

Bright Brothers Limited

Regd. Office :

Office No. 91, 9th Floor, Jolly Maker Chambers No. 2,
225, Nariman Point, Mumbai - 400 021.
Email: invcom@brightbrothers.co.in
Tel.: 022-25835158
Website : <http://www.brightbrothers.co.in>
CIN : L25209MH1946PLC005056



BSE Limited

2nd September, 2021

Corporate Relations Dept.

P. J. Towers, Dalal Street,

Fort, Mumbai- 400 001

Scrip Code: 526731

Dear Sir/Madam,

Sub.: 1. Notice of 74th Annual General Meeting and Annual Report for the financial year 2020-21.

2. Book Closure for payment of dividend.

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith Notice of 74th Annual General Meeting (AGM) and the Annual Report of the Company for the financial year 2020-21.

The AGM is scheduled to be held on Monday, 27th September, 2021 at 12:00 noon through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"). The Notice of AGM along with the Annual Report for the financial year 2020-21 is also available on the website of the Company.

Pursuant to Regulations 42 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 Book Closure dates will be from Tuesday, 21st September, 2021 to Monday, 27th September, 2021 (both days inclusive) for determining the entitlement of the shareholders to the payment of dividend.

| Name of Exchange | Scrip Code | Type of Security | Book Closure dates (both days inclusive) | | Purpose |
|------------------|------------|------------------|---|--|---|
| | | | From | To | |
| BSE Limited | 526731 | Equity Shares | Tuesday, 21 st September, 2021 | Monday, 27 th September, 2021 | 74 th Annual General Meeting and payment of Dividend |



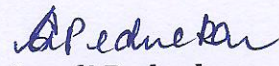
It is further informed that, Monday, 20th September, 2021 has been fixed as the cut-off date for ascertaining the members/ beneficial owners those who are eligible to cast their vote with regard to the businesses to be transacted pursuant to the notice of Annual General Meeting and also for payment of dividend. The E-voting facility will be available to the eligible shareholders from Wednesday, 22nd September, 2021 (9:00 am) and ends on Sunday, 26th September, 2021 (5:00 pm).

We request you to take the same on record.

Thanking you,

Yours faithfully,

For **Bright Brothers Limited**


Sonali Pednekar



Company Secretary and Compliance Officer

Encl.: As above

BRIGHT BROTHERS LIMITED

CIN: L25209MH1946PLC005056

Registered Office : Office no. 91, 9th Floor, Jolly Maker Chambers No. 2, 225, Nariman Point, Mumbai - 400021.

• Tel.: 91 22 25835158 • E-mail: invcom@brightbrothers.co.in • Website: www.brightbrothers.co.in

NOTICE

Notice is hereby given that the 74th Annual General Meeting of BRIGHT BROTHERS LIMITED will be held on Monday (day), 27th September, 2021 (date) at 12.00 noon (time) IST through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Office no. 91, 9th Floor, Jolly Maker Chambers No. 2, 225, Nariman Point, Mumbai – 400021.

ORDINARY BUSINESS:

1. Adoption of Accounts

To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2021 together with the Report of the Board of Directors and the Auditor's Report thereon.

2. Declaration of dividend

To declare a Dividend on equity shares for the financial year 2020-21.

3. Re-appointment of Mrs. Devika Bhojwani, Whole-time Director (DIN: 08355381), who is liable to retire by rotation

Mrs. Devika Bhojwani, Whole-time Director of the Company will retire by rotation at the forthcoming Annual General Meeting and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

4. Payment of Remuneration to Cost Auditors for the financial year 2021-22.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration of ₹ 1,50,000/- plus tax as applicable and reimbursement of out of pocket expenses as recommended by Audit Committee, considered and approved by the Board of Directors of the Company and set out in the statement annexed to the Notice, to be paid to M/s. S. R. Singh and Co. as Cost Accountants for conducting the audit of the cost records of the Company for the financial year ending 31st March, 2022 be and is hereby ratified and confirmed.

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

By Order of the Board of Directors,
For **BRIGHT BROTHERS LIMITED**

Suresh Bhojwani
Chairman & Managing Director
DIN: 00032966

Place : Mumbai
Date : 18th June, 2021

Registered office:

Office no. 91, 9th Floor,
Jolly Maker Chambers No. 2,
225, Nariman Point,
Mumbai – 400021.

**ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING
DETAILS OF DIRECTOR RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT
AT THE 74TH ANNUAL GENERAL MEETING**

**[Pursuant to Regulation 36(3) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]**

| | |
|--|--|
| Particulars | Mrs. Devika Bhojwani |
| DIN | DIN: 08355381 |
| Designation | Whole-time Director |
| Date of Birth and age | 18 th April, 1953, 68 years |
| Date of Appointment | 1 st April, 2019 |
| Qualifications | Graduated from J. J. School of Arts with Distinction in Design |
| Experience in specific functional area | An artist, an educationist and a businesswoman who has contributed immensely towards various art festivals and has also set up an NGO at Tata Memorial Hospital for creating cancer awareness. She has received many awards and honours. |
| Number of equity shares held in the Company as on 31st March, 2021 | 41,300 |
| List of Public Companies in which Directorships held as on 31st March, 2021 (other than Bright Brothers Limited) | Nil |
| Chairman/member of the Committees of the Board of the Companies in which she is a Director (other than Bright Brothers Limited) | Nil |
| Remuneration Last Drawn in the year 2020-21 | As approved by the members at the Annual General Meeting held on 13 th August, 2019 |
| Remuneration proposed to be paid | As approved by the members at the Annual General Meeting held on 13 th August, 2019 |
| Relationship with other Director/ Key Managerial Personnel | Spouse of Mr. Suresh Bhojwani, Chairman and Managing Director and Daughter-in-law of Mrs. Hira Bhojwani, Non-Executive Director |
| Number of meetings of the Board attended during the year 2020-21 | 4 meetings |

NOTES:

- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated 13th January, 2021 and Securities and Exchange Board of India (SEBI) has, vide its circular dated 15th January, 2021 permitted holding of the 74th Annual General Meeting (“AGM”) through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circular, the AGM of the Company is being held through VC/OAVM.
- Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.
- Link Intime India Private Limited, Registrar & Transfer Agent of the Company, (“Link Intime”) shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained in this Notice.
- Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to invcom@brightbrothers.co.in.

5. In compliance with the aforesaid Circulars, the Annual Report 2020-21, the Notice of the 74th AGM, and instructions for e-voting are being sent only through electronic mode to those members whose email addresses are registered with the Company / depositories. Members may note that the Notice and Annual Report 2020-21 are also available on the Company's website www.brightbrothers.co.in and on the website of the Stock Exchange, i.e. BSE Limited, www.bseindia.com.
6. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
7. The relative explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in Item Nos. 4 and 5 above, is annexed hereto.
8. Pursuant to the provisions of section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will be closed from Tuesday, 21st September, 2021 (day and date) to Friday, 27th September, 2021 (both days inclusive) for the purpose of the AGM and also for determining the entitlement of the shareholders to the payment of dividend.
9. Subject to the provisions of Section 126 of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared, at the Annual General Meeting will be dispatched/ remitted paid on or after 27th September, 2021 to those members:
 - (a) whose names appear as Beneficial Owners in the list of Beneficial Owners on 20th September, 2021 furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL) and
 - (b) whose names appear as a member in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/Registrar and Transfer Agent on 20th September, 2021.
10. Members holding shares in electronic form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the Members holding shares in electronic form for any change in address, change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members.
11. Members holding shares in physical form are requested to inform any change of address, updation of bank details etc. immediately to the Company's Registrar and Share Transfer Agent (RTA), Link Intime India Private Limited.
12. The Final Dividend on Equity Shares as recommended by the Board of Directors, if declared at the meeting, will be paid on or after 27th September, 2021:
 - i. In respect of shares held in demat form, to the Beneficial Owners as per the details furnished by Depositories as at the end of business hours on 20th September, 2021;
 - ii. In respect of shares held in physical form, to the shareholders whose names appear on the Register of Members as at the end of business hours on 20th September, 2021.
13. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/Link Intime (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).
14. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H or Lower Withholding Certificate (if obtained from the Tax department), to avail the benefit of non-deduction/ lower deduction of tax at source by writing an email to mt.helpdesk@linkintime.co.in and invcom@brightbrothers.co.in on or before 15th September, 2021 (time) IST on 5:00 p.m. The shareholders are requested to note that in case their PAN is not registered/ updated, the tax will be deducted at a higher rate of 20% (plus Surcharge and Cess as applicable).

15. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment (PE) and Beneficial Ownership Declaration, Tax Residency Certificate (TRC), Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to rnt.helpdesk@linkintime.co.in, and invcom@brightbrothers.co.in. The aforesaid declarations and documents need to be submitted by the shareholders by 5:00 p.m. IST on 15th September, 2021. The formats of No PE Declaration (including beneficial ownership) and Form 10F are available on Link Intime's website at <https://www.linkintime.co.in/client-downloads.html>.

TRC needs to be obtained by the shareholder from the Tax Department of their country of residence. Non-resident shareholders shall also furnish the lower/nil withholding certificate, if obtained from the Tax Department.

16. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director retiring by rotation and seeking appointment at this AGM is annexed.
17. Members are permitted to join the AGM through VC/OAVM, 15 minutes before the scheduled time of commencement of AGM and during the AGM, by following the procedure mentioned in this Notice.
18. Pursuant to provisions of Section 124 of the Companies Act, 2013, dividend which remain unpaid/unclaimed for a period of 7 years from the date of transfer of the same to the Company's Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The following are the details of the dividends paid by the Company and respective due dates for claim by the members:

| Financial Year | Date of Declaration of Dividend | Date of transfer to unpaid Dividend Account | Last date for claim |
|----------------|---------------------------------|---|---------------------|
| 2013-14 | 04/09/2014 | 10/10/2014 | 11/10/2021 |
| 2014-15 | 16/09/2015 | 23/10/2015 | 22/10/2022 |
| 2015-16 | 03/08/2016 | 09/09/2016 | 08/09/2023 |
| 2016-17 | 10/08/2017 | 16/09/2017 | 15/09/2024 |
| 2017-18 | 22/09/2018 | 25/10/2018 | 24/10/2025 |
| 2018-19 | 13/08/2019 | 18/09/2019 | 17/09/2026 |
| 2019-20 | 09/03/2020 | 15/04/2020 | 14/04/2027 |

The Company has uploaded the information of unclaimed/unpaid dividend in respect of the financial years from 2013-14, on the website of the IEPF viz. www.iepf.gov.in and under "Download → Investors" Section on the Website of the Company viz. www.brightbrothers.co.in.

After the last date of claim, the company shall transfer the unpaid dividend and the underlying shares (whose dividend has not been claimed for a period of seven consecutive years) to IEPF, including all benefits accruing on such shares, if any, and the same can be claimed only from the IEPF Authority by making a separate application to the IEPF Authority in Form IEPF-5 as prescribed under the Rules and the same is made available at IEPF website i.e. www.iepf.gov.in. In view of the above, the members are advised to send a written request for claiming unpaid dividend pertaining to the above years to M/s Link Intime India Private Limited, Registrar and Transfer Agent (RTA) for crediting unpaid dividend directly in your bank account through NEFT.

19. To promote green initiative, members holding demat accounts are requested to register their e-mail addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference of their Folio Number.
20. Members desirous of obtaining any information as concerning Accounts shall email to the Company Secretary at invcom@brightbrothers.co.in at least seven clear days in advance so that the information required can be made available at the meeting.
21. Pursuant to the provisions of Section 72 of Companies Act, 2013, facility for making nomination is available for individual members. Therefore, the shareholders holding shares in physical forms and willing to avail this facility may make nomination in the prescribed Form No. SH-13 duly filled in to Link Intime India Pvt. Ltd. However, in case of demat holding the shareholders should approach their respective depository participants for making nominations.

22. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed Companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents, Link Intime India Private Limited for assistance in this regard.
23. In compliance with the aforesaid MCA Circulars and circular issued by SEBI dated 12th May, 2021 and 15th May, 2021, Notice of the Annual General Meeting along with the Annual Report for the Financial year 2020-21 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice of Annual General Meeting and Annual Report for the Financial year 2020-21 will also be available on the Company's website www.brightbrothers.co.in and website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of Link Intime India Private Limited at <https://instavote.linkintime.co.in/>
24. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the members during the AGM.
25. All documents referred to in the accompanying Notice and Explanatory Statement are available for inspection up to and during the AGM in electronic form. Members seeking to inspect such documents can send an email to invcom@brightbrothers.co.in.
26. Mr. Abhishek Prakash, Practising Company Secretary (C.P. No. 13269) has been appointed as the Scrutinizer to scrutinize the entire e-voting process i.e. remote e-voting and e-voting during the AGM in a fair and transparent manner.
27. **Voting through electronic means:**

