(Anil Karnad)
Whole Time Director- Operations
DIN 07551892

(Sachin Vijayakar)
Chief Financial Officer

(Arvind Kumar Bajoria)
Company Secretary

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2022

₹ in lacs

Particulars	Notes	Year ended 31st March, 2022	Year ended 31st March, 2021
Income			
Revenue from Operations	22	12,275.36	8,841.44
Other Income	23	164.77	948.96
Total Income (I)		**12,440.13**	**9,790.40**
Expenses			
Cost of Materials Consumed	24	6,473.02	4,098.25
Subcontracting Charges	25	1,068.78	830.76
Changes in inventories of Finished Goods and Work-in-progress	26	(207.92)	47.07
Employee Benefit Expenses	27	1,442.04	1,560.77
Finance Costs	28	877.74	1,133.35
Depreciation and Amortisation Expenses	29	279.47	402.30
Other Expenses	30	2,203.38	1,610.21
Total Expenses (II)		**12,136.51**	**9,682.71**
Profit / (Loss) before Exceptional Items and Tax III (I-II)		**303.62**	**107.69**
Exceptional Loss [Refer Note 5(b)] (IV)		**-**	**12,688.90**
Profit / (Loss) before Tax (III-IV)		**303.62**	**(12,581.21)**
Tax Expenses	21		
- Current Tax		-	-
- Tax for Earlier Years		24.24	-
- Deferred Tax Expense /(Income)		124.33	(3,411.25)
Total Tax Expense		**148.57**	**(3,411.25)**
Profit/(Loss) for the year		**155.05**	**(9,169.96)**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement Gains / (Losses) on defined benefit plan		(11.29)	(7.30)
Income Tax charge / (credit) on above	21	(3.14)	(2.03)
Net Gain/(Loss) on equity instruments at Fair Value through Other Comprehensive Income		154.10	655.04
Income Tax charge / (credit) on above	21	-	-
Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods		**145.95**	**649.77**
Other Comprehensive Income for the year, net of tax		**145.95**	**649.77**
Total Comprehensive Income for the year, net of tax		**301.00**	**(8,520.19)**
Earnings Per Share	31		
Basic Earnings Per Share (₹)		0.54	(68.75)
Diluted Earnings Per Share (₹)		0.54	(68.75)
Significant Accounting Policies	1 & 2		

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date

For V. Singhi & Associates
Chartered Accountants
Firm Registration No.: 311017E

(Tarun Jain)
Partner
Membership No.: 130109

Place : Kolkata
Date : 11th May, 2022

For and on behalf of the Board of Directors of
Kilburn Engineering Limited

(Manmohan Singh)
Director
DIN : 00699314

(Anil Karnad)
Whole Time Director- Operations
DIN 07551892

(Sachin Vijayakar)
Chief Financial Officer

(Arvind Kumar Bajoria)
Company Secretary

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 March, 2022

A. EQUITY SHARE CAPITAL:

Equity shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	₹ in lacs
As at 1st April, 2020	1,32,55,768	1,325.58
Changes in Equity Share Capital during the year	1,49,50,000	1,495.00
As at 31st March, 2021	2,82,05,768	2,820.58
Changes in Equity Share Capital during the year	61,02,826	610.28
As at 31st March, 2022	**3,43,08,594**	**3,430.86**

B. OTHER EQUITY:
For the year ended 31 March 2022

Particulars	Reserves and Surplus					Fair value through Other Comprehensive Income		Money received against share warrants	Total
	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Net gain/ (loss) on cash flow hedges	Net Gain/ (Loss) on equity instruments at Fair Value through Other Comprehensive Income		
	Note 14	Note 14	Note 14	Note 14	Note 14	Note 14	Note 14	Note 14	
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
As at 1 April 2021	24.00	3,266.74	0.09	843.10	(1,594.88)	-	(587.52)	-	1,951.52
Net Profit/(Loss) for the year	-	-	-	-	155.05	-	-		155.05
Issue of Equity Shares and Warrants	-	1,464.68	-	-	-	-	-	230.50	1,695.18
Transaction Cost on issue of Equity Shares and Warrants	-	(34.11)	-	-	-	-	-		(34.11)
Other Comprehensive Income	-	-	-	-	(8.15)	-	154.10		145.95
Total Comprehensive Income	-	1,430.57	-	-	146.90	-	154.10		1,962.07
As at 31 March 2022	**24.00**	**4,697.31**	**0.09**	**843.10**	**(1,447.98)**	**-**	**(433.42)**	**230.50**	**3,913.59**

For the year ended 31 March 2021

Particulars	Reserves and Surplus					Fair value through Other Comprehensive Income		Money received against share warrants	Total
	Capital Redemption Reserve	Securities Premium	Capital Reserve	General Reserve	Retained Earnings	Net gain/ (loss) on cash flow hedges	Net Gain/ (Loss) on equity instruments at Fair Value through Other Comprehensive Income		
	Note 14	Note 14	Note 14	Note 14	Note 14	Note 14	Note 14	Note 14	
	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs	₹ in lacs
As at 1st April 2020	24.00	1,811.18	0.09	843.10	7,580.35	-	(1,242.56)	-	9,016.16
Net Profit for the year	-	-	-	-	(9,169.96)	-	-		(9,169.96)
Issue of Equity Shares		1,495.00							1,495.00
Transaction Cost on issue of Equity Shares		(39.44)							(39.44)
Other Comprehensive Income	-	-	-	-	(5.27)	-	655.04		649.77
Total Comprehensive Income	-	1,455.56	-	-	(9,175.24)	-	655.04		(7,064.64)
As at 31 March 2021	**24.00**	**3,266.74**	**0.09**	**843.10**	**(1,594.88)**	**-**	**(587.52)**		**1,951.52**

As per our Report of even date
For V. Singhi & Associates
Chartered Accountants
Firm Registration No.: 311017E

(Tarun Jain)
Partner
Membership No.: 130109

Place : Kolkata
Date : 11th May, 2022

For and on behalf of the Board of Directors of
Kilburn Engineering Limited

(Manmohan Singh)
Director
DIN : 00699314

(Anil Karnad)
Whole Time Director- Operations
DIN 07551892

(Sachin Vijayakar)
Chief Financial Officer

(Arvind Kumar Bajoria)
Company Secretary

STATEMENT OF CASH FLOWS

for the year ended 31 March 2022

₹ in lacs

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Cash Flows from Operating Activities :		
Profit /(loss) before Tax and after Exceptional Loss	**303.62**	**(12,581.21)**
Adjustments to reconcile profit/(loss) before tax and after exceptional loss to net cash flows:		
Depreciation and Amortisation Expense	279.47	402.29
Foreign Exchange (Gain)/Loss (net)	2.27	9.36
Loss /(Profit) on disposal of Property, Plant and Equipment	0.86	-
Finance Costs	877.74	1,133.35
Bad debts written off	53.55	65.86
Provision for Loss Allowance	63.03	22.88
Provision against Inter Corporate Deposits given	-	9,950.18
Accrued Interest written off	-	2,738.72
Liabilities / provisions no longer required written back	(77.05)	(131.53)
Interest Income	(20.00)	(817.44)
Operating Profit/(Loss) before working capital changes	**1,483.49**	**792.46**
Working capital adjustments:		
(Increase)/decrease in Contract Assets and Other Financial Assets	**(1,687.25)**	**(262.08)**
(Increase)/decrease in Trade Receivables	(974.42)	(1,056.43)
(Increase)/decrease in Inventories	(208.97)	290.61
(Increase)/decrease in Other Assets	(354.87)	99.16
(Increase)/decrease in Loans	-	21.59
Increase /(decrease) in Trade Payables	538.64	(17.39)
Increase /(decrease) in Provisions	(28.28)	21.74
Increase /(decrease) in Other Financial Liabilities	9.52	-
Increase /(decrease) in Contract Liabilities and Other Liabilities	1,133.71	609.85
Cash generated from / (used in) operations	**(86.43)**	**499.51**
Income tax paid (net of refunds)	(16.27)	(5.53)
Net cash flows from / (used in) operating activities (A)	**(102.70)**	**493.98**
Cash Flows from Investing Activities :		
Proceeds from sale of Property, Plant and Equipment	**64.99**	**0.25**
Purchase of Property, Plant and Equipment	(31.60)	(19.29)
Net bank balances not considered as Cash and Cash Equivalents	(575.11)	(75.37)
Inter-Corporate Deposit received back	-	840.86
Interest Income Received	23.13	29.95
Net cash flows from / (used in) Investing Activities (B)	**(518.59)**	**776.40**

STATEMENT OF CASH FLOWS

for the year ended 31 March 2022

₹ in lacs

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Cash Flows from Financing Activities :		
Finance Costs Paid	(859.86)	(386.06)
Proceeds from Issue of Equity Shares including warrants	2,074.96	1,640.00
Proceeds from Issue of Convertible Equity Share Warrants	231.50	-
Payment for Cumulative Redeemable Preference Shares	-	(1,000.00)
Expenses Incurred on Issue of Securities	(34.11)	(151.88)
Repayment of Long Term Borrowings including Current Maturities	(630.00)	(36.86)
Proceeds from Short Term Borrowings	300.00	-
Repayment of Short Term Borrowings	(300.00)	(807.00)
Increase / (decrease) in Working Capital Borrowings (net)	(425.67)	(99.74)
Net cash flows from / (used in) Financing Activities (C)	**355.82**	**(841.54)**
Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	**(265.47)**	**428.84**
Cash and Cash Equivalents at the beginning of the year	772.75	343.91
Cash and Cash Equivalents at the end of the year	**507.28**	**772.75**
Components of Cash and Cash Equivalents :		
Balances with banks		
- On current accounts	706.94	935.14
- Cash on hand	2.98	1.44
Less : Bank Overdraft	202.64	163.83
Total Cash and Cash Equivalents at the end of the year	**507.28**	**772.75**

Notes:

1. The Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) Statement of Cash Flows.
2. For changes in liability arising from financing activities, refer Note 7.
3. Figures for Previous year have been regrouped / rearranged wherever necessary.

The accompanying notes are an integral part of the Financial Statements.

