



ITALICA[®]

PIL ITALICA LIFESTYLE LIMITED

(An ISO 9001 : 2015 Certified Company)

CIN : L25207RJ1992PLC006576

+91-96 499 71111

0294-2432272

info@italica.com

29 May, 2023

The Manager-Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block -G Bandra Kurla Complex, Bandra -East Mumbai-400051	Listing Department BSE Limited Phiroze Jeejeebhoy Towers 25 th Floor, Dalal Street Mumbai- 400001
---	--

Sub : Annual Report for the financial year 2022-23
Ref : Scrip Code No.: PILITA/ 500327

Dear Sir / Madam,

Pursuant to the provisions of Regulation 34(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, read with amendments thereto, please find the enclosed copy of Annual Report of the Company for the financial year ended March 31, 2023.

The Annual Report is also available on the website of the Company i.e. www.italica.com

Kindly take the above on your records.

Thanking you,

Yours faithfully,

For PIL ITALICA LIFESTYLE LIMITED

**Rajat Raja
Kothari**

Digitally signed by Rajat
Raja Kothari
Date: 2023.05.29 11:01:26
+05'30'

Rajat Raja Kothari

(Company Secretary)

M. No.: A51610

Encl: As above.



ITALICA[®]



**PIL ITALICA LIFESTYLE LIMITED
ANNUAL REPORT 2022-23**

Contents

Strategic Review

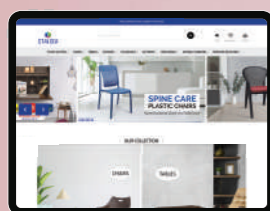
Reinvent Renovate Rise	03
Company Overview	04
Product Portfolio	06
Product Philosophy	10
Geographical Presence	12
Manufacturing Facilities & Capabilities	14
Letter to Shareholders	16
Board of Directors and Senior Leadership	18
Key Differentiators	20
Sustainability	22
Key Performance Indicators	24

Statutory Reports

Management Discussion and Analysis	26
Directors' Report	32
Corporate Governance Report	46

Financial Statements

Independent Auditor's Report	64
Financial Statements	72



FIND OUT MORE ON <http://italica.com/>

FORWARD LOOKING STATEMENT

This document contains statements about expected future events, financial and operating results of PIL Italica Lifestyle Limited ("PIL Italica" or "PILL"), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications, and risk factors referred to in the Management Discussion and Analysis chapter of the Company's Annual Report.

re:invent > rise
novate

Welcome to the world of PIL Italica, where the spirit of constant evolution reigns supreme. As you flip through the pages of our Annual Report, get ready to discover the story of how we have pushed ourselves to be better, and to do better. 'Reinvent, Renovate, Rise' unveils our journey of commitment, dedication and constant improvement. Dive into the world of PIL Italica to see how we are transcending the norm to elevate everyday.

Reinvent, Renovate, Rise - a mantra that embodies the spirit of PIL Italica, a Company that has stood the test of time. With over 3 decades of experience, we have seen the plastic furniture industry evolve; and we have evolved and grown along with it.

Our journey has been one of constant reinvention, of pushing the boundaries of the plastic furniture, and pioneering the way for revolutionary products. We have never been content to rest on our laurels, and have always looked for ways to improve and stay ahead of the curve. However, our commitment to reinvention goes beyond our desire for growth, and success. It is also a reflection of our commitment to constantly improve, not just as a company but as responsible citizens of the world.

We aim to renovate living spaces, in a way that offers a new spectacle for it. Owing to our strong product design and understanding of aesthetics, we enhance

the customer experience. In addition, our relentless focus on renovating every aspect of our operations to align with our customers' demands and preferences has been the key to our success.

As we rise, we continue to set the standard for excellence in the industry through our state-of-the-art manufacturing facilities, and streamlined supply chain. We further leverage on our superior customer understanding to be a brand of preference and stay ahead of the curve.

These, in addition to our continuous investments in the expansion of our geographical presence, distribution network, diversification of product portfolio, and a mix of organic and inorganic growth opportunities propel us further in our industry. With this theme rightfully setting the tone of our aspirations, we look forward to continuing on this journey in the years to come.

Financial Highlights

Total Income ▲ 26%

₹8,535 Lakhs in FY23	₹6,776 Lakhs in FY22
-------------------------	-------------------------

PAT ▲ 21%

₹304 Lakhs in FY23	₹251 Lakhs in FY22
-----------------------	-----------------------

EBITDA ▲ 23%

₹586 Lakhs in FY23	₹477 Lakhs in FY22
-----------------------	-----------------------

▲ YOY Change (%)

⊕ Read more on Pg. 24

PIL Italica: Building a world on quality and innovation

Introduction

PIL Italica, a name synonymous with innovation and durability in the plastic furniture industry. With over three decades of experience, we have not only witnessed the evolution of the industry but have also adapted and grown alongside it. Our commitment to quality is reflected in our ISO-9001:2015 accreditation and our distinction as the only Indian Company with CE certified plastic furniture products.

With our foundation rooted in Udaipur, Rajasthan, we started off with the commercial production of plastic furniture and storage bins in 1993 and further forayed into material handling products. Owing to our dedication to providing exceptional plastic furniture that is built to last, we have earned a reputation for offering products that are not only durable and cost effective, but also stylish and comfortable.



Vision

To become the most renowned furniture Company in India.



Mission

PIL Italica aims to become the market leader in the plastic furniture, material handling products, and waste management products in the next 5 years.



Brand philosophy

At PIL Italica, we believe that the purpose of furniture is not only its functionality, but goes to set the ambience of a space. As a brand, we strive to provide our end-users with ergonomically designed products that not only look good, but also prioritise the well-being and comfort of the user along with complementing the aesthetics of their space. In pursuit of this, we have planned to expand our product offerings by foraying into the wooden furniture market in collaboration with Atmosphere, thus introducing smart and versatile options to meet the diverse customer requirements.

With our diverse product mix that encompasses a wide range of indoor and outdoor furniture, we aim to become a one-stop solution for all furniture requirements with varied applications. **Owing to our focus on functionality, comfort, and style, we are establishing ourselves as the preferred brand within Indian furnishing space.**

A journey of innovation and transformation

1992	1993	1994	2016	2017	2018	2019	2020
<p>Marking the beginning of a journey, the Company was incorporated</p>	<ul style="list-style-type: none"> Established a manufacturing plant in Udaipur, Rajasthan to commence the production of plastic furniture & storage bins The Company got listed on BSE 	<p>PIL Italica got listed in NSE, further solidifying its standing in the capital markets</p>	<p>Ventured into material handling products, showcasing its dedication to constant growth and diversification of its product portfolio</p>	<p>Introduced industrial crates: the era of expansion into adjacent categories continues for the Company</p>	<ul style="list-style-type: none"> In alignment with the Clean India movement, PIL Italica launched a new range of dustbins and storage bins, thus exemplifying its commitment to environmental and social responsibility In addition, the Company launched the Spine Care chair series, providing individuals suffering from spinal disorders with necessary support for their vertebral column, marking a significant contribution to the field of ergonomic seating 	<ul style="list-style-type: none"> The year of strategic expansion: the Company established a new marketing office in New Delhi with the aim of extending its reach and fortifying its presence in the Northern region of India PIL Italica unveiled the cutting-edge Plasteel Series, featuring a range of seating solutions with both armchair and without armchair options 	<ul style="list-style-type: none"> PIL Italica entered into a strategic partnership with Kisan Mouldings Limited (KML), Silvassa to enhance its market share and presence across untapped territories Continuing the legacy of innovation, PIL Italica introduced the revolutionary OXY SERIES, a range boasting entirely of ventilated stackable chairs Added a new variant in the waste bin segment, ranging from 120L to 1,100L
							<ul style="list-style-type: none"> Apart from various crate sizes, the Company launched a host of new product variants that caters to the diverse needs of a wide demographic: <ul style="list-style-type: none"> U RELAX chair Elegant round dining table Baby rocker in the Baby series

Design, Durability, Diversity: Our comprehensive product line

This is a world of innovation and versatility with PIL Italica's plastic moulded products. Our product portfolio is a testament to our commitment to excellence and continuous evolution, as we strive to cater to the diverse needs of our customers with cutting-edge solutions that speak to both form and function. From ergonomic seating options, to durable material handling products and everything in between, we've got it covered.

1 Plastic furniture

Our Plastic Furniture vertical stands as the cornerstone of our product portfolio, responsible for a majority 80% of our top line. Crafted as a sustainable alternative to traditional wooden furniture, PIL Italica boasts of more than 150 meticulously designed moulds. Our commitment to innovation, combined with the seamless synergy of our advanced production processes, empowers us to create a diverse array of products with complex geometry. This expansive product range offers our customers an unparalleled selection, thus meeting their evolving needs and taste.

Beyond merely reducing the overall production cost, our thoughtful and efficient approach yields minimal waste, culminating in an environmentally conscious production model. This robust collection of moulds amplifies the Company's ability to produce a vast array of SKUs.

Leveraging our competitive advantage, we provide our customers with unrivalled choice, elevating their overall experience to new heights.



150+

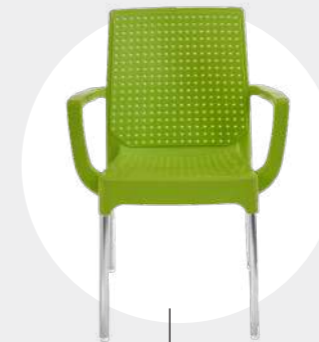
Meticulously designed moulds held by PIL Italica



Under our proprietary brand name '**Italica**', we offer a wide range of product variants. The homegrown brand includes the following product series:



Oxy Series



Plasteel Series



Luxury Series



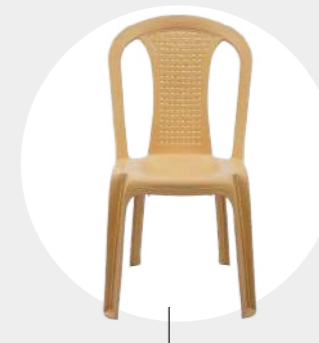
Spine Care Series



Premium Series



Comfort Series



Without Arm Series



Baby Series



Stool and Patla



Table



Sun lounger



Trolley

In addition to our proprietary brand, we at PIL Italica have entered into a long-term strategic agreement of 5 years with Kisan Moulding Limited (KML). Owing to this strategic collaboration, we were able to secure the marketing and distribution rights of the brand, Kisan Crest, that further enabled us to expand into the South Indian markets.

This strategic tie-up has successfully expanded our horizons, especially in terms of our manufacturing capacity and geographical presence.

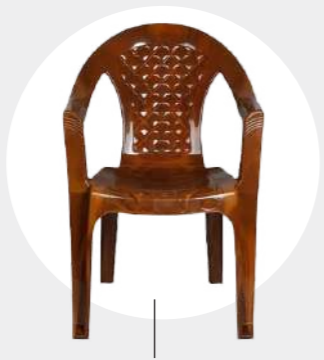
Within the Kisan Crest brand, we market a number of product series, namely:



Imperial Series



Goodwill Series



Popular Series



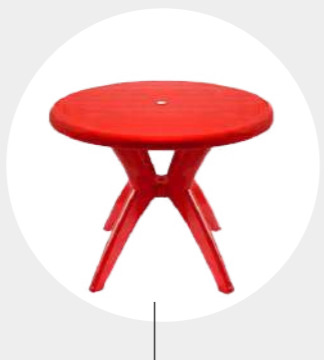
Armless Series



Baby Gallery



Centre Table Series



Dining Series



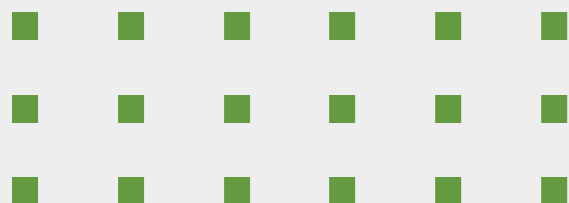
Stool Series

This agreement has not only complemented our current product line-up but also opened up new avenues for our future priorities.

We have always aimed to be dynamic in our product usage. Keeping that in mind, we develop and distribute products that are extensively used across spaces, including restaurants, swimming pools, gardens, tent houses, offices and undoubtedly adds to the comfort of home.

40+

Additional moulds added through Kisan Crest



2 Material handling products

Introducing our material handling products, a range that speaks volumes about our vision to offer ingenious solutions at competitive prices. In addition to our plastic furniture vertical, these products offer a plethora of applications for diverse industries, spanning F&B to e-commerce. Crafted with utmost care and attention to detail, our material handling crates are designed to offer exceptional strength and durability while being lightweight. Fabricated with premium quality and food-grade materials, our crates offer unmatched weather-proofing, and UV-resistance, making them ideal for use in even the most challenging environment.

Key industries served:

- Fruits & Vegetables
- Hospitality & Catering
- Electronics
- Engineering
- Automotive
- Textile
- Fisheries
- Food Processing
- E-commerce companies, such as: Grofers, Big Basket, Ninja Cart, Super Daily, Uddan, Kamla Pasand group
- Logistics companies, such as: Delhivery

3 Waste management products

At PIL Italice, we are committed to promoting a cleaner environment, one that rests on the promise of the greener future. In alignment with the Government of India's Swachh Bharat Initiative, we also offer waste management products, such as dustbins and efficient garbage storage solutions. Our waste management products are supplied to various municipal corporations and government bodies.

Our waste management products are highly versatile and find extensive application in a range of public spaces, including but not limited to hospitals, railway stations, malls, parks, airports, commercial complexes and housing societies. We are dedicated to ensuring that these areas are equipped with state-of-the-art waste management systems that promote hygiene, and cleanliness.

236

Unique products across all 3 portfolios

17

New products launched in FY23



Standing on the ethos of diversity, PIL Italice's product portfolio is varied, innovative and of exceptional quality. Moving forward, we are committed to expanding our product range to meet the standards and aesthetics of the evolving times. Our slow yet steady venture into the wooden furniture segment assures the same. We are immensely proud to be a trusted brand to leading companies in various industries, and look forward to keep on providing our users with smart and efficient solutions.



Designing for India, with the world in mind

Step into our world, where imagination and innovation collide. At PIL Italica, we don't just dream of a better tomorrow, we make it happen. Our product development journey is a testament to our commitment to pushing the boundaries of what's possible this is a journey from the inception of our ideas to their fruition in the form of products that have captured the hearts and minds of customers.

Product development is a challenging yet thrilling endeavour that we, at PIL Italica, approach with a customer-centric mindset. Led by our Managing Director, Mr. Daud Ali, our team of skilled professionals has garnered an acute understanding of customer preferences and needs, empowering us to deliver tailored solutions that align with evolving lifestyle and priorities.

Driven by this unparalleled customer insight, we relentlessly invest in our R&D processes to stay ahead of the competition. Our product development odyssey begins with identifying market needs, followed by conceptualising products that cater to the target audience. By conducting comprehensive analysis of our competitors and market landscape, we differentiate our offerings and its uniqueness.

At PIL Italica, we place great emphasis on functionality and have equipped our technical and marketing teams with the necessary resources to map out effective roadmap that leads to successful product development. We are excited to share some of our innovative products and provide an in-depth overview of our development process.

We are excited to share some of our innovative products and provide an in-depth overview of our development process.



Case Study

OXY Series: Breathing life into furniture

In response to the sweltering Indian climate, we recognised the need for a more breathable and comfortable seating option. Our team of experts put their heads together to ideate a solution that delivers on its promise of comfort and functionality, thus developing the country's entirely ventilated stackable chair. We have benchmarked our OXY series to international standards while improvising their design to better suit the Indian market. Furthermore, in order to enhance accessibility and optimise the manufacturing process, we also share the final design with international mould suppliers for the procurement of similar moulds.

However, our focus doesn't just end with product development. At PIL Italica, we believe in providing viable and affordable solutions for our customers. With the OXY Series, we have set a new standard in the industry, and remain committed to pushing the boundaries of innovation.



Case Study

Spine Care Series: Crafting comfort

In today's fast-paced lifestyle, where prolonged sitting has become the norm, ergonomic products have become a crucial aspect of daily life. Shockingly, more than half of Indians suffer from lower back pain, including a significant number of students, which necessitates an urgent need for an effective solution.

This is where our exceptional Spine Care series steps in, which is meticulously designed to provide optimal support to the vertebral column for people suffering from spinal disorders. Driven by our innovative market researchers, we embarked on an arduous journey to research and develop a product that caters to this specific need. Our cutting-edge product offering has received exceptional reviews from the market, thanks to its groundbreaking design and remarkable functionality.

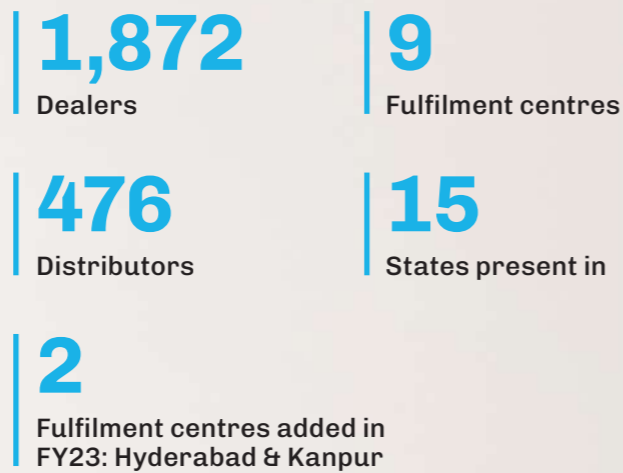


From local roots to global reach

From the bustling streets of Mumbai to the tranquil hills of Shimla, PIL Italica's presence can be felt across the length and breadth of India. We have spread our wings far and wide to serve our customers with the highest level of satisfaction. With the mantra of 'think global, act local', we have expanded our reach to even the remotest corners of the country. With customer relationships that go beyond transactions, PIL Italica has become a symbol of trust and reliability among its stakeholders. Our sights are set on the future and we are determined to take our presence to even greater heights and touch the lives of more people across the globe.

At PIL Italica, we are continuously striving to expand our reach and establish ourselves as a prominent name globally. Our growing national presence, combined with maiden exports, reflects our robust distribution and marketing channels that have consistently strengthened our brand.

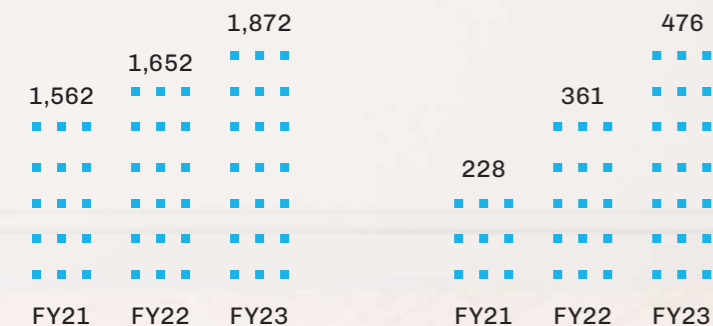
We have strategically established ourselves in Northern and Western India while our strategic long-term partnership with KML has allowed us to spread our roots in the Southern states, including Karnataka, Tamil Nadu, Andhra Pradesh, Kerala, and Telangana. Additionally, our ongoing expansion in Madhya Pradesh and Chhattisgarh further cements our position in Central India.



Distribution Network (#)

Dealers

Distributors



Growing presence pan-India



Map not to scale, only for representation purpose

FY20

- New Delhi
- Haryana
- Uttar Pradesh
- Bihar
- Punjab
- Rajasthan
- Madhya Pradesh
- Jammu & Kashmir

FY21

- New Delhi
- Haryana
- Uttar Pradesh
- Bihar
- Punjab
- Rajasthan
- Madhya Pradesh
- Jammu & Kashmir
- Karnataka
- Andhra Pradesh
- Tamil Nadu
- Chhattisgarh
- Maharashtra
- Goa

FY23

- New Delhi
- Haryana
- Uttar Pradesh
- Bihar
- Punjab
- Rajasthan
- Madhya Pradesh
- Jammu & Kashmir
- Karnataka
- Andhra Pradesh
- Tamil Nadu
- Chhattisgarh
- Maharashtra
- Goa
- Uttarakhand

The heart of PIL Italica: An insight into our manufacturing infrastructure

Welcome to the beating heart of our Company - the manufacturing operations.

Here at PIL Italica, we pride ourselves on the flawless execution of our production process, all while maintaining the highest levels of quality control.

Our state-of-the-art facilities are a testament to our unwavering dedication to excellence, and we leave no stone unturned in ensuring that our products are manufactured to the most stringent quality standards. From moulding to assembly, our production process is a well-oiled machine that is not only limited to the bricks and mortar of the building, but is the thriving section that breathes life into our vision.

Udaipur facility

Our first manufacturing facility, sprawling over an expansive 18,000 Sq.Mt. land parcel, and equipped with a modern production unit spanning 12,500 Sq.Mt., is a testament to our commitment to excellence. Boasting the coveted ISO 9001:2015 certification, our facility houses an impressive collection of advanced machinery and over 150 moulds, allowing us to produce a diverse range of products. With a production capacity of 6,050 MTPA, this facility is a crucial contributor to our overall production capacity, enabling us to meet the demands of our valued customers with ease.

10
Machine lines

150+
Product moulds

6,050
MTPA
Manufacturing capacity



Front view of Udaipur facility



Aerial view of Udaipur facility

Silvassa facility

The grandeur of our leased facility at Silvassa is manifested through its sprawling expanse, covering 17,500 Sq.Mt., offering an ample 5,600 Sq.Mt. of production space. With a painstakingly curated collection of 48 moulds, the plant is a paragon of precision manufacturing of plastic products. At its peak efficiency, the leased plant boasts production capacity of 4,200 MTPA, and is geared to deliver unmatched quality and quantity to meet every need.

10
Machine lines

48+
Product moulds

4,200
MTPA
Manufacturing capacity

Unleashing new frontiers

As I reflect on the past year, I am filled with a sense of gratitude and optimism. At PIL Italica, we have always believed in a shared vision, and it is heartening to see that this vision has continued to drive us forward, even in these uncertain times. Our unwavering commitment to our mission and values has enabled us to navigate the challenges posed by the pandemic in recent years and emerge stronger than ever. We are committed to building on this momentum and achieving even greater heights in the future, and I am excited to share our accomplishments with you in this letter.

Changed market | Dynamic year

The industry landscape underwent a significant shift, with the world emerging from the shadows of the pandemic, and we were at the forefront of this change. Our mass seating solutions were well-positioned to benefit from the improved macro-economic environment, as people began venturing out again and events started to pick up steam. Owing to our unmatched capabilities, we were able to cater to this renewed demand with utmost precision and efficiency.