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS:

| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL | <ul style="list-style-type: none"> If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in demat mode with CDSL | <ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their User ID and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have link of e-Voting service provider i.e. LINKINTIME. Click on “LINKINTIME” service provider name to cast your vote. • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) & login through their depository participants | <ul style="list-style-type: none"> • You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |
| Individual Shareholders holding securities in Physical mode & e-Voting Service Provider is LINKINTIME | <ol style="list-style-type: none"> 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ol style="list-style-type: none"> A Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> a. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. b. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. c. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) d. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <ul style="list-style-type: none"> * Shareholders/ members holding shares in physical form but have not recorded ‘c’ and ‘d’, shall provide their Folio Number in ‘d’ above B Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). C Click “confirm” (Your password is now generated). 2. Click on ‘Login’ under ‘SHARE HOLDER’ tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. 4. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. |

| Type of shareholders | Login Method |
|---|--|
| | <p>5. E-voting page will appear.</p> <p>6. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).</p> <p>7. After selecting the desired option i.e. Favour / Against, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.</p> |
| Institutional shareholders: | Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the Board Resolution / Authority letter / Power of Attorney etc. together with attested specimen signature of the duly Authorised Representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same. |
| In case the Individual Shareholders, holding securities in Physical mode & e-Voting service Provider is LINKINTIME, have forgotten the password: | <ul style="list-style-type: none"> Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?' Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'. In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter. |
| In case Individual Shareholders, holding securities in demat mode with NSDL/ CDSL, have forgotten the password: | <ul style="list-style-type: none"> Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice. During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event". |

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & e-Voting Service Provider is LINKINTIME

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-Voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: -

Tel: 022 -4918 6000

InstaVote Support Desk

Link Intime India Private Limited

28. INSTRUCTIONS FOR ATTENDING AGM THROUGH VIDEO-CONFERENCING (VC) / OTHER AUDIO-VISUAL MEANS (OAVM)

Members are entitled to attend the AGM through VC/OAVM provided by Link Intime by following the below mentioned process:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
2. Select the "Company" and 'Event Date' and register with your following details: -
 - A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No.
 - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digi Beneficiary ID
 - Shareholders/ members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
 - Shareholders/ members holding shares in physical form shall provide Folio Number registered with the Company
 - B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.: Enter your mobile number.
 - D. Email ID: Enter your email id, as recorded with your DP/Company.
3. Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Note: Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

29. INSTRUCTIONS FOR MEMBERS TO SPEAK DURING THE ANNUAL GENERAL MEETING

- (a) Members of the Company who would like to speak or express their views or ask question during the AGM may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at least 3 days in advance with the Company at invcom@brightbrothers.co.in.
- (b) Members will get confirmation on first cum first basis depending upon the availability of time for the AGM.
- (c) Members will receive "speaking serial number" once they mark attendance for the meeting.
- (d) Other Members may ask questions to the panellist, via active chat-board during the meeting.

- (e) Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/ folio number, email id, mobile number at invcom@brightbrothers.co.in. The same will be replied by the Company suitably.
- (f) Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
- (g) For a smooth experience of viewing the AGM proceedings, Members who are registered as speakers for the event are requested to download and install the 'Webex Meetings' application by clicking on the link: <https://www.webex.com/downloads.html/>
- (h) Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Note: Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

30. INSTRUCTIONS FOR SHAREHOLDERS/ MEMBERS TO VOTE DURING THE ANNUAL GENERAL MEETING

Once the electronic voting is activated by the scrutinizer during the meeting, members who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on the link for e-Voting "Cast your vote"
- b) Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
- c) After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
- d) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- e) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- f) Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

31. PROCEDURE FOR REGISTERING THE EMAIL ADDRESSES BY THE MEMBERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES (IN CASE OF MEMBERS HOLDING SHARES IN DEMAT FORM) OR WITH LINK INTIME (IN CASE OF MEMBERS HOLDING SHARES IN PHYSICAL FORM):

Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:

- a) Members who have not registered their email address and in consequence could not receive the Notice may temporarily get their email registered with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited, by clicking the link: https://linkintime.co.in/EmailReg/email_register.html and following the registration process as guided thereafter. After successful registration of the email address, Link Intime will email a copy of this AGM Notice along with the e-voting user ID and password.
- b) Members holding shares in demat form can get their email ID registered by contacting their respective Depository Participant and in respect of physical holdings with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited.