As per our Report of even date

For V. Singhi & Associates
Chartered Accountants
Firm Registration No.: 311017E

(Tarun Jain)
Partner
Membership No.: 130109

Place : Kolkata
Date : 11th May, 2022

For and on behalf of the Board of Directors of
Kilburn Engineering Limited

(Manmohan Singh)
Director
DIN : 00699314

(Anil Karnad)
Whole Time Director- Operations
DIN 07551892

(Sachin Vijayakar)
Chief Financial Officer

(Arvind Kumar Bajoria)
Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

1. CORPORATE INFORMATION

Kilburn Engineering Limited ("the Company") is primarily engaged in designing, manufacturing and commissioning customized equipment/systems for critical applications in several industrial sectors viz. Chemical including Soda Ash, Carbon Black, Steel, Nuclear Power, Petrochemical and Food Processing etc.

The Company is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The Registered Office of the company is located at Four Mangoe Lane, Surendra Mohan Ghosh Sarani, Kolkata – 700 001, West Bengal.

The Financial Statements of the Company were authorised for issue in accordance with a resolution of the Board of Directors on 11th May, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation of Financial Statements

The Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plan - plan assets measured at fair value

The Financial Statements are presented in INR and all values are rounded to the nearest lacs (INR 00,000), except when otherwise indicated.

2.2 Summary of significant accounting policies

a. Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Foreign Currencies

The Company's Financial Statements are presented in INR which is also it's functional currency.

Transactions in foreign currencies are initially recorded by the Company at it's functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement of such transactions and on translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rate are recognised in

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

profit or loss. They are deferred in equity if they relate to qualifying cash flow hedge.

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

c. Fair Value Measurement

The Company measures financial instruments, such as, derivative financial instruments and investments at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes:

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)
- Disclosure for valuation methods, significant estimates and assumptions.

d. Revenue Recognition

Revenue from contracts with customers is recognised when control of goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled to exchange for those goods and services. The Company has generally concluded that it is the principal in its revenue

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arrangements because it typically controls the goods or services before transferring them to the customer.

The specific recognition criteria described below must also be met before revenue is recognised.

Design, construction and commissioning contracts with the customers

These contracts are for design and construction of highly customised drying equipment and range for a period of 3 to 12 months. Since, these equipment's are highly customised and do not have any alternative use and as per the terms as agreed in the contracts, in case the contracts get terminated during the design or construction phase, the Company will be entitled to the cost incurred till that date, plus reasonable profit margin. Thus, the Company recognises revenue for these contracts over the time in accordance with the provisions of para 35 (c) of IND AS 115.

Variable Consideration

These contracts usually have a liquidated damages clause for delay in delivery of these equipment beyond the scheduled dates as agreed in the contracts. The Company estimates the amount to be recognised towards liquidated damages based on an analysis of accumulated historical experience. The Company includes estimated amount in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Supply of other drying equipment and spares

These contracts are for supply of other drying equipment and spares. These are standard equipment and spares which the manufactured and sold by the Company with a little modification as per the requirements of the customer. Revenue from these Customers are recognised when the significant risk and rewards of the ownership of goods have passed to the buyer, usually on delivery of the goods to the customer as per the inco-terms as agreed in the contracts. Revenue is measured at the fair value of consideration received or receivable net of return, trade allowances and rebates.

Service Income

The Company recognises service income over the time based on the terms as agreed in the contracts entered into with the customers.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Interest income

For all debt instruments and inter-corporate deposits measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

e. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

f. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either

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in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

“Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.”

Sales/ value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the amount of sales/ value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

g. Property, Plant and Equipment

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment loss, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Borrowing cost relating to acquisition / construction of fixed assets which take substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use.

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Capital work in progress is stated at cost, net of accumulated impairment loss, if any. Capital work-in-progress comprises cost of fixed assets that are not yet installed and ready for their intended use at the balance sheet date.

Assets are depreciated to the residual values on the straight line basis over the estimated useful lives. Estimated useful lives of the assets are as follows:

Nature of tangible asset	Useful life (years)
Factory buildings	30
Other buildings	60
Roads (RCC)	10
Roads (Non-RCC)	3
Plant & equipment	15
Furniture & fixtures	10
Vehicle	8
Electrical installations	10
Office equipment	5
Computer – Desktop, Laptops	3
Computer – Server and Networks	6

The Company, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

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

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

h. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Amortisation

Software is amortized over management estimate of its useful life of 5 years on straight line basis.

i. Leases

Leases as Lessee (Assets taken on lease)

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

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve

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months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

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

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

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

j. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

k. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Stores & spare parts: Cost is determined on First In First Out (FIFO) basis
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the actual operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

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

l. Impairment of Non-financial Assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by

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valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

m. Provisions & contingencies

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

Contingencies

Contingent liability is disclosed in the case of:

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from past events, when no reliable estimate is possible;
- a present obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements.

Onerous Contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognises impairment on the assets with the contract.

Other Litigation claims

Provision for litigation related obligation represents liabilities that are expected to materialise in respect of matters in appeal.

n. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the

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extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur.

Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

o. Financial instruments

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

a) Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial assets at amortised cost

A 'Financial asset' is measured at the amortised cost if both the following conditions are met:

a) The financial asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised 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 amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade receivables. For more information on receivables, refer to note 6 of the financial statements.

Financial assets at fair value through profit or loss

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

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In addition, the company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

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

- The rights to receive cash flows from the 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 (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash (including revenue earned in excess of billing) or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

d) Loan commitments which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables (including revenue in excess of billing).

The application of simplified approach does not require the Company to track changes in credit risk. Rather,

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it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line under the head “Other expenses” in the Statement of Profit and Loss and “Other Income” in case of reversal. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contract assets and trade receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as ‘accumulated impairment amount’ in the OCI (if any).

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

b) Financial Liabilities

(i) Initial recognition and measurement of Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or 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 minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Company’s financial liabilities include trade and other payables, loans and borrowings and derivative financial instruments.

Preference Shares

In determining whether a Preference Share is a financial liability or Equity Instrument, the Company assesses the particular rights attaching to the share to determine whether it exhibits the fundamental characteristic of a financial liability. Classification is based on an assessment of the substance of the contractual arrangements and the

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definitions of a financial liability and an equity instrument. Classification is based on an assessment of the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. Preference Shares are initially recognized at fair value, net of transaction costs incurred. The difference between issue price and fair value of Preference Shares is recognised as Deferred Liability for Preference Shares as an Other Financial Liability to be amortised over the tenure. The dividends on these preference shares are recognized in Statement of Profit and Loss as finance cost.

(ii) Subsequent measurement of financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

- Financial liabilities at fair value through profit or 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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

- Gains or losses on liabilities held for trading are recognised in the profit or loss.

  Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

- Loans and Borrowings

  This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Derecognition

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

Offsetting of financial instruments

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

p. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, and interest rate swaps, to hedge its foreign currency risks and interest rate 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, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

a net basis, to realise the assets and settle the liabilities simultaneously.

q. Cash and cash equivalents

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

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

r. Dividend distribution

The Company recognises a liability to make cash or non-cash distributions to its equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

Non-cash distributions are measured at the fair value of the assets to be distributed with fair value re-measurement recognised directly in equity.

Upon distribution of non-cash assets, any difference between the carrying amount of the liability and the carrying amount of the assets distributed is recognised in the statement of profit and loss.

Dividend paid/payable are recognised in the year in which related dividends are approved by the Shareholders or Board of Directors as appropriate.

s. Earnings Per Share

The Company's Earning per Share ('EPS') is determined based on the net profit attributable to the equity shareholders of the Company.

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted Earnings per share is computed using the weighted average number of common and dilutive shares outstanding during the year including share based payments, except where the result would be anti-dilutive.

t. Segment reporting

The Chief Operating Decision Maker (CODM) reviews the operations of the Company as manufacturer of Engineering Products, which is considered to be the only reportable segment by the management. Accordingly the Company discloses only the geographical information required to be disclosed in accordance with the requirements of Ind AS 108.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 3: PROPERTY, PLANT AND EQUIPMENT

₹ in Lacs

Particulars	Right-of-Use Assets	Buildings	Plant & Equipments	Vehicles	Furniture & Fixtures	Office Equipments	Total
As at 1st April, 2020	1,000.19	3,669.56	1,194.45	169.02	272.83	86.85	6,392.90
Additions/Adjustments	-	-	4.16	-	-	15.01	19.17
Disposals/Adjustments	-	-	-	-	-	(0.25)	(0.25)
As at 31st March, 2021	**1,000.19**	**3,669.56**	**1,198.61**	**169.02**	**272.83**	**101.61**	**6,411.82**
Additions	-	-	7.32	-	1.19	21.39	29.90
Disposals	-	-	-	(120.47)	-	(2.86)	(123.33)
As at 31st March, 2022	**1,000.19**	**3,669.56**	**1,205.93**	**48.55**	**274.02**	**120.14**	**6,318.39**
Accumulated Depreciation and Impairment Losses							
As at 1st April, 2020	87.44	646.28	516.41	55.50	207.54	40.47	1,553.64
Depreciation charge for the year	21.86	159.28	126.76	20.14	47.11	19.20	394.35
Disposals/Adjustments	-	-	-	-	-	(0.25)	(0.25)
As at 31st March, 2021	**109.30**	**805.56**	**643.17**	**75.64**	**254.65**	**59.42**	**1,947.74**
Depreciation charge for the year	21.86	117.66	91.50	16.06	5.14	21.32	273.54
Disposals / Adjustments	-	-	-	(54.70)	-	(2.78)	(57.48)
As at 31st March, 2022	**131.16**	**923.22**	**734.67**	**37.00**	**259.79**	**77.96**	**2,163.80**
Net Book Value							
As at 31st March, 2022	**869.03**	**2,746.34**	**471.26**	**11.55**	**14.23**	**42.18**	**4,154.59**
As at 31st March, 2021	**890.89**	**2,864.00**	**555.44**	**93.38**	**18.18**	**42.19**	**4,464.10**

Notes:

1. Right of use of Asset related to leasehold Land and buildings with a carrying amount of ₹ 3,615.37 lacs (31 March 2021: ₹ 3,754.89 lacs) are subject to a first charge to secure Company's credit facilities.

   The Company has obtained land on leasehold basis from Maharashtra Industrial Development Corporation for a period of 52 years commencing from 17 November 2009. The lease can be further renewed for 95 years on mutually agreed terms. As per the terms of the agreement, the Company is required to use the leasehold land for the purpose of setting up and operating an engineering factory only and for no other purpose.

2. Plant and equipments, Vehicles, Furniture and Fixtures and Office Equipments with a carrying amount of ₹ 539.22 lacs (31 March 2021: ₹ 709.19 lacs) have been hypothecated for Company's credit facilities & working capital term loans.