Furthermore, FY23 proved to be a particularly auspicious year, as the wedding season reached its peak, providing us with an unprecedented opportunity to showcase our expertise in providing innovative and bespoke seating solutions to our valued consumers. Throughout the year, our employees have worked tirelessly to maintain the highest standards of quality and efficiency in our operations, and their dedication has been instrumental in our success. It is their unrelenting efforts at the back of a strong distribution network that enabled us to expertly navigate the surging demand for our mass seating solutions with the utmost timeliness, thus allowing us to leverage the improving market scenario.

While the future may hold its fair share of challenges and uncertainties, we approach it with eagerness and anticipation, confident in our ability to turn obstacles into opportunities and continue our journey of growth and success.

FY23 recap: A look at our achievements

The past fiscal year has been a time of growth and achievement for us, and we are thrilled to see the progress towards achieving our goals and pushing boundaries in our industry. The year witnessed us expanding our footprint with the opening of two new fulfilment centres in Hyderabad and Kanpur. These centres have further strengthened the company's distribution network, enabling it to deliver products to customers in a more efficient and timely manner.

In addition, we organised three successful product launch events in the bustling cities of Mumbai, Delhi, and Bangalore, respectively. These events not only generated a significant buzz around our products but served as a platform for us to showcase the unique offerings of Italica products. It further helped us to capture the attention of consumers in diverse markets. Moreover, we have recently shifted our focus on creating sustainable products, which has also been well-received, reflecting our commitment towards environmental responsibility. Our conscious efforts to use sustainable materials in our production processes are in line with global trends and demonstrate our proactive approach to sustainability.

PIL Italica has also stepped up its marketing and demand generation game, with increasing thrust behind its brand campaigns on digital marketing channels such as Instagram, Facebook, Google, and effective SEO & SEM marketing.

All of these efforts led to a significant increase in the Company's top line from ₹6,776 lakhs to ₹8,535 lakhs, registering an impressive growth of 26%; while at the same time bottom line increase from ₹251 lakhs to ₹304 lakhs, registering a growth of 21% over the previous year.

Looking forward

From the very beginning, we have understood that every region of India is unique, with its own requirements. In response to that and in alignment with our goal of becoming a market leader in the country, we have developed a sound understanding of the eclectic requirements of different regions, and have strived to meet them with tailored solutions.

We are excited to continue this trend of success and look forward to delivering amplified value to all our stakeholders.

Spreading our wings

Looking towards the future, we are excited to embark on a new chapter of growth and expansion here, at PIL Italica. Following an asset-light business model,



Daud Ali
Managing Director

we will continue to look for strategic investments and tie-ups to expand our presence across the country. Given that in our industry it is crucial to be in proximity to the customers, to ensure timely delivery as well as reduced logistical costs. With this in mind, we are eager to strengthen our distribution network in the years to come. By strategically adding new fulfilment centres and warehouses, we aim to deepen our presence across India, particularly in Central, Eastern, and Southern regions where we are yet to establish a strong foothold.

Following that, we have devised plans to expand our product basket and create a more robust network of distributors and dealers to ensure a wider outreach of our products and seamless customer experience. Our goal is to optimise our operations and provide unparalleled access to our offerings to customers across the length and breadth of the country.

As we continue to expand our footprint in the domestic market, we are also exploring new opportunities to partner with other players in the same industry. At PIL Italica, we understand the importance of collaboration in achieving long-term success, and we are excited to explore new avenues for growth through strategic partnerships. Our team is constantly evaluating opportunities that align with our values and vision, and we remain committed to exploring these opportunities while ensuring that we continue to deliver high-quality products and services to our customers.

Diversifying our offerings

Moving forward we remain committed to staying at the forefront of innovation in the plastic furniture segment. We are constantly exploring new avenues to expand our product basket and create designs that cater to diverse

customer needs. We are particularly excited about our plans to introduce new products tailored to the hospitality sector, bringing style and comfort to hotels and resorts across the country.

In addition to catering to the hospitality industry, PIL Italica is also looking to expand its product offerings to the education sector. Our team is working tirelessly to develop products that can be used in schools and playgrounds, providing safe and comfortable environments for children to learn and grow.

We are also exploring the use of alternate technologies in our product development process, with a keen focus on sustainability and environmental consciousness. At PIL Italica, we understand that the needs of our customers are constantly evolving, and we remain committed to staying ahead of the curve and meeting those needs with innovative and high-quality products.

As I conclude this letter and look towards the future, I want to take a moment to express our gratitude to our shareholders, customers, and all our stakeholders. We could not have achieved this success without your support and trust in our vision. With a renewed sense of determination, we promise to continue innovating and adapting to the ever-changing market landscape. We strive to exceed expectations and set new benchmarks in the industry. Rest assured, our focus on creating long-term value for all stakeholders remains unchanged.

Together, we will reach new heights and create a brighter tomorrow. Thank you for your continued support and trust in PIL Italica.

Yours sincerely,

Daud Ali
Managing Director

Leading with experience & insights

Mr. Daud Ali Managing Director

As a first-generation entrepreneur and commerce graduate, our esteemed chairman brings to the table a wealth of business acumen and over 40 years of rich experience in the plastic industry. With a deep understanding of the capital market, he led PIL Italica to a successful listing on the BSE and NSE in 1993. As a key decision maker, he formulates and implements strategic decisions for the Company. His hands-on approach and entrepreneurial spirit have propelled PIL Italica onto the domestic and global stage, positioning it as a leader in the industry.

His greatest strength lies in building and retaining a strong and trusted team that has helped to turn his dreams into reality. It's no surprise that he has been honoured with the prestigious UDYOG PATRA award for self-made industrialists by the Institute of Trade and Industrial Development, New Delhi, as well as the VIKAS RATNA award by the International Society for Friendship of India.

Mr. Narendra Bhanawat Whole Time Director and Chief Financial Officer

With over 35 years of experience in the plastic furniture industry, Mr. Bhanawat is a commerce graduate who has been with PIL Italica since its inception. He is a key figure in the Company's operational policies, advising the team on strategic planning and accounting issues. His expertise in these areas has been instrumental in the successful implementation of policies and has helped the Company in the journey towards excellence.

Mr. Mukesh Kumar Kothari A S N R Non-Executive, Non-Independent Director

Mr. Kothari is a Non-Executive, Non-Independent Director of the Company. He has done Post Graduation in ABST and has vast knowledge & work experience of more than 30 years in the field of Accounts, Taxation, Income Tax, GST Finance, etc. He has been serving the Board of PIL Italica Lifestyle Limited since 2010. He is a member of the Audit Committee, Risk Management Committee, Stakeholders Grievances Committee and Nomination and Remuneration Committee. Apart from his association with the Company, he is also serving as a Treasurer in Bharat Vikas Parishad, Lakecity, Udaipur.

Mrs. Namrata Babel A S N R Non-Executive, Independent Director

Mrs. Babel, a Non-Executive Independent Director of the Company. She has accomplished a Ph. D in Management and possesses vast knowledge in the domains of Finance and Marketing. She has been serving on the Board of PIL Italica Lifestyle Limited since 2014. She became Chairperson of the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Stakeholders Grievances Committee in 2023.

Mr. Himanshu Surendrakumar Gupta A S N R Non-Executive, Independent Director

Mr. Gupta is a Company Secretary by qualification and currently working as a Practising Company Secretary and has enriched knowledge and experience in Corporate & Securities Laws, Finance and Management and is actively engaged in assignments relating to Public Issues, Listing and Post listing Matters, Acquisitions and Takeovers, Corporate Restructuring and Planning, Drafting, Vetting and Representation with Statutory Authorities like SEBI, SAT etc.

Mrs. Apeksha Agiwal Non-Executive, Independent Director (Additional)

Ms. Agiwal is a Chartered Accountant by qualification and currently working as an Internal Auditor at a Company. Her work experience is across the domains of finance, including taxation, indirect & direct tax compliance, audit, and MIS reporting, among others.

Mr. Rajendra Kumar Heda Vice President, Operations

Mr. Heda is a highly qualified professional, holding degrees in CA, CS, LLB, and B.Com, and has been associated with PIL Italica since 1993. He plays a crucial role in policy-making and strategic planning,

as well as overseeing the development and implementation of operational policies and procedures. With vast experience in relevant fields, Mr. Heda ensures smooth and efficient operations of the Company.

Mr. Aftab Jawaid Vice President, Sales & Marketing

Mr. Jawaid, an MBA in Marketing, brings over 30 years of experience to the table. He has worked with renowned companies, such as Nilkamal Limited, Time Technoplast Limited, and Kisan Moulding Limited,

where he successfully executed expansion strategies and launched new business lines. With his exceptional leadership skills, he has remarkably grown the top and bottom line.

Mr. P. K. Hamad Assistant General Manager

With a post-graduate diploma degree in plastic processing technology and a career in injection moulding spanning nearly 3 decades, Mr. Hamad has been associated with PIL Italica since its inception.

He manages the day-to-day production activities and strives to impart an affordable arrangement for the production of moulded furniture.

Mr. Sunil Saraswat Sales & Marketing Head

A qualified B.Tech (Civil Engineer) with over 30 years of experience, Mr. Saraswat is working with the Sales & Marketing department of the plastic furniture division.

He is currently involved in developing and nurturing relationships with clients, dealers and distributors. He also has experience of working with Nilkamal Limited.

Mr. Rajat Raja Kothari Company Secretary and Compliance Officer

Mr. Kothari is the Company Secretary and Compliance Officer of PIL Italica Lifestyle Ltd. Mr. Kothari holds a degree in Commerce from Mohan Lal Sukhadiya University, Udaipur. He is an Associate Member of the Institute of Company Secretaries of India.

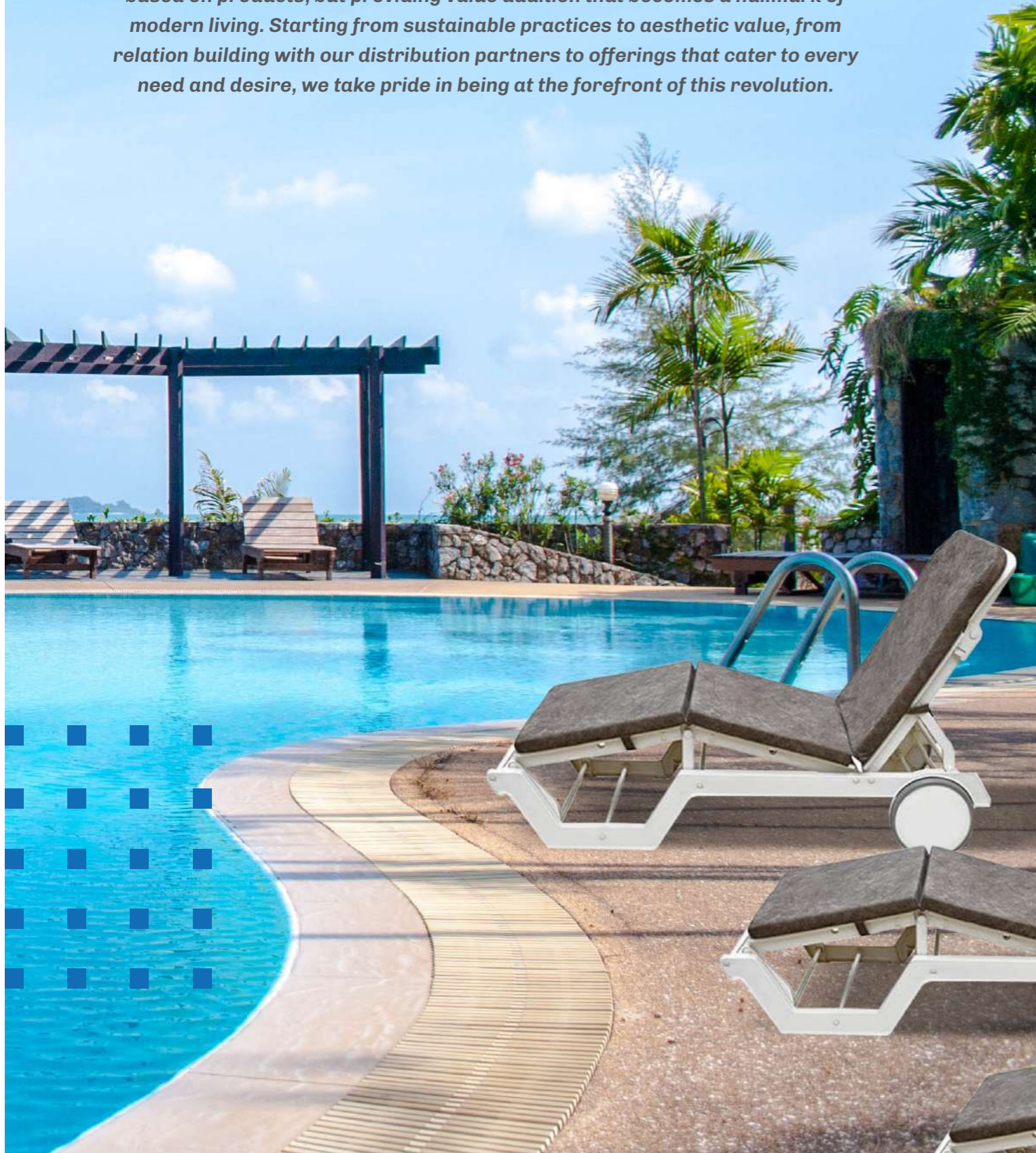
He has an enriched knowledge and experience of 6 Years in Corporate & Securities Law, Finance and Management and is actively engaged in Company Law, SEBI LODR Compliances along with Accounting and Taxation Knowledge.

- A Audit Committee
- S Stakeholders Grievance Committee
- N Nomination & Remuneration Committee
- R Risk Management Committee



Things that define PIL Italica

There are many things that define PIL Italica as a brand, all of which have been built mindfully over the years. At PIL Italica, we believe that success is not just based on products, but providing value addition that becomes a hallmark of modern living. Starting from sustainable practices to aesthetic value, from relation building with our distribution partners to offerings that cater to every need and desire, we take pride in being at the forefront of this revolution.



Following are some of the factors that we believe contribute the most towards our vision of excellence, innovation, and sustainability:



1 Brand recognition

PIL Italica is a well-recognised brand in the plastic furniture industry, which has garnered a reputation of delivering high-quality products, exceptional customer service, and innovative designs.

For us, brand recognition stands for the trust that people have instilled on us for years, which makes us a reliable choice among customers.



2 Innovative product range

We offer a diverse range of stylish and functional products that cater to every need and respond to every budget. Our assortment of indoor and outdoor furniture range is

meticulously engineered to enhance the aesthetics and comfort of any living space.



3 Best-in-class service

Our stakeholder-centric approach and unparalleled service quality have been a key-driver of our success.

Moving forward, we strive to exceed our stakeholders expectations through even further prompt and efficient support & service.



4 Multi-channel sales strategy

We have a multi-channel sales strategy in place that enables us to reach our customers through various platforms. Our products are available through our website, third-party e-commerce platforms, and an extensive network of distributors and dealers.

Owing to the booming e-commerce market, we have started developing products that are actively engaged with the pure-

play e-commerce opportunities. This combination of traditional distribution channels, with established third-party e-commerce websites, such as Amazon, Pepperfry, Flipkart, among others, enables us to reach a wider audience, especially the millennials, who prefer shopping online.



5 Championing sustainability

Sustainability is at the heart of everything that we do. Be it our state-of-the-art water recycling system or the use of renewable sources of energy, all our actions reflect our

commitment to environmental stewardship. These are some of our efforts to reduce our carbon footprint and preserve the environment for a greener tomorrow.

Beyond profit: Making every step count

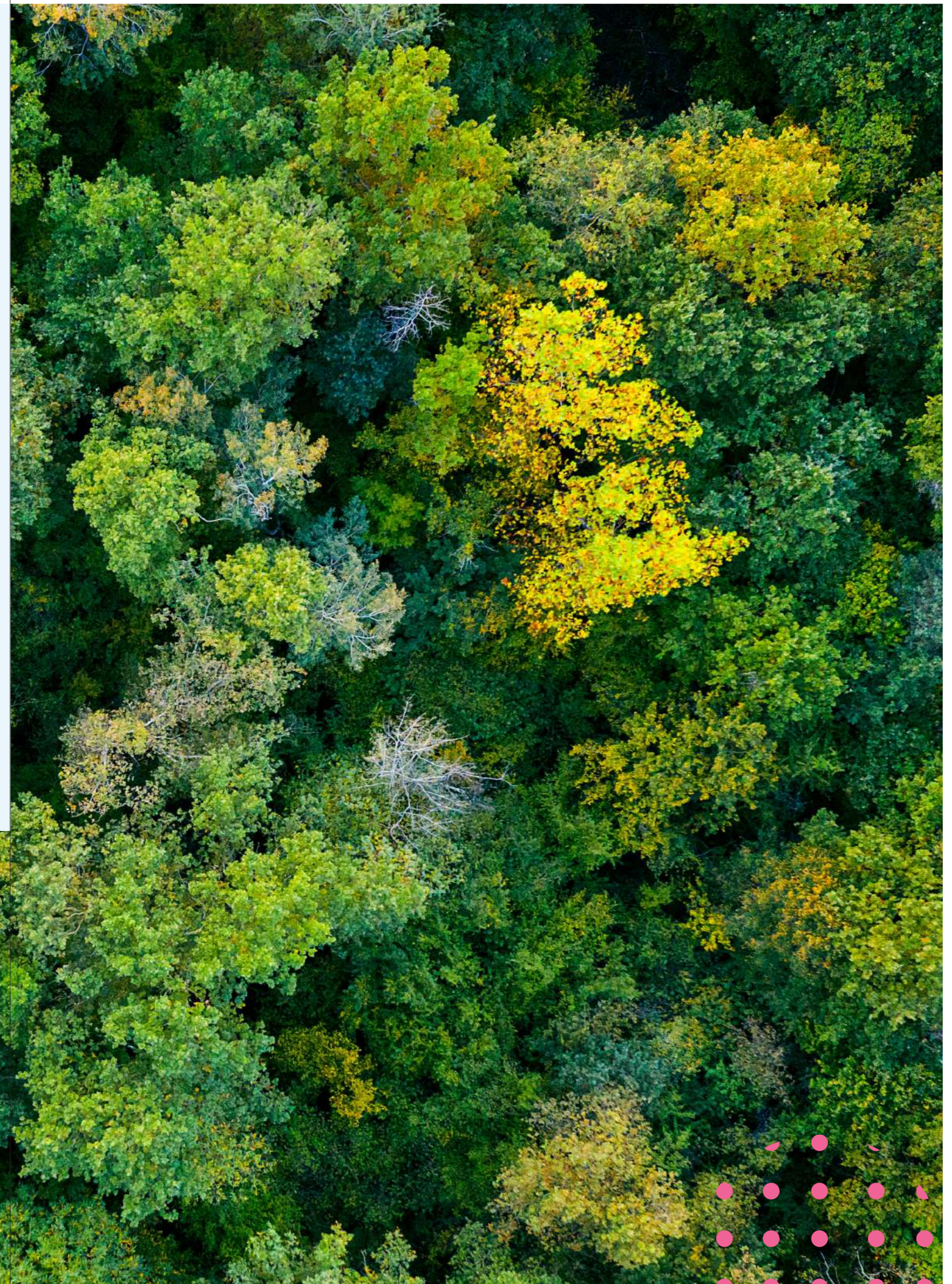
Step into the world of conscious sustainability and responsible environment practices, where every step taken by PIL Italica is towards leaving a positive legacy.

In this journey towards a greener future, we take strides towards a sustainable future. We, at PIL Italica, believe that corporate responsibility extends beyond just profit margins and encompasses our social and environmental impact on the environment, and our footprint as an organisation on the planet. Our commitment to a cleaner planet is also reflected in our waste management product segment, which serves as tools of change, supporting the ambitious Swachh Bharat Abhiyan envisaged by the Government of India. PIL Italica is proud to play a role in such fundamental initiatives.

As the world becomes more conscious of the impact of waste in our environment, we understand that our responsibility towards the

planet grows with our brand. With that in mind, we are implementing sustainable practices that run through every aspect of our production process and value chain, ensuring that we minimise our impact on the world we live in.

At PIL Italica, we firmly believe that actions speak louder than words, and we take great pride in our achievements so far, while at the same time being cognizant of the road ahead. Our products are completely recyclable, ensuring absolute zero waste. Additionally, we are constantly exploring efficient manufacturing technologies, new ways to harness renewable energy resources, reduce our overall carbon footprint, and thus protecting our natural resources.

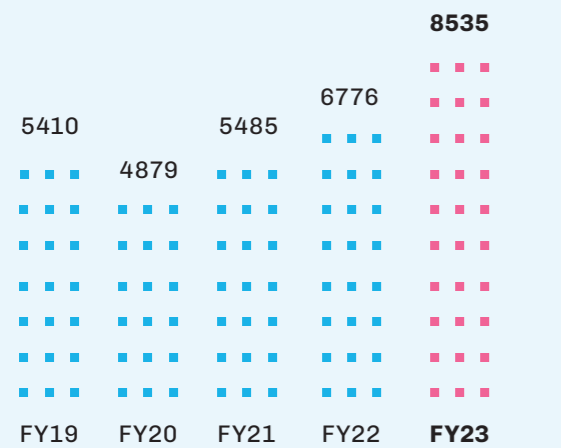


Rising to new heights

PIL Italica has achieved a remarkable growth in its top line in FY23, reaching a record high of ₹ 8,535 lakhs. Growth in operations is attributable to a good performance in both of the Company's product segments. PIL Italica's strategy of launching new and innovative plastic furniture products, entering new markets, and strengthening its distribution network has fueled its overall sales growth and will continue to do so in the future.