32. OTHER INSTRUCTIONS

The Scrutinizer will, immediately upon conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and within a period of forty eight hours from the conclusion of the meeting, make and submit a consolidated Scrutinizer's Report to the Chairman or a person authorised by Chairman in writing who shall countersign the same.

The voting results shall be declared not later than forty-eight hours from the conclusion time of the Meeting. The results declared along with the Scrutinizer's Report will be placed on the website of the Company at www.brightbrothers.co.in and the website of Link Intime at <https://instavote.linkintime.co.in> immediately after the result is declared by the Chairman or any other person authorised by the Board in this regard and will simultaneously be sent to BSE Limited, where equity shares of the Company are listed.

The resolutions shall be deemed to be passed on the date of the AGM, subject to receipt of requisite votes through a compilation of Voting results (i.e. remote e-Voting and the e-Voting held at the AGM).

Members are requested to send their queries to invcom@brightbrothers.co.in, if any, relating to the Annual Report on or before 25th September, 2021 in order to enable the Company to respond suitably.

33. GENERAL INFORMATION TO SHAREHOLDERS:

- i. Updation of bank account details is mandatory for all members as per SEBI's circular no. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018. These details will be printed on the dividend warrants issued to the members. Therefore, the members who have not updated their bank details are requested to provide original cancelled cheque bearing the member's name and account number pre-printed on the cheque or Bank passbook / statement duly attested by branch manager to Link Intime India Pvt. Ltd. The members who are holding shares in their demat account are requested to approach their depository participants for updation of bank details. The members can also opt for receiving dividend directly to their bank account by submitting ECS Mandate letter to Link Intime India Pvt. Ltd.
- ii. Members who are holding shares in physical form are requested to dematerialize the same to ensure safe and speedy transaction in securities.
- iii. Members are requested to register nomination in respect of their holdings in shares. Such nomination greatly facilitates transmission of shares from the deceased shareholder to his/her nominee without having to go through the process of obtaining succession certificate/probate of the Will etc.

**By Order of the Board of Directors,
For BRIGHT BROTHERS LIMITED**

Suresh Bhojwani
Chairman & Managing Director
DIN: 00032966

Place : Mumbai
Date : 18th June, 2021

Registered office:
Office no. 91, 9th Floor,
Jolly Maker Chambers No. 2,
225, Nariman Point, Mumbai- 400021

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4: Payment of Remuneration to Cost Auditors for the financial year 2021-22**

The Company is directed, under Section 148 of Companies Act, 2013 to have the audit of its cost records conducted by a Cost Accountant in practice. The Board of your Company at its meeting held on 18th June, 2021 has, on the recommendation of the Audit Committee, approved the appointment of M/s. S. R. Singh and Co. as the Cost Auditors of the Company to conduct Cost Audits for the year ending 31st March, 2022 at a remuneration of ₹ 1.5 lakhs p.a. plus tax as applicable and out of pocket expenses.

M/s. S. R. Singh and Co. has furnished a certificate regarding its eligibility for appointment as Cost Auditors of the Company. M/s. S. R. Singh & Co. has vast experience in the field of cost audit.

The Board commends the remuneration of ₹ 1.5 lakhs plus tax and out-of-pocket expenses to M/s. S.R. Singh & Co. as the Cost Auditors and the approval of the members is sought for the same by an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

**By Order of the Board of Directors,
For BRIGHT BROTHERS LIMITED**

Suresh Bhojwani
Chairman & Managing Director
DIN: 00032966

Place : Mumbai
Date : 18th June, 2021

Registered office:
Office no. 91, 9th Floor,
Jolly Maker Chambers No. 2,
225, Nariman Point, Mumbai- 400021