3. In accordance with the Ind AS 36 on 'Impairment of Assets', the Company has reassessed the carrying amounts of its Property, plant & equipment and is of the view that no further impairment / reversal is considered to be necessary in view of its expected realisable value at the balance sheet reporting date .

4. The Company has not revalued its Property, Plant and Equipment (including Right of Use Assets) during the year ended 31st March,2022 and 31st March, 2021.

5. The Company does not have any immovable property, whose title deeds are not held in the name of the Company during the year ended 31st March, 2022 and 31st March, 2021.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

NOTE 4: INTANGIBLE ASSETS

₹ in lacs

Particulars	Computer - Software
As at 1st April, 2020	64.27
Additions	0.12
Disposals	-
As at 31st March, 2021	**64.39**
Additions	1.70
Disposals	(0.12)
As at 31st March, 2022	**65.97**
Accumulated Amortization and Impairment losses	
As at 1st April, 2020	45.29
Amortisation	7.95
Disposals/Adjustments	-
As at 31st March, 2021	**53.24**
Amortisation	5.93
Disposals/Adjustments	(0.03)
As at 31st March, 2022	**59.14**
Net Book Value	
As at 31st March, 2022	**6.83**
As at 31st March, 2021	**11.15**

Notes:

1. In accordance with the Ind AS 36 on 'Impairment of Assets', the Company has reassessed the carrying amount of its Intangible assets and is of the view that no further impairment / reversal is considered to be necessary in view of its expected realisable value at the balance sheet reporting date.

2. The Company has not revalued its Intangible Assets during the year ended 31st March,2022 and 31st March, 2021.

NOTE 5: FINANCIAL ASSETS
Note 5a. Investments

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Non-Current Investments- Quoted		
Investments at fair value through OCI (fully paid)		
Investments in Equity Instruments		
a) 2,71,337 (31st March, 2021: 2,71,337) fully paid up equity shares of Face Value ₹ 5 each in Eveready Industries India Limited	908.16	734.24
b) 66,666 (31st March, 2021: 66,666) fully paid up equity shares of Face Value ₹ 5 each in McLeod Russel India Limited	15.20	12.73
c) 8,54,300 (31st March, 2021: 8,54,300) fully paid up equity shares of Face Value ₹ 10 each in McNally Bharat Engineering Company Limited	44.08	66.38
Total	**967.44**	**813.35**
Aggregate book value of quoted investments	967.44	813.35
Aggregate market value of quoted investments (refer Note 37 & 38)	967.44	813.35

Investments at fair value through OCI (fully paid) reflect investments in quoted equity securities. These Equity Shares are designated as FVTOCI as they are not held for trading purpose, thus disclosing their fair value fluctuation in the Statement of Profit and Loss will not reflect the purpose of holding.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

Note 5b. Loans

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Inter-Corporate Deposits given to Group Companies	9,920.96	9,950.18
Provision for Inter-Corporate Deposits (Refer Note below)	(9,920.96)	(9,950.18)
Total	-	-

In earlier years, the Company had advanced Inter-Corporate Deposits ('ICDs') to certain Promoter and Promoter Group companies. Basis the financial position of these recipient companies, the management had recognised provision against outstanding ICDs amounting to ₹ 9,950.18 lacs and written off the entire accrued interest of ₹ 2,738.72 lacs on such ICDs during the previous financial year ended 31st March, 2021, without prejudice to any of the legal rights and remedies available to recover the outstanding amounts. The aggregate effect of ₹12,688.90 lacs had been presented as an exceptional loss in the Statement of Profit and Loss for the year ended 31st March, 2021. As on 31st March 2022, ICDs and accrued interest thereon of ₹ 9,920.96 lacs and ₹2,738.72 lacs respectively are still recoverable from these Promoter and Promoter Group companies.

₹ in lacs

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoter & Promoter Group	9,920.96	100%

Inter-corporate Deposits given to Group Companies include :

₹ in lacs

Name of the Company	Amount Outsanding as at	
	31st March, 2022	31st March, 2021
Williamson Magor & Co Limited (net of provision)		
Maximum amount outstanding during the year was ₹ 431.66 lacs (31 March 2021: ₹ 431.66 lacs)	Nil	Nil
Williamson Financial Services Limited (net of provision)		
Maximum amount outstanding during the year was ₹ 4279 lacs (31 March 2021: ₹ 4,279 Lacs)	Nil	Nil
Babcock Borsig Limited (net of provision)		
Maximum amount outstanding during the year was ₹ 6,105.38 lacs (31 March 2021 : ₹ 6,105.38 Lacs)	Nil	Nil

Note 5c. Other Financial Assets

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good, unless otherwise stated		
Non-current		
Bank deposits with maturity more than 12 months**	19.27	5.75
Security Deposit	6.88	13.68
Current		
Interest accrued on Fixed Deposits	3.31	6.45
Interest accrued on Inter-Corporate Deposits	-	2,738.72
Less: Amount written off (Refer Note in 5b)	-	(2,738.72)
Net Interest Accrued	**3.31**	**6.45**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Export Incentives Receivable	60.14	53.28
Less : Impairment allowance	(36.29)	(36.29)
Net Export Incentives Receivable	**23.85**	**16.99**
Security Deposit	10.54	10.54
Total	**63.85**	**53.42**
Current	37.70	33.98
Non-current	26.15	19.43
	63.85	**53.41**

**Bank deposits with maturity more than 12 months represents balances with banks held as margin money as lien against bank guarantees and LCs issued by the bank on behalf of the Company having residual maturity of more than 12 months.

Note 5d. Contract Assets

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Unbilled Revenue:		
Project Revenue	5,820.44	4,137.42
Less : Impairment allowance	(127.55)	(118.29)
Total	**5,692.89**	**4,019.13**
Current	5,692.89	4,019.13
	5,692.89	**4,019.13**

NOTE 6: TRADE RECEIVABLES

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Unsecured and current		
Considered good	5,045.78	4,190.81
Considered doubtful, Credit Impaired	332.36	348.12
Less: Impairment allowance	(332.36)	(348.12)
Total	**5,045.78**	**4,190.81**

1. No trade receivables are due from directors or other persons in whom directors or promoters are interested.
2. Trade receivables are generally non-interest bearing and are on terms of 30 to 90 days.
3. The Company applies the expected credit loss (ECL) model for measurement and recognition of impairment losses on trade receivables. The Company follows the simplified approach for recognition of impairment allowance on trade receivables. The application of the simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date. ECL impairment loss allowance (or reversal) recognized during the period is recognized in the Statement of Profit and Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

₹ in lacs

Particulars	Outstanding from date of transaction as on March 31, 2022					
	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Considered good	3,520.10	564.00	395.37	345.26	553.40	5,378.14
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	(180.67)	(28.95)	(20.29)	(17.72)	(84.71)	(332.36)
Disputed						
Considered good	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Total	**3,339.43**	**535.05**	**375.08**	**327.54**	**468.69**	**5,045.78**

₹ in lacs

Particulars	Outstanding from date of transaction as on March 31, 2021					
	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed						
Considered good	2,262.06	421.89	416.18	355.19	1,083.60	4,538.93
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	(110.78)	(20.66)	(20.38)	(17.39)	(178.90)	(348.12)
Disputed						-
Considered good	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Total	**2,151.28**	**401.23**	**395.80**	**337.80**	**904.70**	**4,190.81**

NOTE 7: CASH AND CASH EQUIVALENTS

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Cash on hand	2.98	1.44
Balances with Banks		
In Current Accounts	**706.94**	**935.14**
Total	**709.92**	**936.58**

For the purpose of the Statement of Cash Flows, Cash and Cash Equivalents comprise the following:

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Balances with banks:		
– In Current Accounts	706.94	935.14
Cash on hand	2.98	1.44
	709.92	**936.58**
Less – Bank overdraft (note 15)	202.64	163.83
Total	**507.28**	**772.75**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

Changes in liabilities arising from financing activities:

₹ in lacs

Particulars	As at 01st April, 2020	Cash Flows	Ind AS Reclassification/ Adjustment	As at 31st March, 2021
Non-Current Liabilities				
Financial Liabilities				
- Borrowings	-	(1,000.00)	7,526.94	6,526.94
Other Financial Liabilities	-	-	-	-
Deferred liability for Cumulative Redeemable Preference Shares	-	-	1,210.60	1,210.60
Current Liabilities				
Financial Liabilities				
- Borrowings	12,155.75	(797.91)	(9,500.00)	1,857.84
Other Financial Liabilities				
- Current maturities of long term debt	36.86	(36.86)	200.00	200.00
Total liabilities from Financing Activities	**12,192.61**	**(1,834.77)**	**(562.46)**	**9,795.38**

₹ in lacs

Particulars	As at 01st April, 2021	Cash Flows	Ind AS Reclassification/ Adjustment	As at 31st March, 2022
Non-Current Liabilities				
Financial Liabilities				
- Borrowings	6,526.94	(430.00)	48.53	6,145.47
Other Financial Liabilities	-	-		
Deferred liability for Cumulative Redeemable Preference Shares	1,210.60		(37.58)	1,173.02
Current Liabilities				
Financial Liabilities				
- Borrowings	1,857.84	(386.86)	-	1,470.98
Other Financial Liabilities				
- Current maturities of long term debt	200.00	(200.00)	-	-
Total liabilities from Financing Activities	**9,795.38**	**(1,016.86)**	**10.96**	**8,789.48**

NOTE 8: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Margin money with banks *	423.59	348.48
Fixed Deposit with bank **	500.00	-
Earmarked bank balance towards unclaimed dividend	15.80	15.80
Total	**939.39**	**364.28**

* Margin money with banks represents margin money held as lien against bank guarantees and LCs issued by the bank on behalf of the Company.
** Fixed deposit with bank represents fixed deposits held as lien against credit facilities sanctioned by the bank.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

Categorisation of Financial Assets

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Financial Assets carried at FVTOCI		
Investments (Note 5a)	967.44	813.35
Financial Assets carried at Amortised Cost		
Loans (Note 5b)	-	-
Trade Receivables (Note 6)	5,045.78	4,190.81
Cash and Cash Equivalents (Note 7)	709.92	936.58
Bank Balance other than Cash and Cash Equivalents (Note 8)	939.39	364.28
Other Financial Assets (Note 5c)	63.85	53.42
Contract Assets (Note 5d)	5,692.89	4,019.13
Total	**13,419.27**	**10,377.55**

NOTE 9: INCOME TAX ASSETS (NET)

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Income Tax Assets (net of provision of ₹ 1,988.55 lacs, Previous Year ₹ 3,194.00 lacs)	268.22	279.33
Total	**268.22**	**279.33**

NOTE 10: OTHER NON-CURRENT ASSETS

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good		
Balances with Government Authorities	49.07	49.07
Total	**49.07**	**49.07**

NOTE 11: INVENTORIES

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Raw Materials (at lower of cost and net realisable value)	388.92	402.28
Stores and Spares (at lower of cost and net realisable value)	69.10	54.69
Work in Progress (at lower of weighted average cost and net realisable value)	544.39	219.97
Finished Goods (at lower weighted average cost and net realisable value)	24.37	140.87
Total	**1,026.78**	**817.81**

The Company has reversed provision for non-moving inventory amounting to ₹ Nil during the year ended 31st March, 2022(31st March 2021: ₹ 110.12 Lacs).