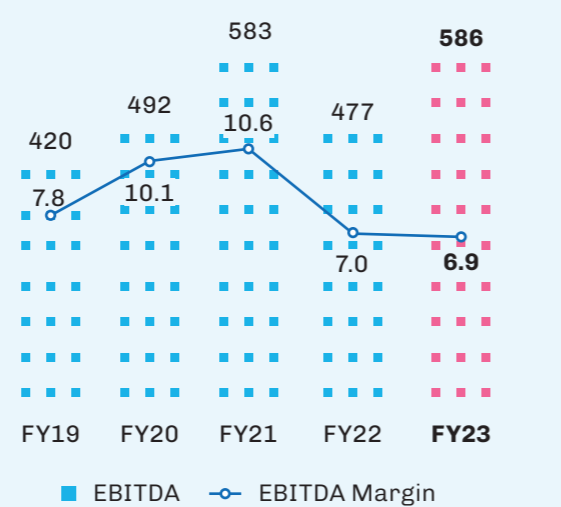
Total Income (₹ In Lakhs)

₹ 8,535 Lakhs



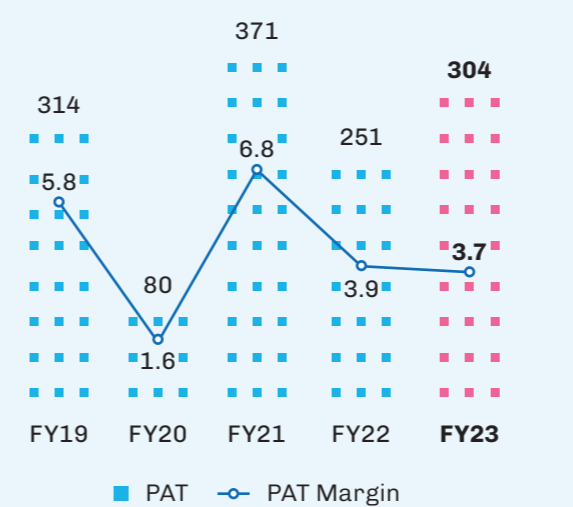
EBITDA & Margin (₹ In Lakhs & %)

₹ 586 Lakhs



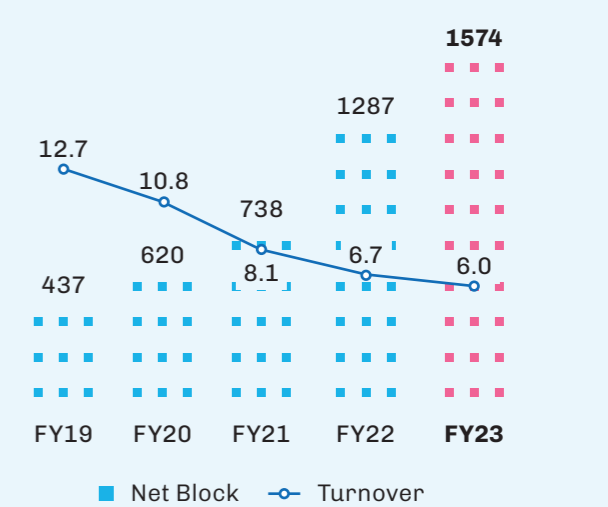
PAT & Margin (₹ In Lakhs & %)

₹ 304 Lakhs



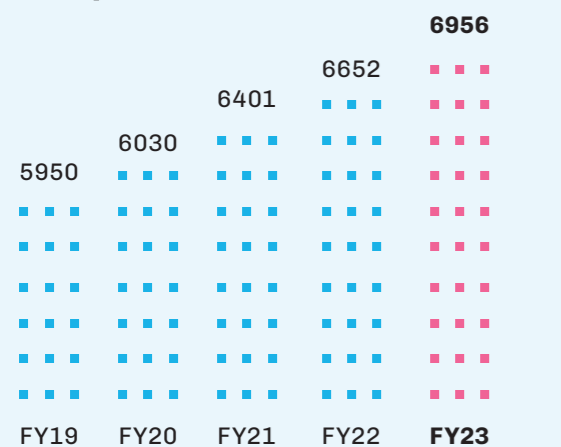
Fixed Assets (Net Block) Fixed Asset Turnover (₹ In Lakhs & %)

₹ 1,574 Lakhs



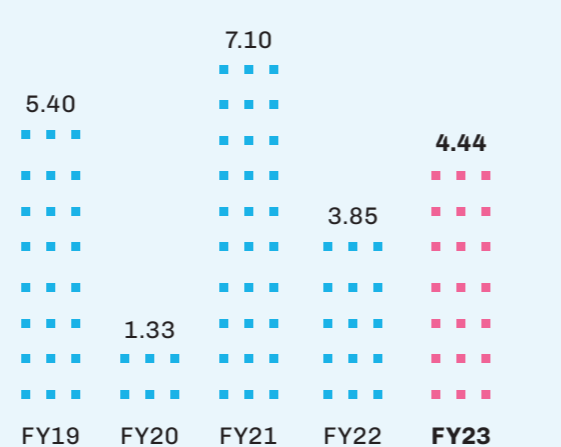
Networth (₹ In Lakhs)

₹ 6,956 Lakhs



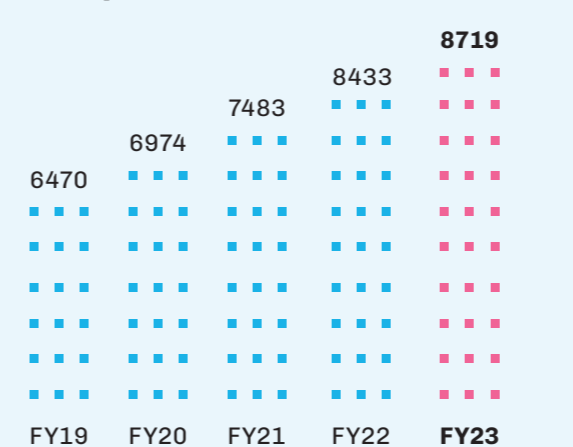
Return on Equity (In %)

4.44 %



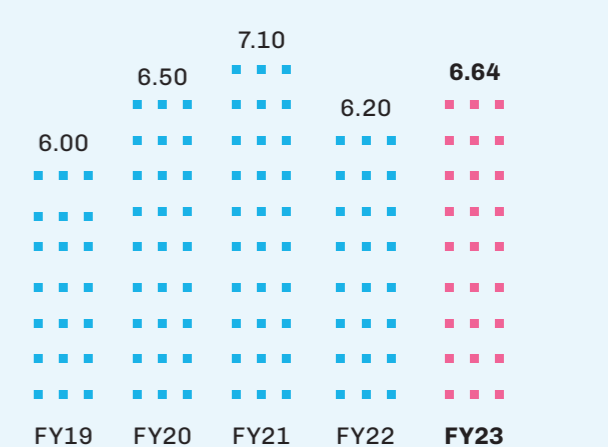
Capital Employed (₹ In Lakhs)

₹ 8,719 Lakhs



Return on Capital Employed (In %)

6.64 %



Annexure-B

Management Discussion and Analysis



Global economy

The global economy has endured a period of turbulence and instability over recent years, as a result of pandemic, trade tensions, and geopolitical confrontations combined with rising inflation. Pivoting to CY23, the global economy finds itself confronting a set of challenges that feel both familiar yet unprecedented.

The IMF predicts that the global economic growth will decelerate from 3.4% in CY22 to 2.9% in CY23, before experiencing a modest recovery of 3.1% in CY24. This slowdown can be attributed to a widening divergence in growth rates between advanced and emerging economies, coupled with tightening financial conditions and a significant rise in food and energy prices. In addition, persistent inflation and the decoupling of the world's two largest economies are also contributing to the economic downturn. However, there are reasons to remain optimistic. Central banks across the globe are expected to signal interest rate cuts, which is expected to result in a sustained recovery of asset prices and the economy by the end of CY23.

Despite these persistent headwinds, the global economy has demonstrated remarkable resilience towards the end of 2022, dispelling the apprehensions of a protracted downturn. In addition, a delightful surprise has emerged in several economies. The unforeseen strengthening of real GDP, driven by the remarkable resilience of private consumption, investment and favourable fiscal stimulus, has fortified economic growth. Tight labour markets and pent up demand for services have created a unique opportunity for households to capitalise on their savings, while business investment has further consolidated this expansion, signifying a growing sense of confidence in future prospects.

Additionally, it is also noteworthy that the energy markets have demonstrated remarkable agility in responding to the shock of Russia's invasion of Ukraine, thus propelling the growth momentum forward. In summary, while challenges loom over the global economy, the strength demonstrated by key economies in the face of these challenges inspire confidence that will lead to achieving sustainable growth in the years ahead.

Indian economy

India's economy has been on a remarkable upswing, with a projected growth rate of 7% (in real terms) for FY23. Despite the challenges posed by the COVID-19 pandemic, conflict between Russia and Ukraine, and Central Banks across economies responding with synchronised policy rate hikes to curb inflation, India continues to be projected as the fastest-growing major economy by agencies worldwide.

The factors driving this economic growth include a surge in credit growth to the Micro, Small, and Medium Enterprises (MSME) sector, which has

averaged over 30.5% between January and November, 2022. Additionally, the capital expenditure of the Central Government rose by 63.4% in the first eight months of FY23, further driving economic growth. In addition, the rebound in private consumption, supported by a rebound in contact-intensive services such as trade, hotels, and transport, has contributed to India's growth in FY23.

In addition to these factors, India's economic growth has been driven by capital formation, generating employment as seen in the declining urban unemployment rate and in the faster net registration in the Employee Provident Fund. The country's vaccination drive involving more than 2 billion doses has also helped lift consumer sentiments, prolonging the rebound in consumption. As India's private consumption and capital formation continue to drive growth, the country is poised to embark on a dynamic cycle of credit disbursal and capital investment in FY24. The expansion of public digital platforms, along with path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes, are set to boost manufacturing output and further propel the economy forward.

With a strong focus on innovation and sustainable development, India is set to spearhead the global economic recovery and emerge as a leading player in the international arena. Its unwavering commitment to progress and growth will continue to inspire and propel the nation towards greater heights of prosperity and success.

Global plastic furniture market overview

Plastic furniture, with its myriad of benefits has emerged as a favoured choice among consumers worldwide. Boasting of affordability, lightweight design, and unparalleled durability, the global plastic furniture market has seen remarkable growth over the years. The global plastic furniture market was valued at \$13.6 billion in 2021, and is expected to reach \$22.9 billion by 2030, registering a CAGR of 6% during the forecast period between 2021-30.

Undoubtedly, one of the key factors driving this growth is the surging demand for ergonomic furniture in response to the growing trend of compact and integrated modular homes. With the increasing number of nuclear families, the demand for versatile, space efficient furniture solutions is greater than ever before.

Notably, the benefits of plastic furniture extend beyond its ergonomic design. The durability and cost-effectiveness of plastic furniture make it an optimal choice for budget-conscious consumers, with products available for both residential and commercial settings. The Asia-Pacific region commands the largest share of the global plastic furniture market, owing to its rapidly developing economy and increased investment in real-estate and hospitality sectors. In conclusion, the plastic furniture market is growing at an impressive pace globally, thus promising an exciting future for consumers and industry players alike.

Indian plastic furniture market overview

The Indian plastic furniture industry is poised for robust growth, driven by the projection of increasing revenue and a growing number of users. The Indian plastic and other furniture industry has exhibited commendable tenacity in adapting to the evolving needs of a discerning clientele, providing pragmatic solutions that are both versatile and cost-effective for various settings, including an array of applications. With an anticipated surge in the number of users and average spends, the industry is poised to leverage its innovative prowess and cater to a diverse spectrum of consumer tastes and demands.

Growth drivers:

- The burgeoning demand for high-end and contemporary furniture is expected to propel the growth of the Indian furniture market by the end of 2024.
- The rise of e-commerce platforms, and furniture e-tailing as potential distribution channels have created huge demand from millennial consumers, who are inclined towards purchasing furniture online.
- The popularity of plastic furniture is growing, particularly among Indian youth, who are the country's largest generational cohort and have a growing disposable income.
- Small businesses are entering the plastic furniture market with an environmental conscience, introducing new designs, made from recycled plastic to capitalise on increasing customer demand for eco-friendly items.
- The 100% FDI policy for townships and settlement development projects is attracting foreign investors to the Indian market, further bolstering the growth of the furniture industry.

Company Overview

Since its incorporation in 1992, PIL Italica Lifestyle Limited has grown to become a premier manufacturer of plastic furniture and storage bins, further foraying into material handling products. A testament to its commitment to quality, PIL Italica is the only Indian company with CE certified plastic furniture products, and boasts an ISO-9001:2015 accreditation.

The Company operates out of its 2 manufacturing facilities in Udaipur and Silvassa, with a cumulative manufacturing capacity of 10,700 MTPA. The Company's strategic focus on expansion has resulted in its successful partnership with Kisan Mouldings Limited (KML), Silvassa, to expand its market share and presence across untapped territories. This strategic tie-up has enabled PIL Italica to expand its manufacturing capacity and geographical presence, demonstrating the Company's commitment to growth and innovation.

PIL Italica's manufacturing facilities are a testament to its dedication to excellence. Apart from its production capacities the plants are equipped with hundreds of moulds, allowing the Company to produce a diverse range of high-quality products with a quick turnaround time. PIL Italica's commitment to excellence and innovation has enabled it to remain at the forefront of the plastic furniture segment, meeting the evolving needs of customers across India and beyond.

FY23 Performance Review

The company has achieved a remarkable growth of 27% in its top line, reaching a record high of ₹ 8,531 lakhs in FY23, as compared to ₹ 6,757 lakhs in the previous year. The growth in Revenue from Operations is attributable to the growth in both of the Company's product segments, namely, Plastic Furniture and Material Handling & Waste Management Products. The Company's strategy of launching new and innovative plastic furniture products, entering new markets, and strengthening its distribution network has fueled its overall sales growth. In addition to the above, the Company has successfully forayed into the wooden furniture segment through its collaboration with Atmosphere. The launch of new products like SAGO and ARECA, which are wall-mounted multipurpose folding tables, along with Model No. 6003 in the Flip Series, further strengthened the Company's product portfolio. The Oxy Chair Series was also expanded with the launch of the Luxury Plastic Chair - 5106 and 5103, and the Stool & Patla series was augmented with the introduction of Model No. 9729. Additionally, under the Storage Section, the Company launched Model No. 6120 and 6140 during FY23. As a result of its strong performance, the Company's PAT stood at ₹ 304 lakhs in FY23, which represents a 21% year-on-year increase from the previous year's ₹ 251 lakhs. The Company's entry into the wooden furniture segment and the launch of new products across its various series signify its commitment to diversifying its product range and catering to the evolving needs of its customers.

Financial Ratios

PARTICULARS	FY23	FY22	CHANGE (%)	REMARKS
Current Ratio	4.15	4.00	3.75%	
Debt to Equity Ratio	0.25	0.26	-3.84%	
Debt Service Coverage Ratio	5.19	4.59	1.13%	
Return on Equity (ROE)	4.44%	3.85%	15.32%	
Inventory Turnover Ratio	5.28%	4.01%	31.67%	In view of increase in sales
Trade Receivables Turnover Ratio	15.79	14.64	7.85%	
Trade Payables Turnover Ratio	21.51	15.59	37.97%	Increase in trade payables in view of increase in purchases
Net Capital Turnover Ratio	1.59	1.26	26.19%	In view of increase in sales
Net Profit Ratio	3.67%	3.92%	-6.37%	
Return on Capital Employed (ROCE)	6.64%	6.17%	7.61%	



Outlook

PIL Italica has long upheld the belief that every region in India boasts its own distinct and unique characteristics, each with its own set of specific requirements. As such, the Company has invested significant effort and resources into gaining a deep understanding of these variances, with the ultimate aim of cementing its position as a pan India player. By implementing bespoke solutions that cater to the eclectic demands of each region, supported by its growing distribution & fulfilment infrastructure, PIL Italica has established itself as a customer-centric organisation, determined to provide tailored solutions to its diverse client base.

As PIL Italica embarks on a new chapter of growth and expansion, the organisation is excited to continue its asset-light business model, leveraging strategic investments and collaborations to extend its reach throughout India. With an unwavering commitment to proximity to customers and reduced logistical costs, the Company is further dedicated to enhancing its distribution network through the addition of new fulfilment centres and warehouses. PIL Italica is also working towards diversifying its product basket, focusing on the development of innovative, customer-oriented solutions that cater to the unique demands of both the hospitality and education sectors. By placing a strong emphasis on sustainability and environmental consciousness, PIL Italica aims to offer its customers the highest quality products while contributing to the creation of a greener, more sustainable future.



Internal Control and Adequacy

The Company's proper and adequate system of internal control ensures that all its assets are safeguarded and protected against losses from unauthorised use or disposition, and that all transactions are authorised, recorded and reported appropriately. The Company has deployed an effective mechanism to achieve optimum and effective utilisation of resources, efficiency in operations, monitoring thereof and compliance with applicable laws. Further, the auditors have also expressed that the Company's internal control systems are adequate and satisfactory.

Human Resource Development and Industrial Relations

PIL Italica Lifestyle believes that its human resources are one of the most crucial assets and critical enablers of the Company's growth. To that extent, the Company engages with its employees to hone their skill sets and equip them with knowledge and know-how. It is also deeply invested in establishing its brand name to attract and retain the best talent in the market. During the period under review, employee relations continued to be healthy, cordial and harmonious at all levels, and the Company aims to maintain such relations with the employees going forward as well. As of March 31, 2023 the Company has 203 people across all its group companies.

Risks, Concerns & Risk Mitigation

The business operations of the Company expose it to a number of risks namely: Safety Risk, Regulatory Risk, Supply Chain Risk, Credit Risk and Commodity Fluctuation Risk. The Company seeks to minimise the potential impact of unpredictability of the financial markets on its financial performance.

Safety Risk

Our manufacturing facilities are subject to various stringent safety laws and regulations. Non-adherence to process and workforce safety requirements, safety laws and regulations may impact business continuity and reputation.

Regulatory Risk

Our operations are governed by various statutes encompassing law and regulations for environment and climate change, trade measures, competition, taxes, and others. Any deviation in compliance and adherence has the potential to not only impact our operating performance but also dent our reputation. The continuously evolving regulatory scenario, resulting in changes of the statutory provisions and introduction of newer ones, make compliance more comprehensive.

Supply Chain Risk

The supply chain network is subjected to physical and environmental destruction, trade restrictions due to geopolitical tensions and disruptions of supplies. The developing rail, road, port infrastructure, handling facilities and dependence on outsourced partners may lead to disruption of operations.

Credit Risk

The Company's debt servicing capabilities could get affected due to major volatility in financial markets and in a changing interest rate scenario. Further, the Company may be exposed to currency risks if its exports business scales up to be a meaningful part of its sales in the future.

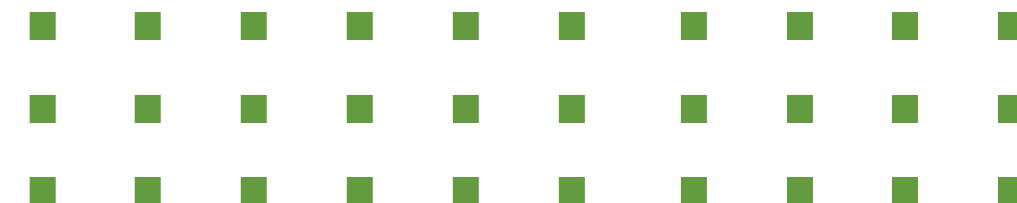
Commodity Fluctuation Risk

The Company's performance is closely linked with that of the plastic furniture industry. Any material changes in demand-supply scenarios within the sector, in India or abroad, may impact its performance.

In efforts to mitigate these risks, the Company does regularly monitor, analyse and manage the risks faced by the Company. It is also set to monitor appropriate risk limits and controls for mitigation of the risks. The Company continues to follow suitable strategies to optimise its risk profile by eliminating and significantly reducing key business functions and developing and implementing strategies to achieve the maximum possible degree of insulation from the identified risk points.

Cautionary Statement

This document contains statements about expected future events, financial and operating results of PIL Italica Lifestyle Limited, which are forward-looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions, and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of PIL Italica Lifestyle Limited's Annual Report, FY23.



Directors' Report

To The Members of PIL ITALICA LIFESTYLE LIMITED

The Directors of your Company have pleasure in presenting the Thirty First (31st) Annual Report together with the Audited accounts of the Company for the year ended March 31, 2023.

1. FINANCIAL HIGHLIGHTS

Your Company's performance during the year as compared to the previous year is summarized below:

Particulars	₹ in Lakhs	
	2022-23	2021-22
Revenue from Operations	8,535.32	6,775.79
Profit before Taxation	406.72	335.93
Less: Tax Expenses	(102.36)	(84.55)
Profit after Tax	304.36	251.38
Add: other Comprehensive Income	-	-
Add: Balance brought forward from Previous year	240.76	(10.62)
Balance Profit/(Loss) carry forward to the next year	545.12	240.76

2. STATE OF COMPANY'S AFFAIRS

The Company is engaged in the manufacturing of plastic moulded furniture, material handling products and waste management products. During the year, the Company earned Revenue from Operations of ₹ 8,535.32 Lakhs as against ₹ 6,775.79 in corresponding previous year and earned a net profit of ₹ 304.36 Lakhs. The Company is continuously launching new and innovative products and revenue increased by 25.97% during this year.

The Company is using its funds for rapid expansion of the distribution network in new geographies, new product development, new product portfolio and more effective supply chain network.

PILL is focusing on increasing its brand awareness through digital marketing channels such as Instagram, Facebook, Google, SEO and SEM Marketing.

Italica has launched wooden furniture in collaboration with Atmosphere. The Company launched SAGO and ARECA, wall mounted multipurpose folding table and in Flip Series, Model No. 6003. In Oxy Chair Series, Luxury Plastic Chair-5106 and 5103 and in Stool & Patla series- Model No. 9729 and under Storage Section – Model No. 6120 and 6140 was launched by the Company during Financial Year 2022-23.

3. DIVIDEND

Keeping in view the requirement of funds for future expansions, your directors do not recommend any dividend for the year ended on March 31, 2023.

4. SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on March 31, 2023 stood at ₹ 2,350.00 Lakhs comprising of 23,50,00,000 shares of ₹ 1/- each. The Company has not issued any further shares during the year.

5. LISTING OF SHARES

The Equity Shares of the Company are listed on National Stock Exchange of India Ltd., Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai-400 051 and BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and the listing fee for the Financial Year 2023-2024, has been paid.

6. CHANGES IN THE NATURE OF BUSINESS

There is no change in the nature of the business of the Company.

7. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statement relates and the date of report.

8. EXPORTS

There were export of ₹ 4.98 Lakhs in the financial year 2022-23.

9. TRANSFER TO RESERVES

No amount is proposed to be transferred to the Reserves for the financial year 2022-23.

10. DEPOSITS

The Company has not accepted any deposit falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

11. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The Company has not entered into any contract or arrangement with any person including persons covered under sub – section (1) of section 188 of the Companies Act, 2013. The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website: www.italica.com.

13. ANNUAL RETURN

The annual return of the Company is placed on the website of the Company www.italica.com and can be accessed from the following weblink: <https://italica.com/pages/extract-of-annual-return>

14. NUMBER OF MEETINGS OF THE BOARD

During the financial year 2022-2023, the Board met Seven (07) times held on May 21, 2022, May 25, 2022, July 01, 2022, July 16, 2022, October 29, 2022, January 20, 2023 and March 29, 2023.