74th Annual Report 2020-2021

Bright Brothers Limited

Brite

Our Valued Customers



COMPANY INFORMATION

Board of Directors

Mr. Suresh Bhojwani – *Chairman & Managing Director*

Mrs. Devika Bhojwani – *Whole-time Director*

Smt. Hira Bhojwani – *Non-executive Director*

Mr. K. P. Rao – *Independent Director*

Dr. T. S. Sethurathnam – *Independent Director*

Mr. Anil Kumar Bhandari – *Independent Director*

Board Committees

Audit Committee

Mr. K. P. Rao – *Chairman*

Dr. T. S. Sethurathnam

Mr. Suresh Bhojwani

Mr. Anil Kumar Bhandari

Stakeholders Relationship Committee

Mr. K. P. Rao – *Chairman*

Mr. Suresh Bhojwani

Mrs. Devika Bhojwani

Smt. Hira Bhojwani

Nomination and Remuneration Committee

Mr. K. P. Rao – *Chairman*

Dr. T. S. Sethurathnam

Mr. Anil Kumar Bhandari

Chief Financial Officer

Mr. Chirag Shah

Company Secretary & Compliance Officer

Mrs. Sonali Pednekar

Banker

Kotak Mahindra Bank Ltd., Bank of Baroda

Auditors

M/s. Desai Saksena & Associates,

Chartered Accountants

Registrar and Transfer Agent

M/s. Link Intime India Private Limited

C 101, 247 Park, L. B. S. Marg,

Vikhroli West, Mumbai- 400 083

74th Annual General Meeting

[Through Video conferencing / Other Audio Visual Means]

Day and Date : Monday, 27th September, 2021

Time : 12:00 noon (IST)

Deemed Venue of the meeting:

Registered office of the company

Registered Office

Office no. 91, 9th Floor,

Jolly Maker Chambers No. 2,

225, Nariman Point, Mumbai 400021

Tel.: 022-25835158

E-Mail: invcom@brightbrothers.co.in

CIN: L25209MH1946PLC005056

ISIN: INE630D01010

Website: www.brightbrothers.co.in

Corporate Office

B-54, Road No. 33,

Gyaneshwar Nagar, Wagle Industrial

Estate, Thane-West,

Maharashtra-400 604.

Factories:

- Plant I, II and III,
Plot No. 1/1 to 1/4,
Thirubhuvanai,
Mannadipet Commune,
Puducherry-605 107.
- Plot No. 16-17, Sector 24,
Faridabad, Haryana-121 005.
- Hiltron Electronic Complex,
Plot No. C, D, E, F & G,
Mallital, Bhimtal, Nainital
Uttarakhand-263 136.
- Khasara No. 3962, 3963, 3946 & 3947,
Lal Tapper Industrial Area,
Majri Grant, Dehradun,
Uttarakhand-248 140.

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DIRECTORS' REPORT

Dear Shareholders (Members),

On behalf of the Board of Directors, it is our pleasure to present the 74th Annual Report together with the Audited Statement of Accounts of **Bright Brothers Limited** ("the Company") for the year ended 31st March, 2021.

Financial Performance:

(₹ in Lakhs)

| Particulars | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
|---|--------------------------------|--------------------------------|
| Net Sales and Operating Income | 20,227.15 | 21,787.11 |
| Less: Expenses | 18,455.91 | 20,208.43 |
| Operating Profit | 1,771.24 | 1,578.68 |
| Add: Other Income | 78.94 | 14.68 |
| Profit before Depreciation, Finance Cost and Tax | 1,850.18 | 1,593.36 |
| Finance Costs | 432.77 | 542.15 |
| Depreciation and amortization expenses | 577.14 | 590.45 |
| Profit before tax | 840.27 | 460.76 |
| Less: Tax expense | 269.77 | 115.21 |
| Profit after tax | 570.50 | 345.55 |
| Other comprehensive income | 7.15 | (34.89) |
| Total Comprehensive Income | 577.65 | 310.66 |

Summary of Operations

The total operational income of your company for the year ended 31st March, 2021 stood at ₹ 20,227.15 lakhs as against ₹ 21,787.11 lakhs in the previous year. The reduction in Net Sales and Operating Income was mainly due to impact of COVID-19 pandemic in the first quarter of the financial year 2020-21. However, due to reduction in operating expenses, the Profit before Depreciation, Finance Cost and Tax for the year ended 31st March, 2021 was recorded at ₹ 1,850.18 lakhs as against ₹ 1,593.36 lakhs in the previous year.