NOTE 12: OTHER CURRENT ASSETS

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Unsecured, considered good, unless otherwise stated		
Balance with Government Authorities	542.17	320.66
Prepaid Expenses	47.87	38.53
Advance to Employees	5.84	6.84
Advance to Vendors :		
Considered Good	462.88	337.87
Total	**1,058.76**	**703.89**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 13: SHARE CAPITAL

Authorised

₹ in lacs

Particulars	Equity Shares of ₹10 each		Redeemable Preference Shares of ₹10 each	
	No. of shares	₹ in lacs	No. of shares	₹ in lacs
As at 1st April, 2020	21,747,900	2,174.79	8,252,100	825.21
Increase / (decrease) during the year	8,752,100	875.21	17,247,900	1,724.79
As at 31st March, 2021	30,500,000	3,050.00	25,500,000	2,550.00
Increase / (decrease) during the year	1,00,00,000	1,000.00	(10,000,000)	(1,000.00)
As at 31st March, 2022	**40,500,000**	**4,050.00**	**15,500,000**	**1,550.00**
Issued Subscribed and Fully Paid Up				
Equity Shares of ₹ 10 each				
As at 1st April, 2020			13,255,768	1,325.58
Changes during the year			14,950,000	1,495.00
As at 31st March, 2021			28,205,768	2,820.58
Changes during the year			6,102,826	610.28
As at 31st March, 2022			**34,308,594**	**3,430.86**

Terms/ Rights attached to Equity Shares

The Company has only one class of Equity Shares having par value of ₹ 10 each. Each holder of Equity Shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

Terms/ Rights attached to Cumulative Redeemable Preference Shares

The Company has only one class of Cumulative Redeemable Preference Share (CRPS) having par value of ₹ 10 each. Each holder of CRPS is entitled to 0.01% coupon rate, payable at the end of every quarter from the date of subscription. The CRPS holders are entitled to have the proceeds of dissolution or winding up applied to pay off their CRPS investment in the Company, prior and in preference to any other payments by the Company to the Equity Share Holders. The CRPS shall not have voting rights on any matter of the Company. (Refer Note 15 and 17)

Details of Equity Shareholders holding more than 5% shares in the Company

₹ in lacs

Name of the Equity Shareholder	As at 31st March, 2022		As at 31st March, 2021	
	No. of Equity Shares	% holding	No. of Equity Shares	% holding
Firstview Trading Private Limited	9,900,000	28.86	8,200,000	29.07
RBL Bank Limited	6,750,000	19.67	6,750,000	23.93
Williamson Magor & Co. Limited	4,319,043	12.59	4,319,043	15.31
Bishnauth Investments Limited	1,454,200	4.24	1,454,200	5.16

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

During the year ended 31st March, 2022, the Company has issued 44,02,826 Equity Shares of face value of ₹ 10/- each at a premium of ₹ 24/- each on preferential allotment basis to the allottees under Public Category. The Company has also issued 44,11,764 Convertible Equity Share Warrants of face value of ₹ 10/- each at a premium of ₹ 24/- each on preferential basis to the allottees under Promoter Category. The holder of 17,00,000 warrants has paid 100% subscription money and equivalent number of Equity Shares have been issued. Holders of balance warrants would need to exercise the option to subscribe to Equity Shares before the expiry of 18 months from the date of allotment made on 7th March, 2022 upon payment of the balance 75% of the consideration of warrants.

Details of Shareholding of Promoter and Promoters Group

₹ in lacs

Promoter name	As at March 31, 2022			As at March 31, 2021		
	No. of shares	% of total shares	% Change during the year	No. of shares	% of total shares	% Change during the year
Aditya Khaitan	1,50,000	0.44	-	1,50,000	0.53	-
Amritanshu Khaitan	1,30,000	0.38	-	1,30,000	0.46	-
Yashodhara Khaitan	10,000	0.03	(82.73)	57,901	0.21	-
Aditya Khaitan-Huf	50,000	0.15	-	50,000	0.18	-
Vanya Khaitan	20,600	0.06	-	20,600	0.07	-
Kavita Khaitan	20,000	0.06	-	20,000	0.07	-
B.M. Khaitan (Late)	16,000	0.05	-	16,000	0.06	-
Isha Khaitan	10,000	0.03	-	10,000	0.04	-
Williamson Magor & Co. Ltd	43,19,043	12.59	-	43,19,043	15.31	-
Bishnauth Investment Ltd	14,54,200	4.24	-	14,54,200	5.16	-
United Machine Co. Ltd	9,04,126	2.64	(2.69)	9,29,126	3.29	-
Mcleod Russel India Limited	8,48,168	2.47	-	8,48,168	3.01	-
Firstview Trading Private Limited	99,00,000	28.86	20.73	82,00,000	29.07	

NOTE 14: OTHER EQUITY

Capital Redemption Reserve - The Company had made an offer of buyback of its own fully paid up Equity Shares through the methodology of “Open Market Purchase through Stock Exchange” pursuant to the approval of Board of Directors at their meeting held on 29th January, 2009. The Company bought back 2,40,032 Equity Shares for an aggregate amount of ₹ 63.54 lacs by utilising Securties Premium Account to the extent of ₹ 39.53 lacs. Capital Redemption Reserve of ₹ 24.01 lacs has been created being the nominal value of the shares bought back.

Securities Premium – Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to “Securities Premium”. The Company may issue fully paid-up bonus shares to its members out of the Securities Premium and the Company can use this reserve for buy-back of shares.

Capital Reserve - Capital Reserve contains profit on re-issue of forfeited shares.

General Reserve - General Reserve is created out of the profits earned by the Company by way of transfer from surplus in the Statement of Profit and Loss. The Company can use this reserve for payment of dividend and issue of fully paid-up bonus shares.

FVOCI - Net gain/(loss) on hedging instruments in a cash flow hedge - The Company has taken foreign exchange forward contracts to hedge foreign currency term loans taken from banks to meet the working capital requirements. The forward contracts have been taken to offset the effect of changes in interest rates and foreign exchange rates. The net gain / (loss) on these foreign exchange forward contracts have been recognised in other comprehensive income in accordance with the requirements of Ind AS.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

FVOCI - Net gain/(loss) on FVOCI equity investments - As per Ind AS 109, Investment in Equity Shares are to be initially measured at fair value and subsequently at fair value through profit and loss or other comprehensive income. At initial recognition, an entity may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument within the scope of this Standard that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies.

The Company represents that its investments are long term strategic investments and the Company intends to hold the same for an indefinite period. Thus, the Company has decided to subsequently measure Investments at fair value through other comprehensive income.

(Also Refer Statement of Changes in Equity)

NOTE 15: BORROWINGS

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Non-current Borrowings:		
Secured		
Term Loan from Bank (Refer Note a)	5,806.88	6,228.52
0.01% Cumulative Redeemable Preference Shares of Face Value ₹ 10 each (Refer Note b)	338.59	298.42
Total	**6,145.47**	**6,526.94**
Current Borrowings:		
Secured		
Cash Credit from banks (Refer Note c)	1,268.34	1,694.01
Unsecured		
Overdraft under Channel Finance Scheme (Refer Note d)	202.64	163.83
Current Maturity of Long Term Loans (Refer Note a)	-	200.00
Total	**1,470.98**	**2,057.84**
Total	**7,616.45**	**8,584.78**
Aggregate Secured Loans	**7,413.81**	**8,420.95**
Aggregate Unsecured Loans	**202.64**	**163.83**

- During the year, the Company has used the borrowings from banks and financial institutions for the specific purposes for which it was taken

- The Company has not been declared wilful defaulter by any bank or financial institution or other lenders, as at the reporting date .

- The quarterly statements filed by the Company with banks are in agreement with books of accounts maintained by the Company.

a. **Term Loan - RBL Bank Limited**

The Board of Directors of the Company in its meeting held on 4th March, 2021 had considered and approved sanction letter dated 23rd February, 2021 for restructuring of debt ("the Resolution Plan") from RBL Bank Limited under the Guidelines of the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated 7th June, 2019. In terms of the Resolution Plan implemented during the year ended 31st March, 2021, the outstanding principal loan and interest due to RBL Bank Limited of ₹ 9,500 lacs and ₹ 900 lacs respectively aggregating to ₹. 10,400 lacs have been restructured by way of a) allotment of 67,50,000 Equity Shares of ₹ 10 each at a premium of ₹ 10 per share amounting to ₹ 1,350 lacs, b) allotment of 2,55,00,000 0.01% Cumulative Redeemable Preference Shares ("CRPS") of ₹ 10 each issued

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

at par amounting to ₹ 2,550 lacs c) converting balance amount into term loan of ₹ 6,500 lacs.The restructured term loan of ₹ 6,500 lacs is repayable over a period of 12.5 years in 46 stepped up quarterly instalments after a moratorium of 12 months with certain mandatory payments in the first three years adjustable pro rata against the term Loan.

Details of Security :
Subservient charge by way of hypothecation over entire Current Assets and Movable Fixed Assets of the Company (both present & future) located anywhere.

Rate of Interest : 8.65% linked to Bank's 6 months MCLR

b. Cumulative Redeemable Preference Shares - RBL Bank Limited
*The 0.01%, 1,55,00,000 CRPS allotted during the financial year 2020-21 is repayable in 2 equal annual instalments at the end of the 14th year and 15th year (i.e. March, 2035 and March, 2036 respectively) and recognised as Financial Liabilities in accordance with the requirements of Ind AS 109 "Financial Instruments". CRPS amounting to ₹ 1,000 Lacs (1,00,00,000 CRPS) was paid upfront on 31st March, 2021. The difference between issue price and fair value of Preference Shares to be amortised over the tenure is recognised as Deferred Liability for Preference Shares under Note 17- Other Financial Liabilities.