15. COMMITTEE OF BOARD OF DIRECTORS

As on 31 March, 2023, the Board has 4 Committees namely the Audit Committee, the Nomination and Remuneration Committee and Stakeholders Relationship Committee, Risk Management Committee. A detailed note on the Composition of the Board and its Committees and other relevant details is provided in the report on Corporate Governance annexed to this report.

16. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE

As on March 31, 2023, the Company does not have any subsidiary, joint venture or associate.

17. RISK MANAGEMENT

The Company believes that managing risks helps in maximizing returns. A risk management Policy have been developed and implemented by the Company for identification of elements of risk if any, which in opinion of board may threaten the existence of the Company. It aims to identify commodity prices, Price fluctuation of raw material and finished goods, Credit Risks, inflation, Strategic Risks, etc. The effectiveness of risk management framework and system is periodically reviewed by Board of Directors of the Company. However, in the opinion of Board, none of the above-mentioned risks threaten the existence of the Company.

18. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Directors

Pursuant to the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Mukesh Kumar Kothari, Non Executive Non Independent Director (DIN: 03103336), retires by rotation at the 31st Annual General Meeting, and being eligible, offers himself for re-appointment. Mr. Magan Lal Sharma, Non Executive Independent Director having (DIN: 00250883) ceased to be director w.e.f. July 01, 2022 as his second consecutive term as Independent Director expired. Mrs. Asha Jain being an Non Executive Independent Director having (DIN: 00218335) resigned from the Board w.e.f. March 04, 2023 and Board approved the appointment of Ms. Apeksha Agiwal (DIN: 10083559) as Additional Independent Director w.e.f. March 29, 2023 for a period of five years subject to approval by shareholder in ensuing Annual General Meeting.

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (5) of the Companies Act, 2013, the directors to the best of their knowledge and belief confirm that:

- a) In the preparation of the annual accounts, the applicable Indian accounting standards had been followed along with proper explanation relating to the material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) 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;
- f) 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.

20. INDEPENDENT DIRECTORS AND THEIR MEETING

All the Independent Directors of the Company have given their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation

16(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'). In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

During the year under review a separate meeting of the Independent Directors of the Company was held on February 28, 2023 without the presence of other Directors and members of Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, performance of Chairperson of the Company and assessed the quality, quantity and timelines of flow of information between the Company management and the Board.

21. STATUTORY AUDITORS

M/s. H.R. Jain & Co., Chartered Accountants, Udaipur (ICAI FRN: 000262C), were appointed as Statutory Auditors of the Company at the 30th Annual General Meeting held on June 30, 2022 to hold office till the conclusion of the 35th Annual General Meeting held in the year 2027-28. M/s. H.R. Jain & Co. has confirmed that they are not disqualified from continuing as Auditors of the Company. The Statutory Auditors have issued an unmodified opinion on the financial statements for the financial year ended March 31, 2023. The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence do not call for any further explanations or comments by the Board under Section 134 of the Act.

22. QUALIFICATION IN THE AUDITORS' REPORT - BOARD'S COMMENTS OR EXPLANATION

The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

23. SECRETARIAL AUDITORS AND THEIR REPORT

The secretarial audit report given by M/s P. Talesara & Associates, Practicing Company Secretary under the provisions of Section 204 of the Companies Act, 2013 for the Financial Year 2022-23 does not contain any qualification, reservation or adverse remark. The secretarial audit report is provided as **Annexure A** forming part of this report.

24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Management Discussion and Analysis Report is presented as a separate section as **Annexure B** forming part of annual report.

25. COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Amendment Rules, 2014, appointment of cost auditor is not applicable to the Company. Hence, maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not required.

26. CEO/CFO CERTIFICATE

Chief Executive Officer and Chief Financial Officer compliance certificate as stipulated under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is annexed in this report.

27. PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to Section 134 of the Companies Act, 2013 are as follows:

a. Conservation of Energy

Your Company is continuously engaged in the process of energy conservation and is continuously putting its efforts to improve energy management by way of monitoring energy related parameters on regular basis.

To achieve the above objective, the following steps are taken to cut down the consumption of energy:

- Installation of Energy Efficient Equipment/Device.
- Creating awareness of energy saving within the organization to avoid wastage of energy.
- R&D Activities and Adopting new Technology.

b. Technology Absorption

(i) Efforts made towards technology absorption:

- Continuously monitoring the production patterns and inclusion of new tested technology products.
- Constantly striving towards developing of new designs and products.
- Investing in new technology of moulds and machinery.

(ii) Benefits derived as a result of the above efforts:

- Increase in the production along with the improvement in quality.
- New and Innovative designed products.
- New designed products are also catching attention of the export market.

(iii) The Company has not imported any technology during the year under review and also the expenditure incurred on Research and Development activity is insignificant.

c. Foreign Exchange Earnings and outgo

₹ In Lakhs	
Particulars	Amount
Earnings	4.98
Outgo	10.60

28. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company does not qualify under the provisions of Section 135 of the Companies Act, 2013.

29. NOMINATION AND REMUNERATION POLICY

The Company has in place the Nomination and Remuneration Committee. The Company has formulated the Nomination and Remuneration Policy on Directors, Key Managerial Personnel and Senior Management Personnel, their appointment and remuneration including the criteria for determining qualifications, positive attributes and independence of director. The Remuneration Policy is placed on the website of the Company www.italica.com under Investor Relation section and is also annexed as **Annexure C**.

30. CORPORATE GOVERNANCE REPORT

The report on Corporate Governance as stipulated under Regulation 34(3) read with Para C of Schedule V of the Listing Regulations is annexed as **Annexure D**.

31. ANNUAL PERFORMANCE EVALUATION

During the year under review, pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board has carried out an Annual Performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various Committees. A separate meeting was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of

judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board at its meeting following the meeting of Independent Directors.

32. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant (based on predefined factory rating parameters), Product Category and Corporate Function from time to time. Details of familiarization programme to Company's independent directors can be accessed at the Company's website www.italica.com under policy head.

33. ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The code of conduct and Vigil Mechanism applicable to directors and senior management of the Company is available on the Company's website at www.italica.com.

34. DISCLOSURE ON THE REMUNERATION OF MANAGERIAL PERSONNEL

None of the employees was in receipt of remuneration excess of the limits prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

1. The ratio of remuneration of each director to the median remuneration of the employees of the Company for the FY 2022-23	Mr. Daud Ali	13.34:1	
	Mr. Narendra Bhanawat	1.80:1	
2. The percentage increase in remuneration of each Director, CFO, CEO, CS or manager if FY 2022-23	Name	Designation	Increase in Remuneration in the Financial Year 2022-23 (%)
	Mr. Daud Ali	Managing Director	No further increase in FY 2022-23
	Mr. Narendra Bhanawat	Whole time Director and Chief Financial Officer	Increase by 14.35%
3. The percentage increase in the median remuneration of employees in the financial year 2022-23	Mr. Rajat Raja Kothari	Company Secretary and Compliance Officer	Increase by 8.04 %
	The percentage increase in the median remuneration of the employees in the financial year 22-23 is 15.67%		

4.	The number of permanent employees on the rolls of the Company as on March 31, 2023	203 employees as at March 31, 2023
5.	Average percentile increases already made in the salaries of employees other than managing personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in the salaries is around 9.98 % in case of employees and percentile increase in managerial remuneration in case of Narendra Bhanawat, whole time director is 14.35% and in case of Daud Ali, Managing Director, no increase in 22-23
6.	Affirmation that the remuneration is as per the remuneration policy of the Company	It is affirmed that the remuneration paid is as per the remuneration policy of the Company

35. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

36. DEPOSITORY SYSTEM

The Company has already entered into agreements with both the depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

37. INTERNAL FINANCIAL CONTROL

The Company has an internal control system, commensurate with the size, scale and complexity of its operations. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company. Based on the report of internal audit function, the Company undertakes corrective action in their respective areas and thereby strengthen the controls.

Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

38. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

39. FRAUDS AGAINST THE COMPANY

The auditors have not reported frauds under sub-section (12) of section 143 of the Companies Act, 2013.

40. GENERAL

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

- Issue of Equity Shares with differential voting rights as to dividend, voting or otherwise.
- Business Responsibility Statement.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- No significant and material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

41. ACKNOWLEDGEMENT

Your Directors place on record their appreciation for assistance and co-operation received from various Ministries and Department of Government of India and other State Governments, financial institutions, banks, shareholders of the Company etc.

The management would also like to express great appreciation for the commitment and contribution of its employees for their committed services. Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees at all levels, to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

Sd/-

Daud Ali

Managing Director
DIN: 00185336

Sd/-

Narendra Bhanawat

Whole Time Director & CFO
DIN: 00146824

Place: Udaipur (Raj.)

Date: 03.05.2023

Annexure 1 to Boards' Report

DIVIDEND DISTRIBUTION POLICY OF PIL ITALICA LIFESTYLE LIMITED

1. INTRODUCTION

This Dividend Distribution Policy is made pursuant to the applicable provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the 'SEBI Regulations'). The Board of Directors of **PIL ITALICA LIFESTYLE LIMITED** (the "Company"), herein after referred as "the Board", has approved the Dividend Distribution Policy of the Company ("the Policy") and shall disclose the same on a voluntary basis in the annual reports and on the website of the Company. This Policy sets out the general parameters adopted by the Company for declaration of dividend for guidance purposes.

2. OBJECTIVE

The objective of this Policy is to ensure the right balance between the quantum of Dividend paid and amount of profits retained in the business for various purposes. This Policy lays down parameters to be considered by the Board of Directors of the Company for declaration of Dividend from time to time.

3. PHILOSOPHY

The philosophy of the Company is to maximise the shareholders' wealth in the Company through various means. The Company believes that driving growth creates maximum shareholder value. Thus, the Company would first utilise its profits for working capital requirements, capital expenditure to meet expansion needs, reducing debt from its books of accounts, earmarking reserves for inorganic growth opportunities and thereafter distribute the surplus profits in the form of dividend to the shareholders.

4. REGULATORY FRAMEWORK

The Securities Exchange Board of India ("SEBI") on July 8, 2016 inserted Regulation 43A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires top five hundred listed companies (based on market capitalization of every financial year) to formulate and disclose a Dividend Distribution Policy.

Further, vide SEBI in its notification dated May 5, 2021 in SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2015, the requirement for formulation of dividend distribution policy by the existing top 500 listed entities has been extended to the top 1,000 listed entities on the basis of market capitalization.

PIL Italica Lifestyle Limited, though not covered under the top thousand listed companies as per the market capitalization as on the last day of the immediately preceding financial year voluntarily frames this policy to comply with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2015.

5. DEFINITIONS

- 5.1 "Act" shall mean the Companies Act, 2013 including the Rules made thereunder, as amended from time to time.
- 5.2 "Applicable Laws" shall mean the Companies Act, 2013 and Rules made thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended from time to time and such other act, rules or regulations which provides for the distribution of Dividend.
- 5.3 "Company or PILL" shall mean PIL Italica Lifestyle Limited.
- 5.4 "Chairman" shall mean the Chairman of the Board of Directors of the Company.
- 5.5 "Compliance Officer" shall mean the Compliance Officer of the Company appointed by the Board of Directors pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 5.6 "Board" or "Board of Directors" shall mean Board of Directors of the Company.
- 5.7 "Dividend" shall mean Dividend as defined under Companies Act, 2013.
- 5.8 "Policy or this Policy" shall mean the Dividend Distribution Policy.

6. PARAMETERS FOR DECLARATION OF DIVIDEND

The Board of Directors of the Company shall consider the following external parameters while declaring dividend or recommending dividend to shareholders:

Financial Parameters / Internal Factors	External Factors:
<ul style="list-style-type: none"> • Consolidated net operating profit after tax • Working capital requirements • Capital expenditure requirements • Resources required to fund acquisitions and / or new businesses • Cash flow required to meet contingencies • Outstanding borrowings • Past Dividend Trends • Surplus funds available with the Company • The Company's liquidity position and future cash flow requirements • Any other relevant factors that the Board may deem fit to consider before declaring Dividend 	<ul style="list-style-type: none"> • Prevailing legal requirements • Macroeconomic conditions • Regulatory conditions or restrictions laid down under the Applicable Laws including tax laws • Dividend pay-out ratios of companies in the same industry

7. CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The shareholders of the Company may not expect Dividend under the following circumstances:

- i. Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- ii. Significantly higher working capital requirements adversely impacting free cash flow;
- iii. Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- iv. Whenever it proposes to utilise surplus cash for buy-back of securities; or
- v. In the event of inadequacy of profits or whenever the Company has incurred losses.

Utilization of Retained Earnings:

The retained earnings of the Company may be used in any of the following ways:

- i. Capital expenditure for working capital,
- ii. Organic and/ or inorganic growth,
- iii. Investment in new business(es) and/or additional investment in existing business(es),
- iv. Declaration of dividend,

- v. Capitalisation of shares,
- vi. Buy back of shares,
- vii. General corporate purposes, including contingencies,
- viii. Correcting the capital structure,
- ix. Any other permitted usage as per the Companies Act, 2013.

Parameters adopted with regard to various classes of shares:

The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date. Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act. The Board may also declare interim dividends as may be permitted by the Companies Act. As and when the Company issues other kind of shares, the Board of Directors may suitably amend this Policy.

8. PROCEDURE

- 8.1 The Company Secretary in consultation with the Chairman of the Company shall recommend any amount to be declared/ recommended as Dividend to the Board of Directors of the Company.
- 8.2. The agenda of the Board of Directors where Dividend declaration or recommendation is proposed shall contain the rationale of the proposal.

8.3. Pursuant to the provisions of applicable laws and this Policy, interim Dividend approved by the Board of Directors will be confirmed by the shareholders and final Dividend, if any, recommended by the Board of Directors, will be subject to the shareholders' approval, at the ensuing Annual General Meeting of the Company.

8.4. The Company shall ensure compliance of provisions of Applicable Laws and this Policy in relation to Dividend declared by the Company.

9. DISCLOSURE

The Company shall make appropriate disclosures as required under the SEBI Regulations and per Secretarial Standards issued by ICSI.

This policy is available on the Company's website at www.italica.com under Investor Relations section and also be

disclosed in the Company's annual report.

10. POLICY REVIEW

This Policy would be subject to revision/amendment in accordance with the guidelines as may be issued by Ministry of Corporate Affairs, Securities Exchange Board of India or such other regulatory authority as may be authorized, from time to time, on the subject matter. The Company reserves its right to alter, modify, add, delete or amend any of the provisions of this Policy. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Annexure-A

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2023

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

To,
The Members,
PIL ITALICA LIFESTYLE LIMITED
CIN: L25207RJ1992PLC006576
Regd. Office: Kodyat Road, Village Sisarma,
Udaipur, Rajasthan-313001.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PIL ITALICA LIFESTYLE LIMITED** (name of the Company) (herein after 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 **PIL ITALICA LIFESTYLE LIMITED** (name 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 made available to us through electronic mode, during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed here under 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 here in after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **PIL ITALICA LIFESTYLE LIMITED** ("the Company") for the financial year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under for specified Sections and Rules notified and came into effect from respective dates and a list of documents verified is as per **Annexure A**.
- (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 there under; **(Not applicable to the Company during the audit period)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, ('SEBI Act') 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 read with amendment made vide Regulations 2019;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, now known as SEBI (Share based Employees Benefits) Regulations, 2014 **(Not applicable to the Company during the audit period)**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period)**;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (De listing of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the audit period)**;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during the audit period)**; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015.
- (vi) Other Laws as applicable to the Company as certified by the Management:
 1. Employee's Provident Funds & Miscellaneous Provisions Act, 1952
 2. Employee's State Insurance Act, 1948

3. The Payment of Bonus Act, 1965
4. Payment of Gratuity Act, 1972
5. The Contract Labour (Regulation And Abolition) Act, 1970
6. Negotiable Instruments Act, 1881
7. The Central Goods And Services Tax Act, 2017
8. The Income Tax Act, 1961
9. Indian Stamp Act, 1899
10. The Water (Prevention and Control of Pollution) Act, 1974
11. The Air (Prevention and Control of Pollution) Act, 1981
12. The Contract Act 1872
13. Arbitration and Conciliation Act, 1996
14. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
15. The Payment of Wages Act, 1936
16. The Minimum Wages Act, 1948
17. Industrial Disputes Act, 1947
18. The Environment Protection Act, 1986

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE and NSE Stock Exchange(s).

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

Place: Udaipur (Raj.)
Date: 26.04.2023

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Mr. Himanshu S. Gupta was appointed as Additional Independent Director for 5 years w.e.f. May 21, 2022 in the Board Meeting and re-designated as Independent director in Annual General Meeting, which was duly held on June 30, 2022.

Mr. Magan Lal Sharma, ceased to be Independent Director of the Company w.e.f. July 01, 2022.

Form DIR-12 in respect of all above changes were filed during F.Y. 2022-23.

Mrs. Asha Jain, Independent Director resigned from the Board with closure of business hours w.e.f. March 04, 2023 and Ms. Apeksha Agiwal, was appointed as Additional Independent Director w.e.f. March 29, 2023 subject to shareholders' approval in ensuing Annual General Meeting.

Form DIR-12 in respect of above changes were filed during F.Y. 2023-24.

Adequate notice has been given to all the directors to schedule the Board Meetings and Committee Meetings, Agenda and detailed notes on agenda were sent in accordance with provisions of The Act, Rules and Regulations and a system exists for meaningful participation at the meeting. All decisions at board meeting and Committee meetings have been carried out as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that

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

I have relied on the Representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other Acts, laws and Regulations applicable to the Company. In case of return filing for PF, ESI, TDS and GST, I have relied on the Reports given by the Internal Auditors of the Company.

For **P. Talesara & Associates**
Company Secretaries

sd/-
Pawan Talesara
Proprietor
FCS No.: 8096, C P No.: 2674
UDIN: F008096E000201511

ANNEXURE-A

List of Documents verified under Co. Act 2013

1. Memorandum and Articles of Association of the Company
2. Annual Return for the Financial year ended March 31, 2022
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination and Remuneration Committee along with Attendance Register maintained during the financial year under Report
4. Minutes of General Meetings held during the financial year under Report
5. All statutory Registers
6. Agenda papers sent for the Board Meetings and Committee Meetings
7. Declaration received from the Directors of the Company pursuant to the provisions of section 184 of the companies Act, 2013 and attachments thereto during the financial year under Report
8. E- Forms filed by the Company, from time- to-time, under applicable provisions of the Companies Act, 2013 and attachments there to during the financial year under Report

For **P. Talesara & Associates**
Company Secretaries

Place: Udaipur (Raj.)
Date: 26.04.2023

sd/-
Pawan Talesara
Proprietor
FCS No.: 8096, C P No.: 2674
UDIN: F008096E000201511

This Report should be read with my letter of even date which is annexed as Appendices A and forms an Integral Part of this Report.

Appendices-A

To,
The Members,
PIL ITALICA LIFESTYLE LIMITED

My Report of given 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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practice 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 regulation and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, rules, regulation and standards is the responsibility of management. My examination was Limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **P. Talesara & Associates**
Company Secretaries

Place: Udaipur (Raj.)
Date: 26.04.2023

sd/-
Pawan Talesara
Proprietor
FCS No.: 8096, C P No.: 2674
UDIN: F008096E000201511

Annexure-C

NOMINATION AND REMUNERATION POLICY

1. PURPOSE

The Nomination and Remuneration Policy is being formulated in compliance with Section 178 of companies Act, 2013 read along with the applicable rules thereto and Listing Regulation, as Amended from time to time. This policy is based on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by Nomination and Remuneration Committee (NRC or the committee) and has been approved by Board of Directors.

2. OBJECTIVE

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

3. DEFINITIONS

“**Directors**” means a director in the Company’s board.

“**Independent Director**” means a director referred in sub section (6) of Section 149 of Companies Act, 2013.

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

“**Key Managerial Personnel**” or KMP means:

- a. Managing director or Chief Executive Director or Manager and in their absence a Whole time Director;
- b. Company Secretary;
- c. Chief Financial officer and
- d. Such other officer as may be prescribed under the Companies Act, 2013

“**Senior Managerial Personnel**” means the personnel of the Company who are members of its core management team excluding Board of Directors. Normally this would comprise all members of management, of rank equivalent to General Manager and above including all Functional Heads.

4. ROLE OF COMMITTEE

The role of NRC will be the following:

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a Director.

- b. To formulate the criteria for evaluation of performance of Independent Directors and the Board of Directors.
- c. To identify the persons who are qualified to become directors and who may be appointed in Senior Management in accordance with criteria laid down in this policy.
- d. To devise a policy on Board diversity, composition, size.
- e. Succession planning for replacing Key Executives and overseeing.
- f. To perform and carry out any such other functions as is mandated by the Board from time to time and/or enforced by any statutory notification or modification, as may be applicable.

5. APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

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

6. TERM/TENURE

a. Managing Director/Whole-Time Director:

The Company can appoint or re-appoint any person as its Managing Director, Whole Time Director for a Fixed term not exceeding five years at a time or without any Limitation as to the period he is to hold such office and from time to time remove or dismiss him from office and appoint another in his place (subject to the provisions of any contract between him and Company).

b. Independent Director:

An Independent Director shall hold office for a term up to 5 consecutive years on the Board of the Company, but shall be eligible for re-appointment on passing of Special

Resolution by the Company and Disclosure of such Appointment in the Board's Report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the Expiry of three years of ceasing to become Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. A person shall not serve as an Independent Director in more than seven listed entities and any person who is serving as a Whole Time Director in any listed entity shall serve as an Independent Director in not more than three listed entities or such other number as may be prescribed under the Act.

7. EVALUATION

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

8. REMOVAL

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

9. RETIREMENT

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

10. POLICY FOR THE REMUNERATION TO DIRECTORS/SENIOR MANAGEMENT PERSONNEL

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

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

2. Remuneration to Non-Executive / Independent Directors:

- a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as

permissible under the provisions of Companies Act, 2013. The Amount of sitting fees shall be such as may be recommended by Nomination and Remuneration Committee and approved by Board of Directors.

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

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

- a) The Remuneration to KMP and Senior Management Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the companies policy.
- b) The fixed pay shall include monthly remuneration, employees contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- c) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decide annually or at such intervals as may be considered appropriate.

4. Implementation:

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

Annexure-D

CORPORATE GOVERNANCE REPORT

In terms of Regulation 34(3) read with Section C of SCHEDULE V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance for the year ended March 31, 2023 is presented below:

1) COMPANY'S PHILOSOPHY

At **PIL ITALICA LIFESTYLE LIMITED** we are committed of doing business in an efficient, responsible, honest, and ethical manner. Our Corporate Governance is the reflection of our value system encompassing our culture, policies and relationships with our stakeholders.