Reconciliation of Number of CRPS

₹ in lacs

Particulars	As at 31st March, 2022	As at 31st March, 2021
CRPS		
At the beginning of the year	1,55,00,000	-
Add: Issued during the year	-	2,55,00,000
Less: Redeemed during the year	-	1,00,00,000
At the end of the year	1,55,00,000	1,55,00,000

Details of CRPS Holders holding more than 5% shares in the Company

₹ in lacs

Name of the CRPS Holder	As at 31st March, 2022 No. of CRPS, %	As at 31st March, 2021 No. of CRPS, %
RBL Bank Limited	1,55,00,000, 100%	1,55,00,000, 100%

c. Cash Credit from Banks

1. First Pari-Passu Charge on the Company's immovable property situated at Plot No.6, Kalyan Bhiwandi Industrial Area, Thane.

2. Hypothecation of present and future stocks of raw materials, semi-finished goods, finished goods and book debts by way of first charge and also by hypothecation of movable fixed assets by way of first charge.

   Outstanding loans carry an average interest rate of 10.70% to 12.50% p.a. (31 March 2021 : 11.60% to 12.50% p.a.)

d. Backed by Letter of Comfort from Steel Authority of India Limited. This loan carries an interest rate of 7.35% p.a. (31 March 2021 : 7.35%)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

NOTE 16: TRADE PAYABLES

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Trade payables**		
a) Total outstanding dues of micro enterprises and small enterprises	54.67	70.89
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,591.26	2,113.45
Total	**2,645.93**	**2,184.34**

1. Trade payables are generally non-interest bearing and are settled on 60 - 90 day terms.
2. For explanations on the Company's credit risk management processes, refer to Note 39.

** Disclosure as required under Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 ("the Act"):

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
(a) (i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	54.67	70.89
(ii) Interest due on above	1.25	0.78
(b) Amount of interest paid by the buyer in terms of section 16 of the Act	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year but without adding the interest specified under this Act)	-	-
(d) Amount of interest accrued and remaining unpaid at the end of each accounting year	1.25	0.78
(e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	1.25	0.78

The information has been given in respect of such vendors to the extent they could be identified as 'Micro & Small Enterprises' on the basis of information available with the Company.

Trade Payables Ageing Schedule - Based on the requirements of Amended Schedule III

₹ in lacs

Particulars	Outstanding as on March 31, 2022 from date of transaction				
	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed dues of creditors other than micro enterprises and small enterprises	2,428.68	84.38	33.90	44.30	**2,591.26**
Undisputed dues of micro enterprises and small enterprises	52.85	1.59	-	0.23	**54.67**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	**-**
Total	**2481.53**	**85.97**	**33.90**	**44.53**	**2645.93**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

₹ in lacs

Particulars	Outstanding as on March 31, 2021 from date of transaction				
	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed dues of creditors other than micro enterprises and small enterprises	1,885.02	166.43	31.81	30.19	**2,113.45**
Undisputed dues of micro enterprises and small enterprises	70.65	0.01	0.23	-	**70.89**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	**-**
Total	**1,955.67**	**166.44**	**32.04**	**30.19**	**2,184.34**

NOTE 17: OTHER FINANCIAL LIABILITIES

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Other Financial Liabilities at Amortised Cost		
Interest accrued and due on borrowings	5.54	0.02
Interest accrued on Trade Payables	4.78	0.78
Deferred Liability for Cumulative Redeemable Preference Shares*	1,173.02	1,210.60
Security Deposits	2.79	2.79
Total Other Financial Liabilities at Amortised Cost	**1,186.13**	**1,214.19**
Unpaid Dividend (Investor Education and Protection Fund will be credited by the amount as and when due)	15.80	15.80
Total	**1,201.93**	**1,229.99**
Current	28.91	19.39
Non-Current	1,173.02	1,210.60
	1,201.93	**1,229.99**

*The 0.01% CRPS allotted during the financial year 2020-21 is repayable in 2 equal annual instalments at the end of the 14th year and 15th year (i.e. March, 2035 and March, 2036 respectively) and recognised as Financial Liabilities in accordance with the requirements of Ind AS 109 "Financial Instruments". This represents difference between issue price and fair value of Preference Shares to be amortised over the tenure.

Categorisation of Financial Liabilities

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Financial Liabilities carried at Amortised cost		
Borrowings (Note 15)	7,616.45	8,584.78
Trade Payables (Note 16)	2,645.93	2,184.34
Other Financial Liabilities (Note 17)	1,186.13	1,214.19
Total	**11,448.51**	**11,983.31**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 18: PROVISIONS

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Provision for Employee Benefits		
-Provision for Gratuity	22.89	31.59
-Provision for Compensated Absences	36.24	44.53
Total	**59.13**	**76.12**

NOTE 19: CONTRACT LIABILITIES

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Advances from Customers	4,279.11	3,168.73
Total	**4,279.11**	**3,168.73**

NOTE 20: OTHER CURRENT LIABILITIES

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Dues to Statutory Authorities	139.21	113.87
Total	**139.21**	**113.87**

NOTE 21: INCOME TAX

The major components of Income Tax Expense for the years ended 31st March, 2022 and 31st March, 2021 are :

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Profit or loss		
Current Income Tax	-	-
Tax for Earlier Years	24.24	-
Deferred Tax :		
Deferred Tax Expense/(Credit) recognised in the Statement of Profit or Loss	124.33	(3,411.25)
Total Income Tax before Other Comprehensive Income	**148.57**	**(3,411.25)**
Other Comprehensive Income		
Income tax related to items recognised in OCI during the year	(3.14)	(2.03)
Income Tax charged to Other Comprehensive Income	**(3.14)**	**(2.03)**
Total Tax Expense (including tax impact on Other Comprehensive Income)	**145.43**	**(3,413.28)**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021 :

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Profit/(Loss) before tax	303.62	(12,581.21)
Other Comprehensive Income before tax (only remeasurement of defined benefit plan)	(11.29)	(7.30)
Total	**292.33**	**(12,588.51)**
At India's statutory income tax rate of 27.82% (31 March 2021: 27.82%)	-	-
Expenses not allowed for tax purpose	(3.14)	(2.03)
Tax for Earlier Years	24.24	-
Deferred Tax Assets	124.33	(3,411.25)
Total Tax Expense (including tax impact on OCI)	**145.43**	**(3,413.28)**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

Deferred Tax Assets (Net):

Deferred Tax Assets (Net) relates to the following

₹ in lacs

Particulars	Balance Sheet	
	31st March, 2022	31st March, 2021
Provision for loss allowance	112.32	94.79
Provisions made disallowed and allowed only on payment basis	2,803.95	2,836.03
Accelerated Depreciation for tax purposes	(362.37)	(363.29)
Current Year Loss	590.89	651.33
MAT Credit Entitlement	157.90	208.16
Total	**3,302.69**	**3,427.02**

Reflected in the Balance Sheet as follows:

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Deferred Tax Assets	3,665.06	3,790.31
Deferred Tax Liabilities	(362.37)	(363.29)
Deferred Tax Assets, net	**3,302.69**	**3,427.02**

Reconciliation of Deferred Tax Assets (net):

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Opening balance as at 1 April	3,427.02	15.77
Tax income/(expense) during the year recognised in Profit or Loss	(124.33)	3,411.25
Closing balance as at 31 March	**3,302.69**	**3,427.02**

The Company has recognised deferred tax assets amounting to ₹ 3,302.69 Lakhs as on 31st March, 2022 (₹ 3,427.02 lacs as on 31st March, 2021). The Management of the Company believes that there will be adequate future taxable profits available against which the deferred tax assets can be utilised.

Pursuant to the Taxation Laws (Amendment) Ordinance, 2019 issued on September 20, 2019, corporate assesses have been given the option to apply lower income tax rate with effect from April 01, 2019, subject to certain conditions specified therein. The Company has carried out an evaluation and based on its forecasted profits, believes it will not be beneficial for the Company to choose the lower tax rate option in the near future. Accordingly, no effect in this regard has been considered in measurement of tax expense for the year ended March 31, 2022. The Company will, however, continue to review its profitability forecast at regular intervals and make necessary adjustments to tax expense when there is reasonable certainty to avail the beneficial (lower) rate of tax.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

NOTE 22: REVENUE FROM OPERATIONS

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Sale of Manufactured Products	3,213.33	3,020.69
Revenue from Construction Contracts	8,714.28	5,403.11
Sale of Service	174.77	263.70
Other Operating Revenue		
Government Incentives	26.09	35.94
Scrap Sales	146.89	118.00
Total	**12,275.36**	**8,841.44**

For further details of Revenue from Contracts with Customers, refer Note 42.

NOTE 23: OTHER INCOME

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest Income on:		
- Inter-Corporate Deposits *	-	788.21
- Bank Deposits	20.00	19.22
- Trade Receivables	-	10.00
Provisions/Liabilities no longer required written back	77.05	131.53
Other Non-operating Income	67.72	-
Total	**164.77**	**948.96**

*Interest Income recognised during the previous financial year had been written off during the same year and presented as a part of exceptional loss in the Statement of Profit and Loss (Refer Note 5b)

NOTE 24: COST OF MATERIALS CONSUMED

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening stock	402.28	535.97
Add: Purchases during the year	6,459.66	3,964.56
	6,861.94	**4,500.53**
Less: Closing stock	388.92	402.28
Cost of Materials Consumed	**6,473.02**	**4,098.25**

NOTE 25: SUBCONTRACTING CHARGES

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Subcontracting Charges	1,068.78	830.76
Total	**1,068.78**	**830.76**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 26: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Opening Stock		
Work-in-Progress	219.97	373.01
Finished Goods	140.87	34.90
	360.84	**407.91**
Less: Closing Stock		
Work-in-Progress	544.39	219.97
Finished Goods	24.37	140.87
	568.76	**360.84**
Net (Increase) / Decrease	**(207.92)**	**47.07**

NOTE 27: EMPLOYEE BENEFITS EXPENSES

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Salaries, Wages and Bonus	1,269.79	1,375.97
Contribution to provident and other funds (Refer Note 33)	126.01	143.24
Gratuity Expense (Refer Note 33)	22.51	19.91
Staff Welfare Expense	23.73	21.65
Total	**1,442.04**	**1,560.77**