Corporate Governance is all about commitment to values and ethical business conduct. Corporate Governance practices goes beyond compliance and involves a Company wide commitment and has become the integral part of business to ensure fairness, transparency and integrity of the management. Our guiding principles and practices are summarized in Corporate Governance Report. Pursuant to provision of companies Act 2013 and Regulation 34 of

the Listing regulation, the report contains the details of Corporate Governance System and process at **PIL ITALICA LIFESTYLE LIMITED**. We believe in adopting the well accepted corporate Governance practices and benchmark the same and strive to improve them continuously.

2) BOARD OF DIRECTORS

a. Composition and category of Directors

As on March 31, 2023 the Board comprises of 6 members, out of which 3 are independent directors. Mr. Daud Ali is the Managing Director of the Company, who conducts the day to day management of the Company, under consistent support of Board of directors. The independent directors on the Board are also the specialist in their respective fields. There is a fixed Chairman on the Board.

Board Composition and category of directors during the Financial Year 2022-23:

Sr. No.	Name of Director	Promoter/ Non-Promoter	Category
1	Mr. Daud Ali	Promoter	Executive Director
2	Mr. Narendra Bhanawat	Non Promoter	Executive Director
3	Mr. Himanshu Surendrakumar Gupta	Non Promoter	Non Executive Independent Director (appointed w.e.f. May 21, 2022)
4	Mr. Mukesh Kumar Kothari	Non Promoter	Non-Executive
5	Mrs. Namrata Babel	Non Promoter	Non Executive Independent Director
6	Mrs. Asha Jain	Non Promoter	Non Executive Independent Director (ceased w.e.f. March 04, 2023)
7	Mr. Magan Lal Sharma	Non Promoter	Non Executive Independent Director (ceased w.e.f. July 01, 2022)
8	Ms. Apeksha Agiwal	Non Promoter	Non Executive Additional Independent Director (appointed w.e.f. March 29, 2023)

b. Attendance of each Director at the Board Meeting and Annual General Meeting

Details of Directors and their attendance in meetings held in FY 2022-23 are referred below:

Sr. No.	Name of Director	Attendance at Board meeting		Whether last Annual General Meeting attended
		No. of meetings held	No. of meetings attended	
1	Mr. Daud Ali	7	7	Yes
2	Mr. Narendra Bhanawat	7	7	Yes
3	Mr. Magan Lal Sharma	7	2*	Yes
4	Mr. Mukesh Kumar Kothari	7	7	Yes
5	Mrs. Namrata Babel	7	7	Yes

6	Mrs. Asha Jain	7	6*	Yes
7	Mr. Himanshu Surendrakumar Gupta	7	6*	Yes

*** Note-**

1. Mr. Magan Lal Sharma's tenure as Independent Director had expired on July 01, 2022.
2. Mrs. Asha Jain had resigned as Director w.e.f. March 04, 2023.
3. Mr. Himanshu Surendra kumar Gupta had appointed as Director w.e.f. May 21, 2022.
4. Ms. Apeksha Agiwal has appointed as Director w.e.f. March 29, 2023 hence could not be part of any Board meeting conducted during Financial Year 2022-23.

Number of other board of directors or committees in which a directors is a member or chairperson

Sr. No.	Name of Director	Directorships in Other Board of Directors	Memberships of Committees of Other Boards	Chairmanships Of Committees of Other Boards	Names of the other listed entities where the person is a director and the category of directorship
1	Mr. Daud Ali	2	0	0	-
2	Mr. Narendra Bhanawat	0	0	0	-
3	Mr. Himanshu S Gupta	0	0	0	-
4	Mr. Mukesh Kumar Kothari	0	0	0	-
5	Mrs. Namrata Babel	0	0	0	-
6	Ms. Apeksha Agiwal	0	0	0	-

Notes:

- None of the directors of the Company holds directorships in any other listed entities in the year 2022-23.
- None of the directors holds shares in the Company except Mr. Daud Ali (316200 shares) and Mr. Narendra Bhanawat (400 shares) as on March 31, 2023 and Mr. Mukesh Kumar Kothari (3700 shares) as on March 31, 2023.
- Details of Director(s) retiring or being re-appointed are given in notice to Annual General Meeting.

c. Number of meetings of the board of directors held and dates on which held

During the financial year 2022-23, the Board met Seven (07) times on May 21, 2022, May 25, 2022, July 01, 2022, July 16, 2022, October 29, 2022, January 20, 2023 and March 29, 2023. Annual General Meeting of the Company was held on Thursday, June 30, 2022 through Video conferencing/Other Audio Visual Means (VC/OAVM) Facility and also physically at the registered office of the Company, with the approval received from concerned authorities.

d. Disclosure of relationships between directors inter-se

There are no inter se relationships between our Board Members.

e. Number of shares and convertible instruments held by non- executive directors

Except Mr. Mukesh Kumar Kothari (3700 shares), none of the Non-Executive Directors holds any share in the Company, during the FY 2022-23.

f. Web link where details of familiarization programmes imparted to independent directors is disclosed

All Independent Directors are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals.

The details regarding Independent Directors' Familiarization Programmes are given under the 'Investor Relation' section on the website of the Company and can be accessed at <https://italica.com/pages/familiarisation-program-independent-director>.

g. Chart/matrix setting out the skills/expertise/competence of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills. The skills and attributes of the Company can be broadly categorized as follows:

- **Business Leadership & Strategic Planning** – Experience in driving business in global market and leading management teams to make decisions in uncertain environments based on practical understanding, appreciation and understanding of short-term and long-term trends, strategic choices and demonstrating strengths, developing talent, succession planning.
- **Accounts and Finance** – Knowledge in financial and legal matters, financial planning, capital allocation and maintaining cordial relationship with various Bankers.
- **Compliance & Governance** – Experience in developing governance practices and observing the same, accountability and insight to the best interests of all stakeholders, driving corporate ethics and values.
- **Regulatory Expertise** – Understanding the legal regulations, for undertaking the best decision under the ambit of law, updation of such skills and monitoring of person performing such functions.

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	Names of Directors who have such skills / expertise / competence
Business Leadership and Strategic Planning	Mr. Daud Ali and Mr. Narendra Bhanawat
Accounts and Finance	Mr. Narendra Bhanawat and Mr. Mukesh Kothari and Mr. Magan Lal Sharma
Compliance & Governance	Mr. Daud Ali and Mr. Narendra Bhanawat
Regulatory Expertise	Mr. Himanshu S. Gupta and Mr. Daud Ali

h. Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors, fulfill

the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, the Independent Directors fulfill the conditions specified under Companies Act 2013 and SEBI (LODR) Regulations, 2015 and affirm that they are independence of the management.

i. Detailed reasons for the resignation of an independent director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided.

During the financial year 2022-23, Mrs. Asha Jain resigned w.e.f. March 04, 2023 from the post of independent director before expiry of her first term. The resignation letter along with the detailed reason where she mentioned that due to personal reasons, she can't continue and there is no other material reason for the same.

j. Directors Appointment/Re-Appointment

In accordance with the provisions of Section 152 of the Companies Act, 2013, Mr. Mukesh Kumar Kothari (DIN: 03103336) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Ms. Apeksha Agiwal (DIN: 10083559) has been appointed as Additional Independent Director w.e.f. March 29, 2023 for a term of five years subject to approval of shareholders in ensuing Annual General Meeting.

COMMITTEES OF THE BOARD

In Compliance with the Companies Act 2013 and Listing Regulation, the Board has constituted various committees with specific terms of reference and scope. The objective is to focus effectively on issues and ensure expedient resolution of the diverse matters. The constitution of the Board Committees is available on the Company's website, www.italica.com.

3) AUDIT COMMITTEE

a. Terms of reference:

The Audit Committee inter alia performs the function of approving Annual Internal Audit plan, review of financial reporting system, Internal controls system, discussion on quarterly, half yearly and annual financial results, interaction with statutory and internal Auditors, one-on-one meetings with statutory and internal Auditors, recommendation for the appointment of statutory auditor and their remuneration, recommendation for the appointment and remuneration of internal auditors, review of Business Management plan, review of internal audit reports significant related party transactions. The Board has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

There are no subsidiary companies of the Company, hence new clause under Schedule II Part C, in Clause A (21) of SEBI (LODR) Regulations 2015 vide notification dated May 09, 2018 is not applicable.

Composition, Name of members and Chairperson

As on March 31, 2023, Audit Committee comprises of 3 directors and all of them are non-executive director. Mrs. Namrata Babel became Chairperson of Audit Committee (w.e.f. March 05, 2023) is an independent director and has sound financial knowledge. The composition of audit committee meets the requirement of Section 177 of the companies Act, 2013 and Regulation 18 of Listing Regulation. The Company secretary acts as the secretary to committee. Mr. Magan Lal Sharma, then the Chairman of Audit Committee was present in AGM 2022 to answer the queries of shareholders, if any.

Name of Director(s)	Designation	Category
Mrs. Namrata Babel	Chairperson	Non-Executive Independent Director (w.e.f. March 05, 2023)
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director (w.e.f. March 05, 2023)

Note:

1. Mr. Magan Lal Sharma, Chairman of Audit Committee, ceased to be director from July 01, 2022 and Mrs. Asha Jain was appointed as Chairperson w.e.f. July 01, 2022.
2. Mrs. Asha Jain ceased to be Independent Director w.e.f. March 04, 2023, then after Mrs. Namrata Babel was appointed as Chairperson and reconstitution of committee took place.

b. Meetings and attendance during the year

The Audit Committee met four times during the financial year on May 21, 2022, July 16, 2022, October 29, 2022 and January 20, 2023. The necessary Quorum was present at the meetings.

The composition and attendance of members at the meeting held for FY 2022-23 are given below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mr. Magan Lal Sharma	04	01*
Mr. Mukesh Kumar Kothari	04	04
Mrs. Namrata Babel	04	04
Mrs. Asha Jain	04	03*

* Note:

1. Mr. Magan Lal Sharma's tenure as Independent Director expired on July 01, 2022.
2. Mrs. Asha Jain was appointed as Chairperson of Audit Committee w.e.f. July 01, 2022 and resigned as Director w.e.f. March 04, 2023.
3. Mr. Himanshu Surendrakumar Gupta appointed as Member of Audit Committee w.e.f. March 05, 2023 and no meeting of Audit Committee held after his appointment during FY 2022-23.

4) NOMINATION AND REMUNERATION COMMITTEE

a. Brief description of Terms of reference

The role of the Committee inter alia will be following:

Reviewing the overall compensation policy, service, agreements and other employment conditions of Managing/Whole Time Director(s) and Senior Management (one level below the Board):

- To help in determining the appropriate size, diversify and composition of the Board.
- To recommend to the Board appointment/reappointment and removal of Directors;
- To frame criteria for determining qualifications, positive attributes and independence of Directors;
- Recommend to the board, all remuneration, in whatever form, payable to senior management.
- Fixing the remuneration to executive Directors the restrictions contained in the Companies Act, 2013 is to be considered;
- To create an evaluation framework for Independent Directors and the Board;
- To provide necessary reports to the chairman after the evaluation process is completed by the Directors;
- To assist in developing a succession plan for the Board;
- To assist the Board in fulfilling responsibilities entrusted from time to time;
- Delegation of any of its powers to any Member of the Committee of the Compliance Officer.

The Company has laid down Code of conduct for its Board members and Senior Management Personnel. All directors and designated personnel have affirmed compliance with their respective codes for the year under review. The declaration to this effect signed by Mr. Daud Ali, Managing Director and the same is annexed to this report.

b. Composition, Name of members and Chairperson

As on March 31, 2023 the Nomination and Remuneration Committee comprises of three Non-Executive Directors Mrs. Namrata Babel appointed as Chairperson of the Nomination and Remuneration Committee w.e.f. March 05, 2023. The composition of the Committee meets the requirement of Section 178 of the companies Act, 2013 and

SEBI Listing Regulations. The Company Secretary shall act the secretary to the committee. The Nomination and Remuneration Committee met twice i.e. on May 21, 2022 and March 29, 2023. The necessary Quorum was present at the meeting.

Name of Director(s)	Designation	Category
Mrs. Namrata Babel	Chairperson	Non-Executive Independent Director (w.e.f. March 05, 2023)
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director (w.e.f. March 05, 2023)

Note:

- Mr. Magan Lal Sharma, Chairman of Nomination and Remuneration Committee, his tenure has expired from July 01, 2022 and Mrs. Asha Jain was appointed as Chairperson w.e.f. July 01, 2022.
- Mrs. Asha Jain ceased to be Independent Director w.e.f. March 04, 2023, then after Mrs. Namrata Babel was appointed as Chairperson and reconstitution of committee took place.

c. Meeting and attendance during the year

The composition and attendance of members at the meeting held for FY 2022-23 are given below:

Name of Director(s)	No. of Meetings held	No. of Meetings attended
Mr. Magan Lal Sharma	2	1*
Mr. Mukesh Kumar Kothari	2	2
Mrs. Namrata Babel	2	2

c) Disclosures with respect to Remuneration for FY 2022-2023:

Name of Director	Category	Remuneration (Salary, perquisites & other allowances)	Stock option/Bonus/ Other Performance linked incentives	Total
Mr. Daud Ali	Managing Director	46.84	Nil	46.84
Mr. Narendra Bhanawat	Whole time Director and Chief Financial Officer	6.04	Nil	6.04

₹ In Lakhs

Note:

- Service contract is of three years for Mr. Daud Ali w.e.f. April 01, 2021 and for Mr. Narendra Bhanawat w.e.f. May 29, 2021.
- Notice period is 3 Months from either side and Severance fees is not applicable.

Mr. Himanshu S. Gupta	2	1*
-----------------------	---	----

*** Note:**

- Mr. Magan Lal Sharma ceased to be director w.e.f. July 01, 2022.
- Mrs. Asha Jain was appointed as Chairperson of Nomination and Remuneration Committee w.e.f. July 01, 2022 and resigned as Director w.e.f. March 04, 2023 but no meeting of Nomination and Remuneration Committee held when she was Chairperson.
- Mr. Himanshu Surendrakumar Gupta appointed as Member of Nomination and Remuneration Committee w.e.f. March 05, 2023.

d. Performance evaluation criteria for independent directors

The performance evaluation for the financial year was carried out in accordance with the criteria laid out by the Nomination and Remuneration Committee and approved by the Board. The evaluation of all directors (including Independent Directors) was done by the entire Board of Directors (excluding the Director being evaluated).

5) REMUNERATION OF DIRECTORS

- All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company:** There is no pecuniary relationship or transactions of the non-executive director vis-à-vis the Company.
- Criteria of making payments to non-executive directors:** No sitting fee is paid to Non Executive Directors. The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Nomination and Remuneration Policy is also available on the website of the Company www.italica.com.

6) STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has Stakeholders Relationship Committee in compliance with the requirement of SEBI Listing Regulations and provisions of Section 178 of the Companies Act, 2013. As on March 31, 2023, the committee comprises of 3 members of whom 2 are Independent Director and 1 is Non-Executive Director. Mrs. Namrata Babel acts as the chairperson of Stakeholders Relationship Committee. The Company Secretary acts as the secretary to the committee.

The role of the committee shall inter-alia include the following:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The meetings of the Committee are generally held as and when deemed necessary, to review and ensure that all investor requests/grievances are redressed within a stipulated time period.

a) Name of Non-Executive Director heading the committee

Mrs. Namrata Babel, Non-Executive Independent Director was appointed as the Chairperson of the Stakeholders Relationship/Grievance Redressal Committee w.e.f. March 05, 2023. The Committee consists of the following persons:

Name of Director(s)	Designation	Category
Mrs. Namrata Babel	Chairperson	Non-Executive Independent Director (w.e.f. March 05, 2023)
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director (w.e.f. March 05, 2023)

Note:

- Mr. Magan Lal Sharma, Chairman of Stakeholder Relationship Committee, his tenure had expired from

July 01, 2022 and Mrs. Asha Jain was appointed as Chairperson w.e.f. July 01, 2022.

- Mrs. Asha Jain ceased to be Independent Director w.e.f. March 04, 2023, then after Mrs. Namrata Babel was appointed as Chairperson and reconstitution of committee took place.

b) Meetings and attendance during the year

During Financial Year 2022-23, the Stakeholders Relationship Committee met once on May 21, 2022. The necessary quorum was present at all meetings.

Attendance of members at the meeting held for FY 2022-23 are given below:

Name of Director(s)	Category	No. of Meetings held	No. of Meetings attended
Mr. Magan Lal Sharma	Independent Non-Executive	1	1
Mr. Mukesh Kumar Kothari	Non-Executive	1	1
Mrs. Namrata Babel	Independent Non-Executive	1	1

* Note:

- Mr. Magan Lal Sharma's tenure as Independent Director had expired on July 01, 2022.
- Mrs. Asha Jain was appointed as Chairperson of Stakeholders Relationship Committee w.e.f. July 01, 2022 and resigned as Director w.e.f. March 04, 2023 but no meeting of Nomination Committee held when she was Chairperson.
- Mr. Himanshu Surendrakumar Gupta appointed as Member of Stakeholders Relationship Committee w.e.f. March 05, 2023.

c) Name and Designation of compliance officer: Mr. Rajat Raja Kothari, Company Secretary acts as Compliance Officer of the Company.

d) Number of shareholders' complaints received so far: No shareholder complaint was received in the financial year.

e) Number not solved to the satisfaction of shareholders: NA

f) Number of pending complaints: Nil

To redress investor grievances, the Company has a dedicated e-mail id investor@italica.com to which investor may send their grievance.

7) RISK MANAGEMENT COMMITTEE

The 'Risk Management Committee' ('RMC') was formed on July 09, 2021 but as on March 31, 2023 following members:

Name of Director(s)	Designation	Category
Mrs. Namrata Babel	Chairperson	Non-Executive Independent Director (w.e.f. March 05, 2023)
Mr. Mukesh Kumar Kothari	Member	Non-Executive Director
Mr. Himanshu S. Gupta	Member	Non-Executive Independent Director (w.e.f. March 05, 2023)

Note:

1. Mr. Magan Lal Sharma, Chairman of Risk Management Committee, his tenure had expired from July 01, 2022 and Mrs. Asha Jain was appointed as Chairperson w.e.f. July 01, 2022.
2. Mrs. Asha Jain ceased to be Independent Director w.e.f. March 04, 2023, then after Mrs. Namrata Babel was appointed as Chairperson and reconstitution of committee took place.

The role of the committee shall inter-alia include the following:

- (1) A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, secretarial, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

- (2) Measures for risk mitigation including systems and processes for internal control of identified risks; and;
- (3) Business continuity plan.

a) Meetings and attendance during the year

During Financial Year 2022-23 the Risk Management committee met twice on July 11, 2022 and January 06, 2023. The necessary quorum was present at all meetings.

Attendance of members at the meeting held for FY 2022-23 are given below:

Name of Director(s)	Category	No. of Meetings held	No. of Meetings attended
Mrs. Asha Jain	Independent Non-Executive	2	2
Mr. Mukesh Kumar Kothari	Non-Executive	2	2
Mrs. Namrata Babel	Independent Non-Executive	2	2

* Note:

1. Mr. Magan Lal Sharma's tenure as Independent Director had expired on July 01, 2022.
2. Mrs. Asha Jain was appointed as Chairperson of Risk Management Committee w.e.f. July 01, 2022 and resigned as Director w.e.f. March 04, 2023.
3. Mr. Himanshu Surendrakumar Gupta appointed as Member of Risk Management Committee w.e.f. March 05, 2023.

8) GENERAL BODY MEETING

a) Location, Time and any special resolutions passed in the previous three annual general meetings

The details of last three Annual General Meetings and special resolutions passed there at are as follows:

Year	Date	Time	Venue	No. of Special Resolutions Passed
2021-22	June 30, 2022	11:00 A.M.	Through Video Conferencing/ Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031. Kodyat Road, Village: Sisarma, Udaipur – 313031.	01
2020-21	June 24, 2021	11:00 A.M.	Through Video Conferencing/ Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031. Kodyat Road, Village: Sisarma, Udaipur – 313031.	00

2019-20	July 24, 2020	11:00 A.M.	Through Video Conferencing/ Other Audio Visual Means and at Kodyat Road, Village: Sisarma, Udaipur – 313031. Kodyat Road, Village: Sisarma, Udaipur – 313031.	01
---------	---------------	------------	---	----

b) Postal Ballot: During the financial year ended March 31, 2023, no resolution was passed by Postal Ballot.

9) MEANS OF COMMUNICATION

- I. Quarterly Results:** The quarterly and annual financial results of the Company are uploaded on NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre in accordance with the requirements of Listing Regulations. The financial results are displayed on BSE and NSE websites. During this year Company has sent the quarterly business updates to all the shareholders of the Company.
- II. Newspaper wherein results normally published and website, where displayed:** The quarterly/ half-yearly/ annual financial results are published in prominent daily newspaper viz. The Free Press Journal and Jai Rajasthan. The financial results and the official news releases are also uploaded on the Company's website www.italica.com in the 'Investor Relations' section.
- III. News Release:** The Company regularly publishes an official Business Update Report which are sent to the stock exchanges and posted on the Company's website as well.
- IV. Presentation made to institutional investors or to the analysts:** During the year under review there were no presentations made to institutional investors or the analysts.