NOTE 28: FINANCE COSTS

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Interest Expense on :		
- Borrowings	792.77	1,063.83
- Preference Shares	0.16	
- Trade Payables	10.35	11.26
Others :		
- Bank Commission Charges	58.02	47.97
- Bank Processing Charges	16.44	10.29
Total	**877.74**	**1,133.35**

NOTE 29: DEPRECIATION AND AMORTISATION EXPENSE

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Depreciation on Property, Plant and Equipments (Refer note 3)	273.54	394.35
Amortisation on Intangible Assets (Refer note 4)	5.93	7.95
Total	**279.47**	**402.30**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 30: OTHER EXPENSES

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Consumption of Stores, Spares and Loose Tools	183.03	145.74
Contract Labour	391.54	290.56
Power and Fuel	112.29	88.36
Repairs and Maintenance :		
Plant and Equipment	37.75	33.29
Building	2.75	0.90
Others	54.21	70.15
Insurance	87.07	55.50
Rent including lease rentals (Refer note 41)	20.29	21.25
Foreign Exchange Loss (net)	2.27	9.36
Rates and Taxes	15.40	52.58
Royalty Charges	106.01	109.80
Sales Commission	227.97	28.72
Liquidated Damages, Warranties and Rebates	65.14	-
Provision for Loss Allowance (net)	63.03	22.88
Freight and Forwarding (net)	202.45	52.29
Travelling and Conveyance	238.78	211.17
Bad Debts / Advances written off	53.55	65.86
Loss on sale of Property, Plant and Equipment	0.86	-
Bank Charges	38.27	7.95
Directors' Sitting Fees	7.60	5.74
Legal and Professional Charges	139.57	167.71
Auditors Remuneration (refer details below)	15.00	13.39
Corporate Social Responsibility Expenditure (refer note 45(D))	10.00	20.00
Miscellaneous expenses	128.55	137.01
	2,203.38	**1,610.21**
Auditors Remuneration*:		
Statutory Audit Fees	10.00	10.00
Taxation Matters	2.55	2.35
Other Services	2.20	0.99
Reimbursement of Expenses	0.24	0.05
	15.00	**13.39**

*Excludes ₹ 3.00 lacs (Previous Year : ₹ 7.00 lacs) paid for rendering services towards issue of securities and proportionately included in transaction costs on Issue of Equity Shares, Preference Shares and Borrowings.

NOTE 31: EARNINGS PER SHARE (EPS)

The following reflects the information relating to profits and weighted average number of equity shares used in the basic and diluted EPS computations:

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Profit/(Loss) attributable to Equity Shareholders	155.05	(9,169.96)
Weighted average number of Equity Shares		
For Basic EPS	2,84,81,214	1,33,37,686
For Diluted EPS	2,84,81,214	1,33,37,686
Face value of Equity Shares	₹ 10	₹ 10
Basic EPS	0.54	(68.75)
Diluted EPS	0.54	(68.75)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 32: SIGNIFICANT ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported values 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.

Estimates and Assumptions

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

Project Revenue and Costs

The percentage-of-completion method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total contract costs, total contract revenues, contract risks, including technical, political and regulatory risks, and other judgments. The Company re-assesses these estimates on periodic basis and makes appropriate revisions accordingly.

Taxes

Significant management judgement is required to determine the amount of deferred tax assets (including MAT credit) that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Employee Benefit Plans

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

The parameter most subject to change in the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post employment benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases are based on expected future inflation rates for the respective countries.

Further details about gratuity obligations are given in Note 33.

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. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

Impairment of Financial Assets
The impairment provision for financial assets such as loans, inter-corporate deposits, trade receivables, contract assets and others are based on assumptions about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Allowance for Uncollectible Trade Receivables
Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experiences. Individual trade receivables are written off when management deems them not be collectible.

The Company follows 'simplified approach' for recognition of impairment allowance on trade receivables or contract assets (including revenue in excess of billing).

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Going Concern Assumption
The financial statements have been prepared on going concern basis.

NOTE 33: EMPLOYEE BENEFIT DISCLOSURE

A. Defined Contribution Plans:

Amount of ₹ 126.01 lacs (31 March 2021: ₹ 143.24 lacs) is recognised as expenses and included in Note No. 27 "Employee Benefit Expenses" in the Statement of Profit and Loss.

₹ in lacs

Particulars	31st March, 2022	31st March, 2021
Employee State Insurance Corporation	2.13	7.77
Provident Fund	104.85	111.58
Superannuation Fund	19.03	23.89
Total	**126.01**	**143.24**

B. Defined Benefit Plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

Gratuity
The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund. The fund is managed by a trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

Gratuity is a defined benefit plan and Company is exposed to the following risks:

Interest rate risk : A fall in the discount rate which is linked to the Government Securities Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

During the year, there were no plan amendments, curtailments and settlements.

A separate trust fund is created to manage the Gratuity plan and the contributions towards the trust fund is done as guided by Rule 103 of Income Tax Rules, 1962.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 33: EMPLOYEE BENEFIT DISCLOSURE (Contd.)

B. Defined Benefit Plans: (Contd.)

31 March 2022 : Changes in defined benefit obligation and plan assets

Particulars	1st April, 2021	Gratuity cost charged to Statement of Profit and Loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	31st March, 2022
		Current Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 28)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	228.35	20.47	14.71	35.18	(27.19)	-	(0.08)	(0.52)	10.81	10.21	-	246.55
Fair value of plan assets	(196.76)	-	(12.67)	(12.67)	27.19	1.08	-	-	-	1.08	(42.51)	(223.66)
Net Liability/ (Assets)	**31.59**	**20.47**	**2.02**	**22.51**	**-**	**1.08**	**(0.08)**	**(0.52)**	**10.81**	**11.29**	**(42.51)**	**22.89**

31 March 2021: Changes in defined benefit obligation and plan assets

Particulars	1st April 2020	Gratuity cost charged to Statement of Profit and Loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	31st March, 2021
		Current Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 30)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	212.09	18.66	14.46	33.13	(38.79)	-	-	5.58	16.35	21.92	-	228.35
Fair value of plan assets	(193.92)	-	(13.22)	(13.22)	38.79	(14.62)	-	-	-	(14.62)	(13.79)	(196.76)
Net Liability/ (Assets)	**18.17**	**18.66**	**1.24**	**19.91**	**-**	**(14.62)**	**-**	**5.58**	**16.35**	**7.30**	**(13.79)**	**31.59**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

NOTE 33: EMPLOYEE BENEFIT DISCLOSURE (Contd.)

B. Defined Benefit Plans: (Contd.)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Insurance Fund	223.66	196.76
(%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Discount rate	6.98%	6.44%
Future salary increase	5.50%	5.00%
Expected rate of return on plan assets	6.98%	6.44%
Rate of employee turnover	4.00%	4.00%
Mortality rate during employment	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)
Mortality rate after employment	N.A.	N.A.

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

₹ in lacs

Particulars	Sensitivity level	Increase / (decrease) in defined benefit obligation (Impact)	
		Year ended 31st March, 2022	Year ended 31st March, 2021
Discount rate	1% increase	(14.85)	(14.14)
	1% decrease	16.80	16.02
Salary increase	1% increase	16.88	16.09
	1% decrease	(15.19)	(14.45)
Employee turnover	1% increase	1.51	1.40
	1% decrease	(1.68)	(1.57)

The following are the expected future benefit payments for the defined benefit plan :

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Within the next 12 months (next annual reporting period)		
Gratuity	27.71	22.20
Between 2 and 5 years		
Gratuity	106.65	87.17
Beyond 5 years and up to 10 years		
Gratuity	93.55	101.65
Beyond 11 years	202.05	172.70
Total expected future benefit payments	**429.95**	**383.72**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

Weighted average duration of defined plan obligation (based on discounted cash flows)

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Gratuity	8	8

The followings are the expected contributions to planned assets for the next year:

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Gratuity	43.19	52.05

C. Other employee benefits

The liability / (asset) for compensated absences is ₹ 36.24 lacs (31 March 2021: ₹ 44.53 lacs)

NOTE 34: CONTINGENCIES AND COMMITMENTS

a. Contingent Liabilities (to the extent not provided for)

₹ in lacs

Particulars	31 March 2022	31 March 2021
Contingent Liabilities (to the extent not provided for)		
(a) Demand Notice from DGFT for non-fulfilling of export obligations.	-	137.00
(b) Sales Tax - On account of non-production of C Forms.	13.86	13.86
(c) Service Tax - On account of disallowance of CENVAT Credit .	49.06	49.06
(d) Income Tax - On account of various demands issued / raised which in the opinion of management are as a result of mistakes apparent from records and are pending for rectifications before the Assessing Officer.	155.00	-

b. Commitments

Estimated amounts of contracts remaining to be executed on capital account and not provided:

At 31st March, 2022, the Company had commitments of ₹ 11.69 lacs (31 March 2021: ₹ 0.62 lacs)

NOTE 35: RELATED PARTY TRANSACTIONS

A. Particulars of Related Party and Nature of Relationship :

Companies having Significant Influence

Firstview Trading Private Limited

The Company had allotted 67,50,000 Equity Shares to RBL Bank Limited on 30th March, 2021 on preferential basis under the Category Non-promoter Lender, by way of conversion of a part of outstanding loans for restructuring of debt under the Guidelines of the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions, 2019 dated 7th June, 2019. Pursuant to this allotment, RBL Bank Limited holds 19.67% as on 31st March, 2022(23.93% as on 31st March, 2021) of the Equity Share Capital of the Company. Considering the substance of the relationship of the Company with RBL Bank Limited and not merely the legal form, the Management has not considered RBL Bank Limited as a Related Party in accordance with Para 10 of Ind AS 24 "Related Party Disclosures".