10) GENERAL SHAREHOLDER INFORMATION

a) ANNUAL GENERAL MEETING - DATE, TIME AND VENUE:

DAY & DATE - Friday, June 23, 2023

TIME - 11: 00 AM

VENUE - Meeting will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility and also at the registered office of the Company. Deemed address will be the registered office of the Company.

b) Financial year: April 1, 2022 to March 31, 2023

c) Record Date: As mentioned in the Notice of this AGM

Dividend Payment Date - Not Applicable

d) Name and address of each Stock Exchange(s) at which the Company securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchange(s):

The annual listing fees for Financial Year 2022-2023 to the following stock exchanges have been paid by the Company within stipulated time where the Company is listed:

Name & Address of Stock Exchanges, Stock Codes and Symbol:

The Stock Exchange, Mumbai (BSE) BSE Limited Phiroze Jeejeebhoy Towers, 25 th Floor, Dalal Street, Mumbai - 400 001.	National Stock Exchange of India Ltd. (NSE) National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G, Bandra Kurla Complex, Bandra-East, Mumbai - 400 051.
---	---

e) Stock Code: BSE (500327) and NSE (PILITA)

f) STOCK MARKET DATA:

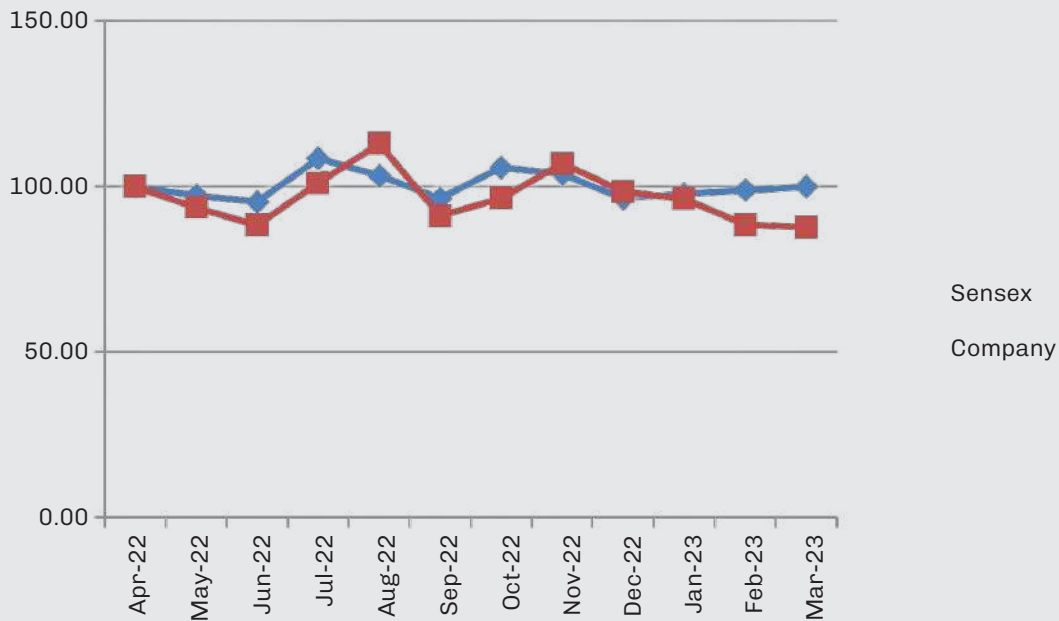
The monthly high & low during each month, in last financial year 22-23, is as follows:

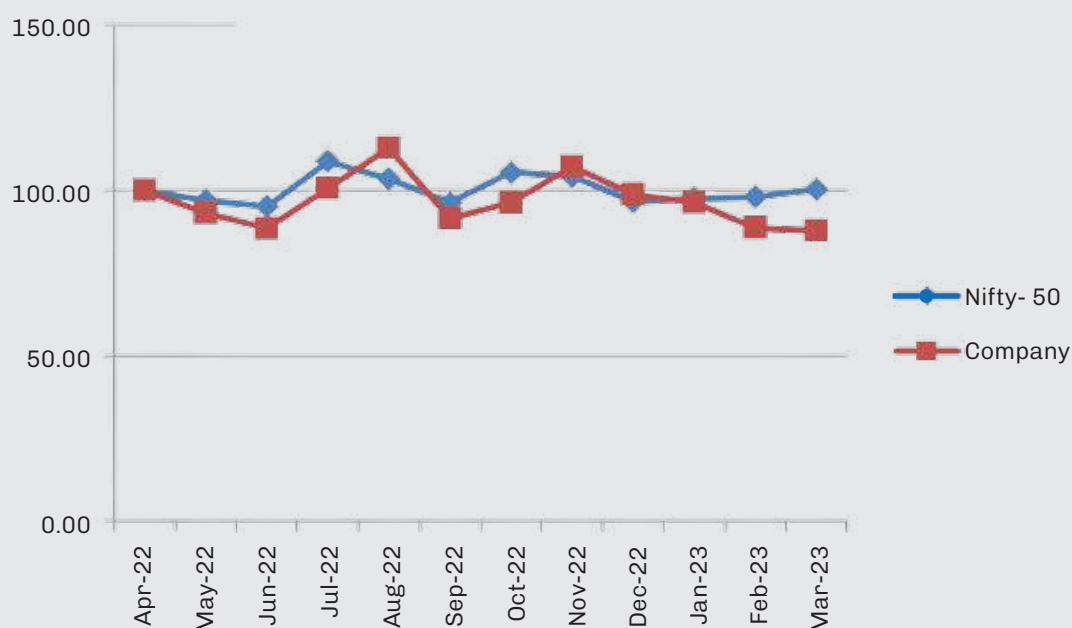
Month	BSE		NSE	
	High	Low	High	Low
Apr-22	11.15	8.84	11.00	8.80
May-22	9.95	7.50	10.20	7.65
Jun-22	9.35	7.10	9.80	7.20
Jul-22	8.29	7.45	8.50	7.55
Aug-22	9.48	7.71	9.50	7.80
Sep-22	9.49	7.75	9.55	7.75
Oct-22	8.50	7.70	8.30	7.70
Nov-22	8.50	7.60	8.50	7.60
Dec-22	9.32	7.70	9.30	7.70
Jan-23	8.75	7.83	9.45	7.60
Feb-23	8.22	6.51	8.25	6.95
Mar-23	7.34	5.95	7.30	6.00

g) PERFORMANCE OF PIL ITALICA LIFESTYLE LIMITED (PILL) SHARE PRICE IN COMPARISON TO BSE SENSEX AND NSE NIFTY FIFTY IS AS UNDER:

(Closing value of (PILL) share price Vs BSE Sensex & PILL share price Vs NSE NIFTY 50 on the last trading day of the month)

Base is considered to be 100 as at April 01, 2022 in both the charts.





h) In case the securities are suspended from trading, the Directors Report shall explain the reason thereof: Not applicable

i) REGISTRAR & TRANSFER AGENT:

The work related to Share Transfer Registry in terms of both physical and electronic mode is being deal with by LINK INTIME INDIA PVT. LIMITED at the address given below: -

ADDRESS FOR CORRESPONDENCE:

LINK INTIME INDIA PVT. LTD.
 247 Park, C-101 1st Floor,
 LBS Marg, Vikroli (W),
 Mumbai - 400 083.
 E-mail: rnt.helpdesk@linkintime.co.in Tel No.: +91 22 49186000
 Fax No.: +91 22 49186060

j) SHARE TRANSFER SYSTEM AND OTHER RELATED MATTERS:

The shares which are received in physical form for transfer/transmission/split etc. are immediately processed and dispatched within the stipulated time period. Also pursuant to the Listing Regulations, certificate is obtained from practicing Company Secretary on yearly basis to the effect that all the transfer is completed within stipulated statutory period. A copy of the certificate so received is submitted to both the stock exchanges, where shares of Company are listed.

k) Distribution Of Shareholding As On March 31, 2023:

Size Of holding	No. of Share Holders*	Percentage (%)	No. of Shares	Percentage (%)
Up to 500	47943	68.0313	7173162	3.0524
501 to 1000	9344	13.2592	8013192	3.4099
1001 to 2000	5959	8.4558	9447468	4.0202
2001 to 3000	2036	2.8891	5313147	2.2609
3001 to 4000	1244	1.7652	4611675	1.9624

4001 to 5000	1050	1.49	5062892	2.1544
5001 to 10000	1566	2.2222	11963801	5.0910
Above 10000	1330	1.8873	183414663	78.0488
Total	70472	100.000	235000000	100.000

b. Categories of Equity Shareholders:

Sr. No.	Particulars	No. of Shares	% of Share Holding
1	Promoters' Holdings:		
	Individuals	316200	0.13
	Bodies Corporate	117400000	49.96
	Sub Total	117716200	50.09
2	Non-Promoter Holdings:		
	Individuals	102345299	43.55
	Banks & Other Financial Institution	1472048	0.62
	Mutual Fund	54000	0.02
	HUF	4944818	2.10
	Bodies Corporate	6511063	2.79
	Overseas Body Corporate	6000	0.00
	NRI	1569543	0.67
	Clearing members	20640	0.01
	Trust	400	0.00
	LLP	359989	0.15
	Sub Total	117283800	49.91
	Grand Total (1+2)	235000000	100

l) DEMATERIALISATION OF SHARES AND LIQUIDITY:

The share of the Company are traded in dematerialized form and are available for trading with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The shareholder can hold the Company's share with any of the depository participant. The International Securities Identification No. (ISIN) for Company's shares is INE600A01035. As on March 31, 2023, 99.46% shares of the Company are in dematerialized form with the depositories.

m) OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

As on March 31, 2023, the Company does not have any outstanding GDRs/ADRs/Warrants or any other convertible instruments.

n) LOCATION OF PLANT: Kodiyat Road, Village: Sisarma, Udaipur (Raj.) -313031.

Depot: Delhi, Mumbai, Silvassa, Bengaluru, Bhiwandi, Ghaziabad, Jabalpur, Zirakpur, Hyderabad and Kanpur.

o) ADDRESS FOR CORRESPONDENCE

	Contact	Email	Address
Investor Relation Department of Company	Mr. Rajat Raja Kothari, Company Secretary and Compliance Officer	investor@italica.com	PIL ITALICA LIFESTYLE LIMITED Kodiyat Road, Village Sisarma, Udaipur (Raj.) – 313031. Tel No.: 0294-2432271-72
Registrar & Transfer Agent	Link Intime India Pvt. Ltd.	rnthelpdesk@linkintime.co.in	LINK INTIME INDIA PVT. LTD. 247 Park, C-101 1 st Floor, LBS Marg, Vikroli(W), Mumbai - 400 083. Tel No.: 022-49186000 Fax No.:022-49186060

p) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad – Not Applicable.

11) OTHER DISCLOSURES

- a) **Materially Significant related party transaction:** All the related party transactions have been done at arm's length price and in the ordinary course of Business with the prior approval of Audit Committee. Policy related to related party transactions of the Company is also available on the website of the Company at www.italica.com.
- b) **Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:** The Company has not been penalized, nor have the Stock Exchanges, SEBI or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.
- c) **Establishment of Vigil Mechanism/ Whistle Blower Policy:** In line with the best Corporate Governance practices, Company has put in place a system through which the Directors and Employees may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Employees and Directors may report to the Compliance Officer and have direct access to the Chairman of the Audit Committee.
- d) **Details of compliance with mandatory requirements and adoption of the no mandatory requirements:** The Board of Directors periodically reviews the compliance of all applicable laws. The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- e) **Web link where policy for determining 'material' subsidiaries is disclosed:** The policy for determining material subsidiaries is available on the website of the Company at www.italica.com although it is not applicable on Company.
- f) **Web link where policy on dealing with related party transactions is disclosed:** The policy for determining related party transactions is available on the website of the Company at www.italica.com.
- g) **Commodity Price Risk or Foreign exchange risk and hedging activities:** The Company does not deal in commodities price risks and commodity hedging activities, hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.
- h) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not Applicable
- i) **A certificate from a Company Secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority:** The Certificate of Company Secretary in practice is annexed as herewith as **Annexure 4** of this report.
- j) **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:** During the Financial Year 2022-23, the Board has accepted all the recommendations of its Committees.
- k) **Total fees for all services paid by the listed entity, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:** The annual fees paid to Statutory Auditors during the Financial Year 2022-23 was ₹ 40000.
- l) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:** As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and

rules made thereunder, Company has constituted Internal Complaints Committee which is responsible for Redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment.

- m) Disclosure by listed entity and its subsidiaries of 'Loans and advance sin the nature of loans to firms/companies in which directors are interested by name and amount':** During the FY 2022-23, the Company has not given any 'Loans and Advances' in the nature of loan to Firms/ Companies in which Directors are interested. The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2022-23.
- n) Details of material subsidiaries of the Company, including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:** The Company does not have material subsidiary Companies as on reporting date. Hence, the said disclosure is not applicable:

The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2022-23.

12) DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II

- a) The Board of Directors:** The Company has fixed Chairman.
- b) Shareholder Rights:** As the Quarterly and Half Yearly Financial Results are published in the newspapers as well as displayed on the Company's website www.italica.com, hence the results are not sent to household of each of the shareholders. The complete Annual report is sent to each and every shareholder of the Company.
- c) Audit Qualifications:** The Auditors have raised no qualification on the financial statements for the year ended March 31, 2023.
- d) Reporting of Internal Auditor:** The Internal Auditor of the Company reports directly to the Audit Committee of the Company.

13) DISCLOSURE OF COMPLIANCE OF REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB REGULATION (2) OF REGULATION 46

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14) DECLARATION SIGNED BY MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. The Board has adopted a Code of conduct for Directors and Senior Management of the Company. The Code is available on the website of the Company: www.italica.com and the declaration is annexed as **Annexure 1** and forms part of corporate governance report.

15) COMPLIANCE CERTIFICATE FROM EITHER THE AUDITORS OR PRACTICING COMPANY SECRETARIES REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE SHALL BE ANNEXED WITH THE DIRECTORS REPORT

The certificate from statutory auditor of the Company regarding compliance of conditions of corporate governance is annexed as **Annexure 2** and forms an integral part of the Annual Report.

16) C.E.O. /C.F.O. CERTIFICATION

The required certificate under Regulation 17(8) of the Listing Regulations signed by the Managing Director (C.E.O.) and the Chief Financial Officer (C.F.O.) is attached as **Annexure 3** with this report.

17) DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT / UNCLAIMED SUSPENSE ACCOUNT

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

18) OTHER USEFUL INFORMATION FOR SHAREHOLDERS

Green Initiative by MCA: In compliance with the provisions of Section 20 of the companies act, 2013 and as a continuous endeavor towards 'Go Green' initiative, the Company proposes to send all correspondences/ communications through email to those shareholder's, who have registered their email Id with their depository participant's/Company registrar and share transfer agent. In case the shareholder's is desire to receive printed copy of such communications, they may send requisition to the Company. The Company will forthwith send a printed copy of the communication to the respective shareholder.

Consolidation of Multiple Folios: Shareholder(s) of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name under different Ledger Folio(s) are requested to apply for consolidation of such Folio(s) and send the relevant Share Certificates to the Company.

Nomination Facility: Provision of Section 72 of the Companies Act, 2013 read with rule 19(1) of the rules made there under extends nomination facility to individuals holding shares in the physical form. To help the legal heirs/

successors get the shares transmitted in their favour, shareholder(s) are requested to furnish the particulars of their nomination in the prescribed Nomination Form. Shareholder(s) holding shares in Dematerialized form are requested to register their nominations directly with their respective DPs.

Update your Correspondence Address/Bank Mandate/Email Id: To ensure all communications/monetary benefits received promptly, all shareholders holding shares in physical form are requested to notify to the Company change in their address/bank details/email Id instantly

by written request under the signatures of sole/first joint holder. Shareholder(s) holding shares in dematerialized form are requested to notify change in bank details/address/email Id directly with their respective DPs.

Quote Folio No./DP ID No.: Shareholders/Beneficial Owners are requested to quote their Folio Nos./DP ID Nos., as the case may be, in all correspondence with the Company. Shareholders are also requested to quote their Email IDs, Contact/Fax numbers for prompt reply to their correspondence.

For and on behalf of the Board of Directors

Sd/-

Daud Ali

Managing Director

DIN: 0185336

Sd/-

Narendra Bhanawat

Whole Time Director & CFO

DIN: 00146824

Place: Udaipur (Raj.)

Date: 03.05.2023

Annexure 1

Declaration affirming compliance with Code of Conduct

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management team, affirmation of Compliance with the Code of Conduct for Directors and senior Management in respect of the financial year ended on March 31, 2023.

For **PIL ITALICA LIFESTYLE LIMITED**

Place: Udaipur (Raj.)

Date: 01.04.2023

Sd/-

Daud Ali

Managing Director

DIN: 00185336

Annexure 2

AUDITORS CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To,
The Board of Directors
PIL ITALICA LIFESTYLE LIMITED
Kodiyat Road, Sisarma,
Udaipur.

We have examined the compliance of conditions of corporate governance by **PIL ITALICA LIFESTYLE LIMITED** ('the Company'), for the year ended on March 31, 2023, as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination, conducted in the manner described in the Guidance Note on Certificate of Corporate Governance issued by the Institute of Chartered Accountants of India, was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchanges.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **H.R. Jain & Co.**
Chartered Accountants
ICAI FRN: 000262C

Place: Udaipur (Raj.)
Date: 03.05.2023

sd/-
Manoj Jain
Partner
M. No.: 400459
UDIN: 23400459BGUJZQ6450

Annexure 3

CEO/CFO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

We, Daud Ali, Managing Director and Narendra Bhanawat, Whole Time Director and CFO of **PIL ITALICA LIFESTYLE LIMITED**, to the best of our knowledge and belief hereby certify that:

- a) We have reviewed financial statements and the cash flow statement of **PIL ITALICA LIFESTYLE LIMITED** for the year ended March 31, 2023 and to the best of our knowledge and belief:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting.
- We have not come across any reportable deficiencies in the design or operation of such internal controls.
- d) We have indicated to the Auditors and the Audit Committee:
- i) that there are no significant changes in internal control over financial reporting during the year;
 - ii) that there are no significant changes in accounting policies during the year; and
 - iii) that there are no instances of significant fraud of which we have become aware.

For and on behalf of the Board of Directors

Sd/-

Daud Ali

Managing Director
DIN: 0185336

Sd/-

Narendra Bhanawat

Whole Time Director & CFO
DIN: 00146824

Place: Udaipur (Raj.)

Date: 03.05.2023

Annexure 4

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
PIL ITALICA LIFESTYLE LIMITED
Kodiyat Road, Village: Sisarma,
Udaipur (Raj.) – 313031.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PIL ITALICA LIFESTYLE LIMITED** having CIN – L25207RJ1992PLC006576 having registered office at Kodiyat Road, Village: Sisarma, Udaipur (Raj.) – 313031 (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/us by the Company & its officers, I here by certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Daud Ali	00185336	01.05.1992
2	Mr. Narendra Bhanawat	00146824	21.07.2010
3	Mr. Himanshu Surendrakumar Gupta	09607045	21.05.2022
4	Mr. Mukesh Kumar Kothari	03103336	25.01.2010
5	Mrs. Namrata Babel	06910061	29.05.2014
6	Ms. Apeksha Agiwal	10083559	29.03.2023

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these 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 **P. Talesara & Associates**
Company Secretaries

Place: Udaipur (Raj.)
Date: 26.04.2023

sd/-
Pawan Talesara
Proprietor
FCS No.: 8096, C P No.: 2674
UDIN: F008096E000201608

Independent Auditor's Report

TO THE MEMBERS OF PIL ITALICA LIFESTYLE LIMITED

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of **PIL ITALICA LIFESTYLE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

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

KEY AUDIT MATTERS

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

On the facts and circumstances of the company and the audit, we determine that there are no key Audit matters to communicate.

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, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

MANAGEMENT'S RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's 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 statements.

As part of an audit in accordance with SA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of

Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds

(which are material either individually or in the aggregate) 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 or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.

- v. The Company has neither proposed nor paid any dividend during the previous year and during the current year hence compliance as per section 123 of the companies act is not applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For M/s H.R. JAIN & CO.
Chartered Accountants
Firm Reg. No.: 000262C

sd/-
Manoj Jain
Partner

Membership No.: 400459
UDIN: 23400459BGUJZS1016

Place: Udaipur (Raj.)
Date: 03.05.2023

Annexure-A

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **PIL ITALICA LIFESTYLE LIMITED**)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls over financial reporting of **PIL ITALICA LIFESTYLE LIMITED** (the "Company") as of March 31, 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR'S RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness

exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place: Udaipur (Raj.)
Date: 03.05.2023

For M/s H.R. JAIN & CO.
Chartered Accountants
Firm Reg. No.: 000262C

sd/-
Manoj Jain
Partner
Membership No.: 400459
UDIN: 23400459BGUJZS1016

Annexure-B

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **PIL ITALICA LIFESTYLE LIMITED** of even date)

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

- (i) (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- (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 intangible assets:
- (A) As explained to us, all the Property, Plant and Equipment have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (B) According to information's and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the names of the Company.
- (C) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (D) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) As explained to us that the inventory has been physically verified during the year by management. In our opinion the frequency of verification is reasonable and the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business; and the Company is maintaining proper records of inventory, no material discrepancies were noticed on physical verification of the inventory.
- (b) The Company is availing working capital in excess of ₹ 5 crores during the year on the basis of security of current assets and the quarterly

returns or statements filed by the Company with financial institutions or banks in agreement with the books of account of the Company.

- (iii) During the year the Company has not made investments in but has granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties but has not stood guarantee or provided security to any other entity:
- (a) During the year the Company has provided loans or provided advances in the nature of loans but has not stood guarantee or provided security to any other entity:
- (A) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to subsidiaries, joint ventures and associates: NIL
- (B) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances to parties other than subsidiaries, joint ventures and associates:
- | Particulars | Aggregate amount during the year | Amount outstanding as on 31/03/2023
₹ In lakhs |
|----------------|----------------------------------|---|
| Loan to others | 870.71 | 4117.68 |
- (b) The Company has neither provided guarantees nor given security. The investments made are not prejudicial to the interest of the Company. Further the terms and conditions of the grant of all loans and advances in the nature of loans, except wherever interest free loans have been granted, are not prejudicial to the Company's interest.
- (c) In respect of loans and advances in the nature of loans, no schedule of repayment of principal and payment of interest has been stipulated.
- (d) In respect of aforesaid loans, there is no amount overdue for more than ninety days.
- (e) During the year no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties;

- (f) During the year the Company has granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, the aggregate amount, percentage thereof to the total loans granted, aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 are as under:

Aggregate amount (₹ In lakhs)	% of the total loans granted	Aggregate amount of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 (₹ In lakhs)
870.71	NIL	NIL

- iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii) (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employee's State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount ₹ in lakhs
Penalty of enforcement directorates (Net of Predeposit)	Penalty	Rajasthan high court, Jodhpur	2003-2004	122.00

- viii) Here 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) The Company has not defaulted in repayment of dues to a financial institution, bank.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority
- (c) The Company has not taken any term loan 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.
- (e) The Company do not have any subsidiary, associate and joint venture hence, reporting under clause 3(ix)(e) and (f) of the Order are not applicable.
- x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form

ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

- (c) No whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) 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, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core

Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) The AKM & Associates resigned from statutory auditors of the Company w.e.f. June 30, 2022 and no issue/remark and observation has been raised by them.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating 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) The Company does not qualify under the provisions of section 135 of the Companies Act, 2013 accordingly reporting under clause 20 (a) and (b) of the order is not applicable.
- xxi) Clause xxi of CARO, 2020 is not applicable as this audit report is relating to standalone financial statements.