Key Managerial Personnel

Sri Subir Chaki (Deceased on 18th October, 2021)
Sri Anil Karnad (Whole Time Director w.e.f 1st December, 2021)
Sri Sachin Vijayakar (General Manager and Chief Financial Officer)
Sri Arvind Kumar Bajoria (Company Secretary)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

Non Executive and Independent Directors
Sri Aditya Khaitan
Sri Amritanshu Khaitan
Sri Mahesh Shah
Sri Amitav Roy Choudhury
Ms Arundhuti Dhar
Sri Navin Nayar (appointed w.e.f. 21st April, 2021)
Sri Manmohan Singh (appointed w.e.f. 21st April, 2021)
Sri Vasumitra Sharma (appointed w.e.f. 29th June, 2021)
Sri Shourya Sengupta (appointed w.e.f. 29th June, 2021)

Relatives of Key Managerial Personnel
Ms Anuradha Chaki
Ms Isha Khaitan
Ms Yashodhara Khaitan
Ms Ronica Vijayakar
Ms Saroj Karnad

B. Transactions with Related Parties

₹ in lacs

Nature of transactions	2021-22	2020-21
Firstview Trading Private Limited		
Allotment of Equity Shares and Convertible Warrants for cash consideration	708.50	1,640.00
Compensation of Key Managerial Personnel *		
Short term employee benefits	158.29	148.02
Other long term employee benefits	7.67	9.06
Sitting Fees to Non Executive and Independent Directors	7.60	5.74
Total	**173.56**	**162.82**
Relatives of Key Management Personnel		
Car Hire Charges Paid	3.70	1.76
Professional Fees Paid	53.86	53.99
Other Services	15.05	0.27

C. Balances as at the year end

₹ in lacs

Particulars	31 March 2022	31 March 2021
Key Managerial Personnel and their Relatives		
Remuneration Payable		
- To Directors and Relatives	15.76	3.84
Legal and Professional Charges Payable	2.43	-
Personal guarantee received by the Company from a Director for loans given to group companies	12,000.00	12,000.00

* As the liabilities for gratuity and leave encashment are provided on actuarial basis for the Company as a whole, the amounts pertaining to the Directors are not included above.

Terms and conditions of transactions with related parties
The transactions with related parties are made on terms equivalent to those that prevail in arm 's length transactions.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 36: SEGMENT INFORMATION

A. Primary Operating Segment

In line with the provision of Ind AS-108 - Operating Segments, Chief Operating Decision Maker (CODM) reviews the operations of the Company as manufacturer of Engineering Products, which is considered to be the only reportable segment by the management. Accordingly, no separate disclosure of primary operating segment information has been made.

B. Geographical information

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
a. Revenue (Sales and services)		
India	10,690.37	7,814.13
Outside India	1,584.99	1,027.31
Total	**12,275.36**	**8,841.44**

The revenue information above is based on the locations of the customers.

No individual customer accounted for more than 10 percent of the Company's total revenue for 31st March, 2022 (31st March 2021 : one customer for ₹ 1,737.50 lacs).

₹ in lacs

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
b. Non current Assets*		
India	4,161.42	4,475.25
Outside India	-	-
Total	**4,161.42**	**4,475.25**

*Non-current Assets for this purpose consist of Property, Plant and Equipment and Intangible Assets.

Note 37: Fair Values

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

₹ in lacs

Particulars	Carrying value		Fair Value	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Financial Assets				
Investments measured at Fair Value through OCI	967.44	813.35	967.44	813.35
Other Financial Assets	26.15	19.43	26.15	19.43
Total	**993.59**	**832.78**	**993.59**	**832.78**
Financial Liabilities				
Non-current Borrowings	6,145.47	6,526.94	6,145.47	6,526.94
Other Financial Liabilities	1,173.02	1,210.60	1,173.02	1,210.60
Total	**7,318.49**	**7,737.54**	**7,318.49**	**7,737.54**

The management assessed that cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables, other current financial assets, contract assets, trade payables, short term borrowings and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 38 : FAIR VALUE HIERARCHY

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at 31st March, 2022

₹ in lacs

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
FVTOCI Financial Investments:					
Quoted Equity Shares (refer Note 5a)	31 March 2022	967.44	967.44	-	-

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021

₹ in lacs

Particulars	Date of valuation	Total	Fair value measurement using		
			Quoted prices in active markets	Significant observable inputs	Significant unobservable inputs
			(Level 1)	(Level 2)	(Level 3)
Assets measured at fair value:					
FVTOCI Financial Investments:					
Quoted equity shares (refer Note 5a)	31 March 2021	813.35	813.35	-	-

There have been no transfers between Level 1 and Level 2 during any of the above periods reported.

NOTE 39: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade payables and other financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include loans, trade receivables, contract assets, cash and cash equivalents, bank balances other than that included in cash and cash equivalents and other financial assets that arise directly from its operations. The Company also holds FVTOCI investments and enters into derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors have adopted risk management policy to identify the risks involved in all activities of the Company. Further, the Company has a policy to hedge all foreign currency loans carrying a floating rate of interest with the help of foreign exchange forward contracts to cover foreign exchange rate and interest rate risk. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise currency rate risk and interest rate risk. Financial instruments affected by market risk include loans and borrowings, FVTOCI financial investments, trade receivables, trade payables and derivative financial instruments.

The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rate movement. The Company uses derivative financial instruments such as foreign exchange forward contracts to manage its exposures to foreign exchange fluctuations.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

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. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company also enters into cross currency interest rate swaps, in which it agrees to exchange, at specified intervals, the difference between fixed and variable rate interest amounts calculated by reference to an agreed-upon principal amount.

The Company has the following borrowing facilities as at the year end:

₹ in lacs

Particulars	31 March 2022	31 March 2021
Fixed Rate Borrowings	1,511.61	1,509.02
Floating Rate Borrowings	7,277.86	8,286.37
Total	**8,789.47**	**9,795.39**

Interest rate sensitivity
With all other variables held constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting on profit before tax and equity as follows:

₹ in lacs

Particulars	Increase/decrease in basis points	Effect on profit before tax	Effect on equity
31 March 2022			
INR - Borrowings	+50	36.39	26.27
	-50	(36.39)	(26.27)
31 March 2021			
INR - Borrowings	+50	41.43	29.91
	-50	(41.43)	(29.91)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

Foreign Currency Risk
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's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company manages its foreign currency risk by taking foreign exchange forward contracts.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company hedges its exposure to fluctuations on the translation into INR of its foreign operations by holding net borrowings in foreign currencies and by using foreign exchange forward contracts.

Foreign Currency Sensitivity
The following table demonstrates the sensitivity in the USD and Euro to the functional currency of the Company, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

₹ in lacs

Particulars	Change in currency exchange rate	Effect on profit before tax		Effect on pre-tax equity	
		For the year ended 31 March 2022	For the year ended 31 March 2021	For the year ended 31 March 2022	For the year ended 31 March 2021
US Dollars	+5%	10.97	18.85	7.92	13.61
	-5%	(10.97)	(18.85)	(7.92)	(13.61)
Euro	+5%	5.60	8.35	4.04	6.03
	-5%	(5.60)	(8.35)	(4.04)	(6.03)
Japanese Yen	+5%	4.41	-	3.18	-
	-5%	(4.41)	-	(3.18)	-

Equity Price Risk

The Company's investment consists of investments in publicly traded companies held for the purpose other than trading. Such investments represents a low exposure risk for the Company and are not hedged. As at 31 March 2022, the exposure to listed equity securities at fair value was ₹ 967.44 lacs (31 March 2021: ₹ 813.35 lacs). A decrease / increase of 10% on the BSE market index could have an impact of approximately ₹ 96.74 lacs (31 March 2021: ₹ 81.34 lacs) respectively on the OCI and equity. These changes would not have an effect on profit or loss.

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables), from its investing activities (primarily inter-corporate deposits) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade Receivables

Customer credit risk is managed as per the Company's established policy, procedures and controls relating to customer credit risk management. Trade receivables are non-interest bearing and are generally on credit term in line with respective industry norms. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

The requirement for impairment is analysed at each reporting date. Refer Note 6 for details on the impairment of trade receivables.

Inter-Corporate Deposits

In earlier years, the Company had advanced Inter-Corporate Deposits ('ICDs') to certain Promoter and Promoter Group companies. Basis the financial position of these recipient companies, the management had recognised provision against outstanding ICDs amounting to ₹ 9,950.18 lacs and written off the entire accrued interest of ₹ 2,738.72 lacs on such ICDs during the previous financial year ended 31st March, 2021, without prejudice to any of the legal rights and remedies available to recover the outstanding amounts. The aggregate effect of ₹ 12,688.90 lacs had been presented as an exceptional loss in the Statement of Profit and Loss for the year ended 31st March, 2021. As on 31st March 2022, ICDs and accrued interest thereon of ₹ 9,920.96 lacs and ₹ 2,738.72 lacs respectively are still recoverable from these Promoter and Promoter Group companies.

Financial instruments and cash deposits

Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only on the basis of decision taken by the Company's senior management.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts as illustrated in Note 15,16 & 17.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 31st March, 2022

Liquidity Risk

Liquidity risk is the risk that the Company may not be able to make its present and future collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and maintains adequate sources for financing including debts, cash credits and overdrafts at an optimised cost.

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

₹ in lacs

Particulars	On demand	<1 year	1 to 5 years	> 5 years	Total
As at 31 March 2022					
Borrowings	1,268.34	202.64	1,677.14	5,641.35	8,789.47
Other Financial Liabilities	26.12	2.79	-	-	28.91
Trade and Other Payables	-	2,645.93	-	-	2,645.93
	1,294.46	**2,851.36**	**1,677.14**	**5,641.35**	**11,464.31**

₹ in lacs

Particulars	On demand	<1 year	1 to 5 years	> 5 years	Total
As at 31 March 2021					
Borrowings	1,694.01	363.83	638.52	7,099.02	9,795.38
Other Financial Liabilities	16.60	2.79	-	-	19.39
Trade and Other Payables	-	2,184.34	-	-	2,184.34
	1,710.61	**2,550.96**	**638.52**	**7,099.02**	**11,999.11**

NOTE 40: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents (including other bank balances).

Gearing Ratio:

₹ in lacs

Particulars	31 March 2022	31 March 2021
Borrowings (including current maturities of long term borrowings) (Note 15 & 17)	8,789.47	9,795.38
Less: Cash and Cash Equivalents (including other bank balances) (Note 7 & 8)	(1,649.31)	(1,300.86)
Net debt	**7,140.16**	**8,494.52**
Equity	3,430.86	2,820.58
Other Equity	3,913.59	1,951.52
Total Capital	**7,344.45**	**4,772.10**
Capital and net debt	**14,484.61**	**13,266.62**
Gearing ratio	**49%**	**64%**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 41: LEASES

Operating Leases :

With effect April 1, 2019, the Company has adopted Ind AS 116 “Leases” and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method.

The leasehold land of the Company has been shown as Right of Use asset under Note 3 ‘Property, plant and equipment’ and depreciated over the lease term of the asset.