Place: Udaipur (Raj.)
Date: 03.05.2023

For M/s H.R. JAIN & CO.
Chartered Accountants
Firm Reg. No.: 000262C

sd/-
Manoj Jain
Partner
Membership No.: 400459
UDIN: 23400459BGUJZS1016

Balance Sheet

as at March 31, 2023

₹ In Lakhs

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
A ASSETS			
1 Non Current assets			
(a) Property, plant and equipment	4	1,571.07	1,284.25
(b) Capital work in progress		-	-
(c) Investment Properties		-	-
(d) Goodwill		-	-
(e) Other Intangible assets	5	3.03	2.38
(f) Intangible Assets under Development		-	-
(g) Biological Assets other than bearer plants		-	-
(h) Financial Assets			
(1) Investments	6	248.93	248.93
(2) Trade receivables		-	-
(3) Loans		-	-
(4) Others		-	-
(i) Deferred Tax Assets (net)	34	-	56.54
(j) Other Non Current assets	7	94.82	91.13
Total Non Current Assets		1,917.85	1,683.23
2 Current Assets			
(a) Inventories	8	1,660.29	1,453.66
(b) Financial Assets			
(1) Investments		-	-
(2) Trade Receivables	9	593.30	447.85
(3) Cash and cash equivalents	10	89.43	7.07
(4) Bank Balances other than cash and cash equivalents	11	157.89	118.16
(5) Loans	12	4,125.80	4,490.17
(6) Others		-	-
(c) Current Tax Assets (Net)		-	-
(d) Other Current Assets	13	174.14	233.35
Total Current Assets		6,800.85	6,750.26
Total Assets		8,718.70	8,433.49
B EQUITY AND LIABILITIES			
(a) Equity Share Capital	14	2,350.00	2,350.00
(b) Other Equity	15	4,606.25	4,301.89
Total Equity		6,956.25	6,651.89
LIABILITIES			
1 Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	79.32	97.15
(a) Lease Liabilities		-	-
(ii) Trade Payables		-	-
(iii) Other Financial Liabilities		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)	34	45.82	-
(d) Other Non Current Liabilities		-	-
Total Non Current Liabilities		125.14	97.15
2 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	1,038.73	1,315.14
(a) Lease Liabilities		-	-
(ii) Trade Payables	18	323.77	182.40
(iii) Other Financial Liabilities		-	-
(b) Other current liabilities	19	249.82	169.06
(c) Provisions	20	24.99	17.85
(d) Current Tax Liabilities (Net)		-	-
Total Current Liabilities		1,637.31	1,684.45
Total Liabilities		1,762.45	1,781.60
Total Equity and Liabilities		8,718.70	8,433.49

See accompanying notes to financial statements 1 to 56

As per our report on even date

For M/s H.R. JAIN & CO.

Chartered Accountants

Firm Reg. No.: 000262C

sd/-

Rajat Raja Kothari

Company Secretary

M. No.: A51610

For and on behalf of the Board of Directors

sd/-

Daud Ali

Managing Director

DIN : 00185336

sd/-

Narendra Bhanawat

Whole Time Director

Chief Financial Officer

DIN : 00146824

sd/-

Manoj Jain

Partner

Membership No.: 400459

Place: Udaipur (Raj.)

Date: 03.05.2023

UDIN: 23400459BGUJZS1016

Statement of Profit and Loss

For the year ended March 31, 2023

₹ In Lakhs

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue From Operations	21	8,531.11	6,756.71
Other Income	22	4.21	19.08
Total Income		8,535.32	6,775.79
Expenses			
Cost of materials consumed	23	5,187.65	3,976.02
Purchases of traded goods	24	278.92	125.53
Changes in inventories of Finished goods, WIP and Stock In Trade	25	(206.74)	191.73
Employee benefit expenses	26	831.52	685.90
Finance costs	27	100.46	84.14
Depreciation and amortization expenses	28	79.31	56.45
Other expenses	29	1,857.48	1,320.09
Total expenses		8,128.60	6,439.86
Profit before exceptional item and tax		406.72	335.93
Exceptional items		-	-
Profit before tax		406.72	335.93
Tax expenses:			
Current Tax		-	-
Deferred tax	34	102.36	84.55
Profit for the year from continuing operations		304.36	251.38
Profit for the year from discontinuing operations			
Tax expenses of discontinuing operations			
Profit/(Loss) for the period		304.36	251.38
Other comprehensive income			
(a) Items that will not to be reclassified to P&L			
Remeasurement of the defined benefit plan			
Income Tax on items not to be reclassified to P&L		-	-
(b) Items that will be reclassified to P&L			
Income Tax on items reclassified to P&L		-	-
Total comprehensive income for the year		304.36	251.38
Earning per share of continuing operation(of ₹ 1/-each)			
Basic earning per share ₹	30	0.13	0.11
Diluted earnings per share ₹	30	0.13	0.11
Earning per share of discontinuing operation(of ₹ 1/-each)			
Basic earning per share ₹			
Diluted earnings per share ₹			
Earning per share of continuing and discontinued operation			
Basic earning per share ₹		0.13	0.11
Diluted earnings per share ₹		0.13	0.11

See accompanying notes to financial statements 1 to 56

As per our report on even date

For M/s H.R. JAIN & CO.

Chartered Accountants

Firm Reg. No.: 000262C

sd/-

Manoj Jain

Partner

Membership No.: 400459

Place: Udaipur (Raj.)

Date: 03.05.2023

UDIN: 23400459BGUJZS1016

sd/-
Rajat Raja Kothari
Company Secretary
M. No.: A51610

For and on behalf of the Board of Directors
sd/-
Daud Ali
Managing Director
DIN : 00185336

sd/-
Narendra Bhanawat
Whole Time Director
Chief Financial Officer
DIN : 00146824

Cash Flow Statement

For the year ended March 31, 2023

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	406.72	335.92
Adjustment for		
Depreciation and amortization expenses	79.31	56.45
Interest expenses	100.46	84.14
Interest income	(299.04)	(356.98)
Provision for leave encashment	7.14	3.31
Profit on sale of property, plant and equipment	-	(19.08)
Operating profit before working capital changes	294.59	103.76
Adjustment for		
(Increase)/Decrease non current assets-other assets	(3.69)	-
(Increase)/Decrease in inventories	(206.63)	279.91
(Increase)/Decrease in trade receivables	(145.45)	29.89
(Increase)/Decrease in current assets-loans	364.37	(659.00)
(Increase)/Decrease in other current assets	59.21	114.95
(Increase)/Decrease in Bank Balances other than cash and cash equivalent	(39.73)	(5.08)
Increase/(Decrease) in trade payables	141.37	(159.24)
Increase/(Decrease) in other current liabilities	80.76	44.29
Cash Generated from operations	544.80	(250.52)
Income taxes paid during the year	-	-
Net cash Inflow/(outflow) from operations-(A)	544.80	(250.52)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchases of Property, Plant and Equipments	(366.78)	(605.50)
Non current investments		(248.93)
Proceeds from sale of property, plant and equipment		19.08
Net cash Inflow/(outflow) from Investing activities (B)	(366.78)	(835.35)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Borrowings	(294.24)	811.13
Interest paid	(100.46)	(84.14)
Interest income	299.04	356.98
Net cash Inflow/(outflow) from financing activities (C)	(95.66)	1,083.97
Net increase/decrease in cash and cash equivalents	82.36	(1.90)
Opening balance of cash and cash equivalents	7.07	8.97
Closing balance of cash and cash equivalents	89.43	7.07

See accompanying notes to financial statements 1 to 56

As per our report on even date

For M/s H.R. JAIN & CO.
Chartered Accountants
Firm Reg. No.: 000262C

sd/-
Rajat Raja Kothari
Company Secretary
M. No.: A51610

For and on behalf of the Board of Directors
sd/-
Daud Ali
Managing Director
DIN : 00185336

sd/-
Narendra Bhanawat
Whole Time Director
Chief Financial Officer
DIN : 00146824

sd/-
Manoj Jain
Partner
Membership No.: 400459

Place: Udaipur (Raj.)
Date: 03.05.2023
UDIN: 23400459BGUJZS1016

Statement of Changes in Equity

For the year ended March 31, 2023

(A) EQUITY SHARE CAPITAL

₹ In Lakhs

Equity Share Capital	Balance at the beginning of the reporting period	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the reporting period	changes in equity share capital during the current year	Balance at the end of the reporting period
For the year ended on March 31, 2023	2,350.00	-	-	-	2,350.00
For the year ended on March 31, 2022	2,350.00	-	-	-	2,350.00

(B) OTHER EQUITY

₹ In Lakhs

Other Equity	Securities Premium	General Reserve	Retained Earnings	Total
Balances at the beginning of reporting period April 1, 2022	4,036.00	25.13	240.76	4,301.89
Profit for the year	-	-	304.36	304.36
Balances at the end of reporting period March 31, 2023	4,036.00	25.13	545.12	4,606.25
Balances at the beginning of reporting period April 1, 2021	4,036.00	25.13	(10.62)	4,050.51
Profit for the year	-	-	251.38	251.38
Balances at the end of reporting period March 31, 2022	4,036.00	25.13	240.76	4,301.89

Notes

To the Financial Statements for the year ended March 31, 2023

NOTE - 1 CORPORATE INFORMATION

PIL ITALICA LIFESTYLE LIMITED (The Company) is a public limited company domiciled India and incorporated under the provisions of Companies Act, 1956. The Company is engaged in the manufacturing of Plastic Molded furniture and other articles. The Company was incorporated on March 16, 1992 and has its registered office at Kodiyat Road, Sisarma, Udaipur (Rajasthan). The Company shares are listed on National Stock Exchange and Bombay Stock Exchange.

NOTE - 2 SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013.

NOTE - 3 BASIS OF PREPARATION

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102 – Share-based Payment, leasing transactions that are within the scope of Ind AS 17 – Leases, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 – Inventories or value in use in Ind AS 36 – Impairment of Assets.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if

the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future periods.

Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and IND AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

Property, Plant and Equipment – Tangible Assets.

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

Cost is inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalised. Expenses capitalised also include applicable borrowing costs for qualifying assets, if any. All upgradation/enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Depreciation of these assets commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortizes the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight line basis. Land is not depreciated.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Buildings	30 Years
Plant and Equipment	25 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Intangible Assets	3 Years

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Intangible Assets

Intangible Assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially:

- a. for assets acquired in a business combination or by way of a government grant, at fair value on the date of acquisition/grant.
- b. for separately acquired assets, at cost comprising the purchase price (including import duties and nonrefundable taxes) and directly attributable costs to prepare the asset for its intended use.

Internally generated assets for which the cost is clearly identifiable are capitalised at cost. Research expenditure is recognised as an expense when it is incurred. Development costs are capitalised only after the technical and commercial feasibility of the asset for sale or use has been established. Thereafter, all directly attributable expenditure incurred to prepare the asset for its intended use are recognised as the cost of such assets. Internally generated brands, websites and customer lists are not recognised as intangible assets.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g., patents, licenses, trademarks, franchise and servicing rights) or the likelihood of technical, technological obsolescence (e.g., computer software, design, prototypes) or commercial obsolescence (e.g., lesser known brands are those to which adequate marketing support may not be provided). If, there are no such limitations, the useful life is taken to be indefinite. Intangible assets that have finite lives are amortized over their estimated useful lives by the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset. An intangible asset with an indefinite useful life is not amortized.

All intangible assets are tested for impairment. Amortization expenses and impairment losses and reversal of impairment losses are taken to the Statement of Profit and Loss. Thus, after initial recognition, an intangible asset is carried at its cost less accumulated amortization and/or impairment losses.

The useful lives of intangible assets are reviewed annually to determine if a reset of such useful life is required for assets with finite lives and to confirm that business circumstances continue to support an indefinite useful life assessment for assets so classified. Based on such review, the useful life may change or the useful life assessment may change from indefinite to finite. The impact of such changes is accounted for as a change in accounting estimate.

Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment losses recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

Inventories

- (a) The valuation is on the basis of F I F O method.
- (b) Raw Materials, Stores and Spare Parts, Colors and Pigments etc. and Stock in transit are valued at cost.
- (c) Finished Goods and Work-in-Process are valued at estimated cost or net realizable value whichever is lower.
- (d) Scrap is valued at net realizable value.

Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee.

Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

Exchange differences arising on monetary items that, in substance, form part of the Company's net investment in a foreign operation (having a functional currency other than Indian Rupee) are accumulated in Foreign Currency Translation Reserve.

Financial instruments, Financial assets, Financial liabilities and Equity instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase or sale 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 when the Company commits to purchase or sell the asset.

Financial Assets

Recognition:

Financial assets include Investments, Trade receivables, Advances, Security Deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification:

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Financial assets are classified as those measured at:

- (a) amortised cost, where the financial assets are held solely for collection of cash flows arising from payments of principal and/or interest.
- (b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.
- (c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

Trade receivables, Advances, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election at initial recognition may be made to present subsequent changes in fair value through other comprehensive income.

Impairment:

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected

financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the IND AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:

- (a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
- (b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously taken to reserves is reclassified within equity.

Income Recognition:

Interest income is recognised in the Statement of Profit and Loss using the effective interest method. Dividend income is recognised in the Statement of Profit and Loss when the right to receive dividend is established.

Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Any discount or premium on redemption/settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Equity Instruments

Equity instruments are recognised at the value of the proceeds, net of direct costs of the capital issue.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from the sale of goods includes duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax.

Revenue from the sale of goods is recognised when significant risks and rewards of ownership/control have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration is probable. Revenue from services is recognised in the periods in which the services are rendered.

Government Grant

The Company may receive government grants that require compliance with certain conditions related to the Company's operating activities or are provided to the Company by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Company will comply with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

Employee Benefits

i) Short-term Employee benefits

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short term employee benefits and are recognized as an expense in the Statement of Profit and Loss as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii) Post-Employment Benefits Defined Contribution Plans

Payments made to a defined contribution plan such as Provident Fund maintained with Regional Provident Fund Office and Superannuation Fund are charged as an expense in the Statement of Profit and Loss as they fall due.

Defined Benefit Plans

Gratuity Fund

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the provisions of the payment of the Gratuity (Amendment) Act, 1997 or as per the Company's scheme whichever is more beneficial to the employees.

Provident Fund

The contributions to the Provident Fund of employees are made to a Government administered Provident Fund and there are no further obligations beyond making such contribution.

iii) Other Long Term Employee Benefits

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees upto the end of the reporting period using the projected unit credit method

Re-measurements are recognised in profit or loss in the period in which they arise. Actuarial gains and losses in respect of such benefits are charged to Statement of Profit and Loss in the period in which they arise.

Leases

Leases are recognised as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a Lessee

Assets used under finance leases are recognised as property, plant and equipment in the Balance Sheet for an amount that corresponds to the lower of fair value and the present value of minimum lease payments determined at the inception of the lease and a liability is recognised for an equivalent amount.

The minimum lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in the Statement of Profit and Loss.

Rentals payable under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the term of the relevant lease unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis over the term of the lease.

Taxes on Income

Taxes on income comprises of current taxes and deferred taxes. Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or constructive obligation; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. The amount so recognised is a best estimate of the consideration required to settle the obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. In an event when the time value of money is material, the provision is carried at the present value of the cash flows estimated to settle the obligation.

Financial and Management Information Systems

The Company's Accounting System is designed to comply with the relevant provisions of the Companies Act, 2013, to provide financial information appropriate to the businesses and facilitate Internal Control.

Use of estimates and judgements

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A. Judgements in applying accounting policies

The judgements, apart from those involving estimations (see note below), that the Company has made in the process of applying its accounting policies and that have a significant effect on the amounts recognised in these financial statements pertain to useful life of intangible assets. The Company is required to determine whether its intangible assets have indefinite or finite life which is a subject matter of judgement. Certain trademarks have been considered of having an indefinite useful life taking into account that there are no technical, technological or commercial risks of obsolescence or limitations under contract or law. Other trademarks have been amortized over their useful economic life. Refer notes to the financial statements.

B. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

1. Useful lives of property, plant and equipment and intangible assets:

As described in the significant accounting policies, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period.

2. Fair value measurements and valuation processes:

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets, liabilities and share based payments are disclosed in the notes to the financial statements.

3. Actuarial Valuation:

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market. Information about such valuation is provided in notes to the financial statements.

4. Claims, Provisions and Contingent Liabilities:

In the case of litigations where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

₹ In Lakhs

Particulars	Owned Assets							
	Land-Free hold	Building	Plant and Equipment	Moulds	Furniture and fixtures	Vehicles	Office Equipments	Total
Year ended March, 2023								
GROSS CARRYING AMOUNT								
Opening Gross Carrying Amount	11.43	746.87	1,018.87	3,327.78	3.90	54.81	36.52	5,200.18
Additions		6.13	12.68	337.92	1.64		6.54	364.91
Disposals/Adjustment								
Closing Gross Carrying Amount	11.43	753.00	1,031.55	3,665.70	5.54	54.81	43.06	5,565.09
ACCUMULATED DEPRECIATION								
Opening Accumulated Depreciation	-	546.12	675.27	2,664.33	1.13	10.56	18.52	3,915.93
Depreciation charged during the year	-	19.68	14.06	32.61	0.45	6.51	4.78	78.09
Disposals/Adjustments	-							
Closing Accumulated Depreciation	-	565.80	689.33	2,696.94	1.58	17.07	23.30	3,994.02
Net Carrying Amount	11.43	187.20	342.22	968.76	3.96	37.74	19.76	1,571.07
Year ended March, 2022								
GROSS CARRYING AMOUNT								
Opening Gross Carrying Amount	11.43	685.66	916.17	3,025.89	1.93	9.24	33.27	4,683.59
Additions		61.21	190.67	301.89	1.97	45.57	3.25	604.56
Disposals/Adjustment			(87.97)					(87.97)
Closing Gross Carrying Amount	11.43	746.87	1,018.87	3,327.78	3.90	54.81	36.52	5,200.18
ACCUMULATED DEPRECIATION								
Opening Accumulated Depreciation	-	524.41	756.74	2,646.30	0.90	5.86	14.23	3,948.44
Depreciation charged during the year	-	21.71	6.50	18.03	0.23	4.70	4.29	55.46
Disposals/Adjustments	-		(87.97)					(87.97)
Closing Accumulated Depreciation	-	546.12	675.27	2,664.33	1.13	10.56	18.52	3,915.93
Net Carrying Amount	11.43	200.75	343.60	663.45	2.77	44.25	18.00	1,284.25

NOTE 4.1 - THE COMPANY DOES NOT HAVE ANY CAPITAL WORK IN PROGRESS.

NOTE 4.2 - TITLE DEEDS OF ALL THE IMMOVABLE PROPERTIES ARE IN THE NAME OF OF THE COMPANY.

NOTE 4.3 - THE ASSETS WERE NOT REVALUED DURING THE YEAR.

NOTE 5 - INTANGIBLE ASSETS

₹ In Lakhs

Particulars	Owned Assets	
	Software	Total
Year ended March, 2023		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	18.29	18.29
Additions	1.87	1.87
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	20.16	20.16
ACCUMULATED DEPRECIATION		
Opening Accumulated Depreciation	15.91	15.91
Depreciation charged during the year	1.22	1.22
Disposals/Adjustments	-	-

Closing Accumulated Depreciation	17.13	17.13
Net Carrying Amount	3.03	3.03
Year ended March, 2022		
GROSS CARRYING AMOUNT		
Opening Gross Carrying Amount	17.36	17.36
Additions	0.94	0.94
Disposals/Adjustment	-	-
Closing Gross Carrying Amount	18.30	18.30
ACCUMULATED DEPRECIATION		
Opening Accumulated Depreciation	14.93	14.93
Depreciation charged during the year	0.99	0.99
Disposals/Adjustments	-	-
Closing Accumulated Depreciation	15.92	15.92
Net Carrying Amount	2.38	2.38

NOTE 5.1 - NO INTANGIBLE ASSETS IS UNDER DEVELOPMENT

NOTE 6 - NON CURRENT ASSETS (INVESTMENTS)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
UNQUOTED-1421 (p.y. 1421) Compulsorily Convertible Preference Shares each of ₹ 10 in Atmosphere Workspace Solutions Private Limited	248.93	248.93
Total	248.93	248.93

Note 6.1 Subject to Applicable Laws, the CCPS shall be converted in the ratio of 1 (one) Equity Share for 1 (one) CCPS ("CCPS Conversion Ratio"), at any time at the option of the holder of the CCPS.

NOTE 7 - OTHER NON CURRENT FINANCIAL ASSETS

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposits	94.82	91.13
Total	94.82	91.13

NOTE 8 - CURRENT ASSETS (INVENTORIES)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Lower of cost or net realizable value		
(a) Raw Material	514.97	526.81
(b) Work in progress	54.70	40.06
(c) Finished goods	833.56	769.80
(d) Stock in trade	140.59	12.25
(e) Stores and spares	37.49	29.14
(f) Packing material	78.98	75.60
Total	1660.29	1453.66

NOTE 9 - TRADE RECEIVABLES (AT AMORTIZED COST)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables - Considered good secured	-	-
Trade Receivables - Considered good unsecured	593.30	447.85
Trade Receivables which have significant increase in credit risk		
Trade Receivables - Credit Impaired		
Trade Receivables - Considered doubtful-unsecured	337.57	337.57

Total	930.87	785.42
less - Allowances for doubtful receivables	337.57	337.57
Total	593.30	447.85

Trade receivables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022:

₹ In Lakhs

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables - considered good -- Unsecured-31.03.2023	400.78	176.01	2.32	3.93	10.26	0.00	593.30
Trade receivables - considered doubtful -- Unsecured-31.03.2023						337.57	337.57
Total 31.03.2023	400.78	176.01	2.32	3.93	10.26	337.57	930.87
Trade receivables - considered good -- Unsecured-31.03.2022	317.40	111.52	1.34	8.54	9.05	0.00	447.85
Trade receivables - considered doubtful -- Unsecured-31.03.2022						337.57	337.57
Total 31.03.2022	317.40	111.52	1.34	8.54	9.05	337.57	785.42

NOTE 10 - CASH AND CASH EQUIVALENTS

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks in current accounts	88.45	5.17
Cash on hand	0.98	1.90
Total	89.43	7.07

NOTE 11 - BANK BALANCES (OTHER THAN CASH AND CASH EQUIVALENTS)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks in fixed deposit (Fixed deposit having maturity more than three months, less than 12 Months)	157.89	118.16
Total	157.89	118.16

Note 11.1 - Balance includes accrued interest on FDR ₹ 0.58 Lakhs (p.y.0.26 Lakhs)

NOTE 12 - LOANS (AT AMORTIZED COST)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Current Loans and advances to employees - Considered good - Unsecured	8.12	5.03
Loans and advances to employees - Considered doubtful - Unsecured	0.00	0.00
Loan to others - Considered good - Unsecured	4117.68	4485.14
Loan to others - Considered doubtful - Unsecured	0.00	0.00
Total	4125.80	4490.17

NOTE 12.1 - NO LOAN GIVEN TO PROMOTORS, DIRECTORS, KEY MANAGERIAL PERSONNEL AND RELATED PARTIES.

NOTE 13 - OTHER ASSETS

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Unsecured, Considered Goods				
Prepaid Expenses		4.93		5.04
Others		154.52		213.32
Balances with government authorities		14.69		14.99
Total		174.14		233.35

NOTE 14 - EQUITY SHARE CAPITAL

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 1 each	25,00,00,000	2,500.00	25,00,00,000	2,500.00
Total	25,00,00,000	2,500.00	25,00,00,000	2,500.00
Issued, subscribed and fully paid up				
Equity Shares of ₹ 1 each	23,50,00,000	2,350.00	23,50,00,000	2,350.00
Total	23,50,00,000	2,350.00	23,50,00,000	2,350.00

NOTE 14.1 - RECONCILIATION OF NO. OF SHARES

₹ In Lakhs

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
Shares outstanding at the beginning of the year	23,50,00,000	2,350.00	23,50,00,000	2,350.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	23,50,00,000	2,350.00	23,50,00,000	2,350.00

NOTE 14.2 - NAMES OF SHARE HOLDERS HOLDING MORE THAN 5%

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Equity Shares	%	No. of Equity Shares	%
DA Trade Tech Private limited	11,74,00,000	49.96	11,74,00,000	49.96

NOTE 14.3 SHARES HELD BY PROMOTER AT THE END OF THE YEAR

Promoter Name	No. of Sharers	% of total shares	% changes during the year
Daud Ali	316200	0.13	-
DA Trade Tech Private limited	117400000	49.96	-

NOTE 14.4 - NO BONUS SHARES ALLOTTED DURING THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING THE YEAR.**NOTE 14.5 - OTHER DISCLOSURES**

The Company has one class of equity shares having a par value @ ₹ 1 per share held. Each equity share holder is entitled to dividends as and when declared by the company. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the company after distribution of all preferential amount in proportion to their share holding.

The Company has not allotted any shares pursuant to contract without payment being received in cash.

There are no call unpaid on equity shares.

No shares have been reserved for issue on option.

No equity shares have been forfeited.

NOTE 15 - OTHER EQUITY

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
1. SECURITIES PREMIUM		
As per the last year accounts	4036.00	4036.00
Add: Addition during the year	-	-
	4036.00	4036.00
2. GENERAL RESERVE		
As per the last year accounts	25.13	25.13
3. RETAINED EARNINGS		
As per the last year accounts	240.76	-10.62
Add: Surplus for the year	304.36	251.38
	545.12	240.76
TOTAL	4606.25	4301.89

1) Share Premium:

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

2) General Reserve:

This includes the amount received from the Government under an incentive scheme for capital expansion and on the expiry of requisite period, the amount was transferred to it.

3) Retained Earnings:

This Reserve represents the cumulative profits of the Company and effects of re-measurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

NOTE 16 - BORROWINGS (NON CURRENT)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
UCO Bank		
Guaranteed Emergency credit	1.12	9.30
Covid emergency credit	55.33	60.33
Car loan	22.87	27.52
Total	79.32	97.15

Note - See 17 (a)

NOTE 17 - BORROWINGS (CURRENT)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Current maturities of long term borrowings	17.28	11.86
Repayable on Demand		
From Banks		
UCO Bank		
Cash Credit Facilities	830.70	842.52
ICICI BANK		
Overdraft	36.75	93.76
Unsecured-other than related parties	154.00	367.00
Total	1038.73	1315.14

(a) Cash Credit, Guaranteed Emergency credit, covid emergency credit from UCO Bank:

Secured against equitable mortgage of land and building of the Company situated at Kodyat Road, Udaipur and by way of first charge of all current assets such as Raw Material, finished goods, work in progress, stores and spares, book debts and packing material etc. Also secured by way of personal guarantee of Mr. Daud Ali, Managing Director of the Company Rate of interest on cash credit as on March 31, 2023 is 10.45%.

(b) Car Loan from UCO Bank:

Secured against hypothecation of Car No.MH01DT5202 and rate of interest is 7.60%.

(c) Overdraft from ICICI Bank:

Secured against fixed deposit receipt of the Company, rate of interest as on March 31, 2023 is 7.85%.

(d) There is no default in the payment of interest and principal.**NOTE 18 - CURRENT LIABILITIES (TRADE PAYABLES)**

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Total Outstanding of creditors micro and small enterprises	-	-
Total Outstanding of creditors other than micro and small enterprises	323.77	182.40
Total	323.77	182.40

Disputed Dues (MSME and Others) NIL

Trade payables ageing schedule for the year ended as on March 31, 2023 and March 31, 2022:

₹ In Lakhs

Particulars	Not due	Less than one year	1 year to 2 year	2 year to 3 year	more than 3 year	Total
Outstanding dues to MSME - 22-23	0	0	0	0	0	0
Outstanding dues to MSME - 21-22	0	0	0	0	0	0
Others - 22-23	281.04	42.70	0.03	0.00	0.00	323.77
Others - 21-22	159.23	23.17	0.00	0.00	0.00	182.40

NOTE 19 - CURRENT LIABILITIES (OTHER CURRENT LIABILITIES)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Statutory remittances	17.84	43.23
(b) Other payables	231.98	125.83
Total	249.82	169.06

NOTE 20 - CURRENT LIABILITIES (PROVISIONS)

₹ In Lakhs

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for leave encashment of employees	24.99	17.85
Total	24.99	17.85

NOTE 21 - REVENUE FROM OPERATIONS

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Sale of products	8232.07	6399.73
(b) Interest on financial assets at amortized cost	299.04	356.98
Revenue from operations	8,531.11	6,756.71

NOTE 22 - OTHER INCOME

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Interest on Income Tax refund	4.21	0.00
(b) Profit on sale of assets	0.00	19.08
Total	4.21	19.08

NOTE 23 - COST OF MATERIAL CONSUMED

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Stock	526.81	542.92
Add - Purchases	5175.80	3959.91
Less - Closing Stock	514.96	526.81
Total	5187.65	3976.02

NOTE 24 - PURCHASE OF TRADED GOODS

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Purchases	278.92	125.53
Total	278.92	125.53

NOTE 25 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the end of the year:		
Finished goods	833.56	769.80
Stock in trade	140.59	12.25
Work-in-progress	54.70	40.06
	1028.85	822.11
Inventories at the beginning of the year:		
Finished goods	769.80	940.73
Stock in trade	12.25	5.55
Work-in-progress	40.06	67.56
	822.11	1013.84
Net (increase)/decrease	(206.74)	191.73

NOTE 26 - EMPLOYEE BENEFITS EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	766.69	616.49
Contributions to provident and other funds	50.01	45.47
Staff welfare expenses	14.82	23.94
Total	831.52	685.90

Refer note 32

NOTE 27 - FINANCE COSTS

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on Borrowing	93.80	80.88
Processing Fees for Cash Credit limits	6.66	3.26
Total	100.46	84.14

NOTE 28 - DEPRECIATION AND AMORTIZATION EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation Expenses	78.09	55.46
Amortization Expenses	1.22	0.99
Total	79.31	56.45

NOTE 29 - OTHER EXPENSES

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consumption of stores and spare parts	72.14	45.54
Consumption of packing materials	290.03	175.21
Power and fuel	327.99	263.95
Lease rent	119.39	163.12
Other Manufacturing Expenses	37.46	55.74
Other Miscellaneous expenses	44.73	40.57
Advertisement and Publicity Expenses	56.11	32.98
Rent	177.46	162.57
Travelling and conveyance	126.45	90.99
Freight and forwarding	193.69	127.84
Sales Expenses	350.35	108.43
Commission on sales	43.83	25.22
Legal and professional	17.45	27.53
Audit fees	0.40	0.40
Total	1857.48	1320.09

NOTE 30 - EARNING PER SHARE

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
1) Profit after tax attributable to owners of the company	304.36	251.38
2) Earning used in the calculation of basic earnings for the year	304.36	251.38
3) Weighted average number of equity shares used as denominator for calculating Basic EPS	23,50,00,000	23,50,00,000
4) Weighted average number of equity shares and convertible warrants used as denominator for calculating diluted EPS	23,50,00,000	23,50,00,000
5) Basic earnings per share	0.13	0.11
6) Diluted earning per share	0.13	0.11
7) Face value per equity share (₹)	1.00	1.00

NOTE 31 - CONTINGENT LIABILITIES

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Penalty imposed by the Enforcement Directorate - Net of deposit under protest-Subjudiced at High Court, Jodhpur	122.00	122.00

NOTE 32 - RETIREMENT AND OTHER EMPLOYEE BENEFITS

(a) Family pension scheme

The contribution are based on fixed percentage of the employees salary, subject to a ceiling as prescribed in the scheme.

Defined Benefit plans

(a) Provident Fund

The contribution are based on fixed percentage of the employees salary.

Contribution to defined contribution plan, recognised as expenses for the year is as under

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employers Contribution to provident fund	18.08	14.84
Employers contribution to pension fund	21.53	18.39
Employers contribution to EDLI	1.34	1.10
Employers contribution to National pension scheme	6.31	6.02
Employers contribution to ESI	2.75	5.12
Total	50.01	45.47

(b) Gratuity Plan

The Company participates in the Employees Group Gratuity-scheme of life insurance corporation limited, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on death or on separation/termination in terms of the payment of gratuity (amendment) Act, 1997, or as per the company's scheme whichever is more beneficial to the employees.

NOTE 33 - SEGMENTAL REPORTING

The Company has identified two reportable segment i.e. Manufacturing and finance taking in to account nature of product. The accounting policies adopted for segment reporting are in line with accounting policy of the company.

Segment-wise Revenue, Results and Capital Employed

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Segment Revenue		
1 Manufacturing	8232.07	6399.73
2 Finance	299.04	356.98
Gross value of sales and services	8531.11	6756.71
Less-Inter Segment transfers	0	0
Revenue From Operation	8531.11	6756.71
Other Income	4.21	19.08
Total Revenue	8535.32	6775.79
Segment results		
1 Manufacturing	304.99	162.04
2 Finance	197.98	238.94
Total Segment Results	502.97	400.98
Other Income	4.21	19.08
Profit before Interest and tax	507.18	420.06
Less-Interest	100.46	84.14
Profit before tax	406.72	335.92

Provision for tax		
Income Tax	-	-
Deferred Tax	102.36	84.54
Profit after tax	304.36	251.38
Segment Assets		
1 Manufacturing	4601.02	3948.35
2 Finance	4117.68	4485.14
Total	8,718.70	8,433.49
Segment Liabilities		
1 Manufacturing	1762.45	1781.60
2 Finance	-	-
Total	1,762.45	1,781.60
Capital Employed	6,956.25	6,651.89
Capital Expenditure		
Manufacturing	366.78	605.50
Depreciation and amortization		
Manufacturing	79.31	56.45

NOTE 34 - CURRENT TAX, DEFERRED TAX AND DEFERRED TAX ASSETS

The major components for the year ended March 31, 2023 are as under:

TAX RECONCILIATIONS

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Tax expenses recognised in the Statement of Profit and Loss		
Current Tax:		
Current tax on profits for the year	-	-
Deferred tax (Net)	102.36	84.55
Total income tax (Deferred Tax) expenses	102.36	84.55

Reconciliation of tax expenses and the accounting profit

The reconciliation between estimated income tax at statutory income tax rate into income tax expenses reported in Statement of Profit and Loss is given below:

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before income tax	406.72	335.93
Indian statutory income tax rate	25.168%	25.168%
Expected income tax expenses	102.36	84.55
Tax effect of adjustment to reconcile expected income tax Expenses to reported Income tax expenses		
Tax impact of income not subject to tax	-	-
Tax effects of amounts which are not deductible for taxable income	-	-
Additional tax paid on book profits	-	-
Others	102.36	84.55
	102.36	84.55
	-	-
Total income tax (deferred Tax) expenses	102.36	84.55

Deferred Tax (Liabilities)

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Property Plant and Equipment and others		
Total deferred tax liabilities	45.82	-

Deferred Tax Assets

₹ In Lakhs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Property, plant and equipment and others	-	56.54
Total deferred tax Assets	-	56.54
Net Deferred tax (Liabilities)/Assets	(45.82)	56.54

Movement in Deferred tax Assets

₹ In Lakhs

Particulars	Property, plant and equipment	Other deferred tax liability	MAT	Other Deferred Tax Assets	Deferred Tax Liabilities/ Asset (Net)
As at March 31, 2021	137.43	-	-	3.66	141.09
(Charged)/Credited to profit and Loss account	(85.39)	-	-	0.84	(84.55)
As at March 31, 2022	52.04	-	-	4.50	56.54
(Charged)/Credited to profit and Loss account	(103.62)	-	-	1.26	(102.36)
As at March 31, 2023	(51.58)	-	-	5.76	(45.82)

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

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

The Company has opted taxation under section 115 BAA of income tax act, as per provisions of this section minimum alternate tax is not payable.

NOTE 35 - FINANCIAL INSTRUMENTS

Financial Instruments and Related Disclosures:

1. Capital Management

The Company's financial strategy aims to support its strategic priorities and provide adequate capital to its businesses for growth and creation of sustainable stakeholder value. The Company funds its operations through internal accruals. The Company aims at maintaining a strong capital base largely towards supporting the future growth of its businesses as a going concern.

2. Categories of Financial Instruments

₹ In Lakhs

Particulars	Note	As at March 31, 2023		As at March 31, 2022	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets (Measured at amortised cost)					
(i) Cash and cash equivalent	10	89.43	89.43	7.07	7.07
(ii) Trade receivables	9	593.30	593.30	447.85	447.85
Total Financial assets		682.73	682.73	454.92	454.92
Financial Liabilities (Measured at amortised cost)					
(i) Trade Payables	16	323.77	323.77	182.40	182.40
Total financial liabilities		323.77	323.77	182.40	182.40

3. FINANCIAL RISK MANAGEMENT

The activities of the Company exposes it to a number of financial risks namely market risk, credit risk and liquidity risk. The Company seeks to minimize the potential impact of unpredictability of the financial markets on its financial performance. The Company does regularly monitor, analyze and manage the risks faced by the Company and to set and monitor appropriate risk limits and controls for mitigation of the risks.

A. MANAGEMENT OF 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 risk comprises of three types of risks: interest rate risk, price risk and currency rate risk. Financial instruments affected by market risk includes borrowings and investments. The Company has international trade operations and is exposed to a variety of market risks, including currency and interest rate risks.

(i) Management of 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 has not borrowed funds.

(ii) Management of price risk:

The Company has no surplus for investment in debt mutual funds, deposits etc. The Company does make deposit with the banks to provide security against Overdrafts given by the banks. Deposit is made in fixed rate instrument. In view of this it is not susceptible to market price risk, arising from changes in interest rates or market yields which may impact the return and value of the investments.

B. MANAGEMENT OF CREDIT RISK:

Credit risk refers to the risk of default on its obligations by a counter party to the Company resulting in a financial loss to the Company. The Company is exposed to credit risk from its operating activities (trade receivables) and foreign exchange transactions and financial instruments.

Credit risk from trade receivables is managed through the Company's policies, procedures and controls relating to customer credit risk management by establishing credit limits, credit approvals and monitoring creditworthiness of the customers to which the Company extends credit in the normal course of business. Outstanding customer receivables are regularly monitored. The Company has no concentration of credit risk as the customer base is widely distributed.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counter party etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

C. MANAGEMENT OF LIQUIDITY RISK:

Liquidity risk is the risk that the Company may not be able to meet its present and future cash obligations without incurring unacceptable losses. The Company's objective is to maintain at all times, optimum levels of liquidity to meet its obligations. The Company closely monitors its liquidity position and has a cash management system. The Company maintains adequate sources of financing including debt and overdraft from domestic and international banks and financial markets at optimized cost.

The Company's Current assets aggregate to ₹ 6,800.85 lakhs (2022 – ₹ 6,750.26 lakhs); including Cash and cash equivalents and Other bank balances of ₹ 89.43 lakhs (2022 – ₹ 7.07 lakhs) against an aggregate Current liability of ₹ 1,637.21 lakhs (2022 – ₹ 1,684.45 lakhs); Non-current liabilities due between one year to three years amounting to ₹ 79.32 lakhs (2022 – ₹ 97.15 lakhs) and Non-current liability due after three years amounting to ₹ NIL (2022 – NIL); on the reporting date. Further, while the Company's total equity stand ₹ 6,956.25 lakhs (2022 – ₹ 6,651.89 lakhs), it has non-current borrowings of ₹ 79.32 lakhs (2022 – 97.15 lakhs). In such circumstances, liquidity risk or the risk that the Company may not be able to settle or meet its obligations as they become due does not exist.

D. Fair value measurement

Fair value hierarchy

Fair value of the financial instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Quoted prices (unadjusted) in active market for identical assets or liabilities.

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

The fair value of financial instruments that are not traded in an active market is determined using market approach and valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

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

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counter party.

The fair value of trade receivables, trade payables and other Current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are Non-current

in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis. Similarly, unquoted equity instruments where most recent information to measure fair value is insufficient, or if there is a wide range of possible fair value measurements, cost has been considered as the best estimate of fair value.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Particulars	Fair value hierarchy	₹ In Lakhs			
		As at March 31, 2023		As at March 31, 2022	
		Fair Value		Fair Value	
Financial assets (Measured at amortised cost)					
(i) Cash and cash equivalent	L2	89.43	89.43	7.07	7.07
(ii) Trade receivables	L2	593.30	593.30	447.85	447.85
Total Financial Assets		682.73	682.73	454.92	454.92
Financial Liabilities (Measured at amortised cost)					
(i) Trade payables	L2	323.77	323.77	182.40	182.40
Total Financial Liabilities		323.77	323.77	182.40	182.40

NOTE 36

The Company has not been declared wilful defaulter by any bank and institution.

NOTE 37

No charges are pending to be created with Registrar of companies and no satisfaction of charges is pending.

NOTE 38 - RATIOS

The following are analytical ratios for the year ended March 31, 2023 and March 31, 2022:

Particulars	Numerator	Denominator	As at March 31, 2023	As at March 31, 2022	Variance	Remark
Current Ratio	Current assets	Current liabilities	4.15	4.00	3.75%	
Debt - Equity Ratio	Total Debt	Shareholder's Equity	0.25	0.26	-3.84%	
Debt Service Coverage Ratio	EBITDA	Interest plus principal	5.19	4.59	1.13%	
Return on Equity (ROE)	Net Profits after taxes	Average Shareholder's Equity	4.44%	3.85%	15.32%	
Inventory Turnover Ratio	Sale of products	Average Inventory	5.28%	4.01%	31.67%	In view of increase in sales
Trade receivables turnover ratio	Revenue	Average Trade Receivable	15.79	14.64	7.85%	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	21.51	15.59	37.97%	Increase in trade payables in view of increase in purchases
Net capital turnover ratio	Net Sales	Working Capital	1.59	1.26	26.19%	In view of increase in sales

Net Profit Ratio	Net Profit	Net Sales	3.67%	3.92%	-6.37%
Return on capital employed (ROCE)	Earning before interest and taxes	Capital Employed(4)	6.64%	6.17%	7.61%
Return on Investment (ROI)					
Unquoted	Income generated from investments	Time weighted average investments	No income generated from investment		

NOTE 39

The company has utilized funds for the purpose for which they were borrowed.

NOTE 40

The company has not received funds from any person or entities including foreign entities to further lend or invest or provide any guarantee, security to third party.

NOTE 41

The Company has not made any scheme of arrangement during the year.

NOTE 42

The books of accounts are tallied with stock statement submitted by the company with bank.

NOTE 43

There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (43 of 1961).

NOTE 44

The Company has no transactions with struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

NOTE 45 - RELATED PARTY DISCLOSURE

Disclosures in respect of related parties pursuant to IND AS 24.

During the year following transactions were carried out with the related parties in the ordinary course of business at arm length price

					₹ In Lakhs
Name of related party	Nature of relation	2022-2023	2021-2022	Nature of transaction	
Mr. Daud Ali	key managerial personnel	46.84	46.84	Remuneration	
Mr. Narendra Bhanawat	key managerial personnel	6.04	5.39	Remuneration	
Eduvisor Services Private Limited	Managing Director has control	0.00	1,134.90	Amount received towards loan paid	

No amount in respect of the related parties have been written off/back are provided for during the year. Related party relationship has been identified by the Management and relied upon by the auditors.

NOTE 46

There are no Micro, Small and Medium Enterprises, to whom the Company owes dues (principal and/or interest), which are outstanding for more than 45 days as at the balance sheet date. During the year, there have been no payments made to Micro, Small and Medium Enterprises beyond 45 days. There were no amounts on account of interest due that were payable for the period where the principal has been paid but interest under the MSMED Act, 2006 not paid. Further, there were no amounts towards interest accrued that were remaining unpaid at the end of accounting year. Accordingly, there were no amounts due to further interest due and payable in the succeeding years.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Information relating to the Micro, Small and Medium Enterprises	As at March 31, 2023	As at March 31, 2022
(a) The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; (i) Principal amount (ii) Interest	-	-
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

NOTE 47

Balances of banks, sundry debtors and trade payables, current liabilities, etc. as on March 31, 2023 are subject to confirmation and reconciliation.

NOTE 48

No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made there under.

NOTE 49

The Company is not covered under section 135 of the companies Act, 2013.

NOTE 50

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

NOTE 51

In the opinion of the Management, there is no impairment of assets in accordance with the IND AS 36 as on the Balance Sheet date.

For M/s H.R. JAIN & CO.

Chartered Accountants
Firm Reg. No.: 000262C

sd/-

Manoj Jain

Partner

Membership No.: 400459

Place: Udaipur (Raj.)

Date: 03.05.2023

UDIN: 23400459BGUJZS1016

NOTE 52

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 of the Companies Act, 2013 as at the year end.

NOTE 53

There are no significant subsequent events that would require adjustments or disclosures in the financial statements as on the balance sheet date.

NOTE 54

The financial statements were authorised for issue by the Board of Directors on May 3, 2023.

NOTE 55

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

NOTE 56

Previous year's figures have been reclassified/regrouped wherever necessary to conform with the current year's Financial Statements.

For and on behalf of the Board of Directors

sd/-

Daud Ali

Managing Director

DIN : 00185336

sd/-

Narendra Bhanawat

Whole Time Director

Chief Financial Officer

DIN : 00146824



ITALICA[®]




PIL ITALICA LIFESTYLE LIMITED

CIN : L25207RJ1992PLC006576

Website : www.italica.com

E-mail : info@italica.com

Customer Care : + 91 93 144 11101

 Italica  Italica  +91 93 144 11101

UDAIPUR • DELHI • MUMBAI • SILVASSA

BENGALURU • BHIWANDI • GHAZIABAD

JABALPUR • ZIRAKPUR

TIL Advisors Product
til