The other lease arrangements of the Company are for a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Note 41a: Research and development costs

The Company has an inhouse research and development department which concentrates on product development and developing new products. Research and development costs that are not eligible for capitalisation have been expensed out in the respective years. The total amount of research and development cost expensed out in the year ended 31 March 2022 was ₹ 18.46 lacs (31 March 2021: ₹ 25.07 lacs).

NOTE 42: IND AS 115 - REVENUE FROM CONTRACTS WITH CUSTOMERS

Reconciliation of Revenue from Operations with Revenue from Contracts with Customers:

₹ in lacs

Particulars	2021-22	2020-21
Revenue from Operations	12,275.36	8,841.44
Less:		
- Government Incentives	26.09	35.94
Revenue from contracts with customers	**12,249.27**	**8,805.50**

Disaggregation of Revenue from Contracts with Customers:

A. By geographical region:

₹ in lacs

Particulars	2021-22	2020-21
Revenue from Contracts with Customers:		
- within India	10,664.28	7,778.19
- outside India	1,584.99	1,027.31
Total	**12,249.27**	**8,805.50**

B. By timing of transfer of goods or services:

₹ in lacs

Particulars	2021-22	2020-21
Goods transferred at a point in time	3,360.22	3,138.69
Goods transferred over the time	8,714.28	5,403.11
Services transferred over the time	174.77	263.70
Total	**12,249.26**	**8,805.50**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

Contract Balances:

₹ in lacs

Particulars	31 March 2022	31 March 2021
Contract Assets (Unbilled Revenue) *	5,692.89	4,019.13
Contract Liabilities (Advances from Customers)	4,279.11	3,168.73
Trade Receivables *	5,045.78	4,190.81

* Net of impairment allowance. For details of impairment allowance, refer Note 6 for trade receivables and Note 5d for contract assets.

The Contract Assets primarily relates to the Company's rights to consideration for work completed on design, construction and commissioning contracts but not billed at the reporting date. Contract assets are transferred to trade receivables when the Company raises invoices on the customers based on the terms as agreed in the contracts.

The Contract Liabilities primarily relate to the advance consideration received on contracts entered with customers. The advances are adjusted against subsequent billings based on the terms as agreed in the contracts.

Trade receivables are generally non-interest bearing and are on terms of 30 to 90 days.

Performance Obligations:

The Company enters into different types of contracts with its customers which have different performance obligations as follows:

Design, construction and commissioning contracts with the customers

These contracts are for design and construction of highly customised drying equipments and range for a period of 3 to 12 months. Since, these equipments are highly customised and do not have any alternative use and as per the terms as agreed in the contracts, in case the contracts get terminated during the design or construction phase, the Company will be entitled to the costs incurred till that date, plus reasonable profit margin. Thus, the Company recognises revenue for these contracts over the time in accordance with the provisions of para 35 (c) of Ind AS 115.

Variable Consideration: These contracts usually have a liquidated damages clause for delay in delivery of these equipments beyond the scheduled dates as agreed in the contracts. The Company estimates the amount to be recognised towards liquidated damages based on an analysis of accumulated historical experience. The Company includes estimated amount in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Supply of other drying equipments and spares:

These contracts are for supply of other drying equipments and spares. These are standard equipments and spares which were manufactured and sold by the Company with a little modification as per the requirements of the customer. Revenue from these contracts are recognised when the significant risks and rewards of ownership of goods have passed to the buyer, usually on delivery of the goods to the customer as per the inco-terms as agreed in the contracts. Revenue is measured at the fair value of consideration received or receivable net of return, trade allowances and rebates.

Service Income:

The Company recognises service income over the time based on the terms as agreed in the contracts entered into with the customers.

The payment terms for all the above contracts depend upon the milestones as agreed in the contracts and are independent of the performance obligations to be satisfied.

The Company has not disclosed information regarding transaction price allocated to the remaining performance obligations as all the contracts of the Company have an original expected duration of one year or less.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

Determination of transaction price and allocation of amounts to performance obligations:

In case of design, construction and commissioning contracts, the Company may have different performance obligations as follows:

1. Design, construction and supply of equipments;
2. Supply of commissioning and operational spares; and
3. Supervision services for erection and commissioning of equipments.

For these contracts, the total transaction price is agreed in the contracts entered into with the customers. The Company allocates the transaction price to these performance obligations based on the standalone selling price of these goods or services.

The amount of variable consideration is determined based on the terms of the contract.

The Company recognises revenue for the above performance obligations and variable consideration based on the revenue recognition criteria as specified above.

The Company does not have any incremental costs of obtaining a contract and costs incurred in fulfilling a contract which are expected to be recovered from the customer and hence, the Company has not recognised any asset towards the same.

The Company's contracts have a maximum duration of 1 year and hence, the Company has not adjusted the amount of consideration received or receivable as per the contracts for the effects of a significant financing component.

NOTE 43: FOREIGN CURRENCY EXPOSURE

Outstanding Receivables and Payable in Foreign Currency as on the Balance Sheet Date

₹ in lacs

Particulars		FC	Amount in FCY	Amount
31 March 2022	Trade Receivables	USD	4.21	315.71
		EURO	0.20	16.39
31 March 2021		USD	5.90	431.82
		EURO	1.96	167.09
31 March 2022	Trade Payables	USD	1.26	96.39
		EURO	1.48	128.48
31 March 2022		JPY	144.45	88.11
		USD	0.75	54.70

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 44: RATIO ANALYSIS AND ITS ELEMENTS

Ratio	Numerator	Denominator	For the Year Ended 31st March, 2022	For the Year Ended 31st March, 2021	% Variance	Reason for variance
Current Ratio (in Times)	Current Assets	Current Liabilities	1.68	1.45	15.88%	-
Debt-Equity Ratio (in Times)	Total Debt	Shareholder's Equity	1.20	2.05	41.46%	During the year the company has infused funds in the form of Equity Share Capital, out of the issue proceeds a part of borrowings has been paid
Debt Service Coverage Ratio (in Times)	Earnings Available for Debt Service	Debt service = Interest & Lease Payments + Principal Repayments	1.81	1.54	17.17%	-
Return On Equity Ratio (in %)	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.03	(1.21)	102.11%	Impact of exceptional item during the Year Ended 31st March, 2021
Inventory Turnover Ratio (in Times)	Sales	Average inventory =(Opening + Closing balance / 2)	13.31	9.74	36.65%	During the year, the revenue of company has increased by 40% in comparision to the previous year with relatively lower levels of inventory
Trade Receivables Turnover Ratio (in Times)	Net Sales	Average trade receivables = (Opening + Closing balance / 2)	2.66	2.38	11.76%	-
Trade Payables Turnover Ratio (in Times)	Net Credit Purchase	Average Trade Payables	4.04	2.92	38.38%	Increase in purchases with trade payable at reduced level.
Net Capital Turnover Ratio (in Times)	Net Sales	Average Working Capital	2.08	2.57	-18.74%	-
Net Profit Ratio (in %)	Net profit after taxes	Net Sales =Net sales shall be calculated as total sales minus sales returns.	1.26%	-103.72%	101.22%	Impact of exceptional item during the Year Ended 31st March, 2021
Return On Capital Employed (in %)	Earning before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt - Deferred Tax Liability	9.21%	11.14%	-17.35%	-

Note : Return on Investment is not relevant for the company as it does not have any income from investments

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

NOTE 45(A): DISCLOSURE IN RELATION TO 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 ended 31st March, 2022 and 31st March, 2021 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).

NOTE 45(B): DETAILS OF BENAMI PROPERTY HELD

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company, during the year ended 31st March, 2022 and 31st March, 2021 for holding any Benami property under the benami transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

NOTE 45(C) : REGISTRATION OF CHARGE

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period except a non-satisfaction of charge created in favour of RBL Bank Limited amounting to ₹ 7,000 Lakhs. The same is pending as a result of non-receipt of No-Dues Certificate from the lender bank.

NOTE 45 (D): CORPORATE SOCIAL RESPONSIBILITY

As per section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The proposed areas of CSR activities are eradication of hunger and poverty, promoting of education and rural development, disaster management including disaster relief, rehabilitation and reconstruction and promoting health care including preventing health care. The expenditure incurred (Refer Note 30) during the year on these activities are as specified in schedule VII to the Companies Act, 2013.

₹ in lacs

Particulars	For the Year Ended	
	31st March, 2022	31st March, 2021
Amount required to be spent by the company during the year (I)	6.81	11.45
Amount spent during the year on (II) :		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above	10.00	20.00
Shortfall at the end of the year (I-II)	-	-
Total of previous years shortfall	-	-
Contribution to a trust controlled by the company	-	-
The nature of CSR activities undertaken by the Company	Project for Women Livelihood	Rural Development Project

NOTE 45(E): DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended 31st March, 2022 and 31st March, 2021.

NOTE 45 (F) : RELATIONSHIP WITH STRUCK OFF COMPANIES

During the year, the Company did not have any transactions with companies struck off u/s 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956.

NOTE 45 (G) : UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

During the year ended 31st March 2022, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kinds of funds) to any other person (s) or entity(ies).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 31st March, 2022

During the year ended 31st March, 2022, the Company has not received any fund from any person(s) or entity(ies), Including foreign entities with the understanding (whether recorded in writing or otherwise) that the company shall directly or indirectly lend or invest or provide any guarantee or security.

Note 46 : The Ministry of Corporate Affairs vide Notification dated 24th March, 2021 has amended Schedule III to the Companies Act, 2013 in respect of certain presentation and disclosures, applicable from 1st April, 2021. The Company has incorporated the changes as per the said Notification in the financial statements and accordingly figures for the corresponding previous year have been regrouped/reclassified wherever necessary, to make them comparable.

As per our Report of even date
For V. Singhi & Associates
Chartered Accountants
Firm Registration No.: 311017E

(Tarun Jain)
Partner
Membership No.: 130109

Place : Kolkata
Date : 11th May, 2022

For and on behalf of the Board of Directors of
Kilburn Engineering Limited

(Manmohan Singh)
Director
DIN : 00699314

(Anil Karnad)
Whole Time Director- Operations
DIN 07551892

(Sachin Vijayakar)
Chief Financial Officer

(Arvind Kumar Bajoria)
Company Secretary

KILBURN ENGINEERING LTD.
Plot No.6, MIDC Industrial Area, Saravali,
Kalyan-Bhiwandi Road, Thane – 421 311.

Concept, Content & Design
NEXT ST_PS (engage@nextsteps.net.in)