The Year in Retrospect and Global impact of pandemic due to COVID-19

During the beginning of the first quarter of the financial year 2020-21, the nation had witnessed strict lockdowns due to the COVID-19 pandemic. Therefore, the manufacturing activities at your Company's units were completely shutdown. The Company resumed its operations in a phased manner in compliance with the guidelines issued by the respective authorities. Further, the Company had also taken measures to curtail its expenses *inter alia* by reducing salaries payable to the employees and other operating expenses thereby reducing the impact of the pandemic in the financial year 2020-21. During the latter part of the financial year, the Company's business regained momentum and due to increase in operational efficiencies and maximum utilisation of the available resources, the Company gained profits at the end of the financial year.

Outlook for the Current Year

Even during the Current Year 2021-22, the global outlook remains highly uncertain, with major risks around the path of the pandemic and the possibility of financial stress amid large debt loads. The world economy is experiencing an exceptionally strong but highly uneven recovery. Growth is concentrated in a few major economies, with most emerging market and developing economies lagging behind. In India, the second wave of the pandemic had an impact over the first quarter of the current financial year 2021-22. Due to the spread of the corona virus infection amongst many people, the Government authorities had imposed certain restrictions on mobility of people and commercial activities. These restrictions had impacted manufacturing operations of the Company during the first quarter of the financial year 2021-22.

Eventhough the vaccination drive has helped in the revival of the economy, the future growth is still uncertain. Therefore, the Company will continue to closely monitor any material changes which may take place due to future economic conditions.

Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year till the date of report

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2020-21 and the date of this report except for the following:

i. Resurgence of COVID-19 pandemic:

Due to resurgence COVID-19 pandemic during the beginning of the first quarter of financial year 2021-22, the government authorities had imposed certain restrictions and therefore there was an impact on the manufacturing activities of the Company. As these restrictions were relaxed in the phased manner, the manufacturing units have started operating with improved capacity utilisation.

ii. Proposed sale of Company's own land:

The Company is the owner of a vacant land located at Village Hariyali, Taluka Kurla in Mumbai Suburban District (Bhandup). As the Company is not intending to utilise the said land, it was proposed to sell the land. Pursuant to the approval received from the Board of Directors, the Company is negotiating with the prospective buyer for sale of land.

There has been no change in the nature of business of the Company during the financial year.

Change in registered office address

During the year, the Company shifted its registered office with effect from 1st December, 2020. The new registered office of the Company is located at Office no. 91, 9th Floor, Jolly Maker Chambers No. 2, 225, Nariman Point, Mumbai- 400021. The previous registered office of the Company was located at 610-611, Nirman Kendra, Famous Studio Lane, Dr. E' Moses Road, Mahalaxmi, Mumbai-400011.

Change in Directorate

There has been a change in the composition of Directors of the Company as one of the Independent Directors, the Late Mr. Byram Jeejeebhoy, left for heavenly abode on 9th June, 2020. As per Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), 2015, atleast half of the Board of Directors of the Company should comprise of Independent Directors. Therefore, in compliance with the said Regulation, the Board of Directors recommended the appointment of Mr. Anil Kumar Bhandari (DIN: 00031194) as an Independent Director and the same was approved by the members of the Company at their 73rd Annual General Meeting held on 12th November, 2020.

Transfer to Reserves

The Company does not propose to transfer any profits to its reserves for the financial year 2020-21.

Dividend

Your Directors are pleased to recommend a dividend of ₹ 2.50 per Equity Share on 56,80,235 Equity Shares of ₹ 10 each for the financial year ended 31st March, 2021. The said dividend, if approved by the members, would involve a cash outflow ₹ 142 lakhs. The dividend will be paid subject to the approval of shareholders at the forthcoming Annual General Meeting to those shareholders whose names appear on the Register of Members of the Company as on the specified date.

Share Capital

The paid up Equity Share Capital as on 31st March, 2021 was ₹ 567.60 lakhs. During the year, the Company has not issued any shares.

Loans, guarantees or investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes accompanying the financial statements.

Fixed Deposits

Your Company has not accepted any deposits from public and its members during the financial year 2020-21. There has been no deposit which was unpaid or unclaimed as at the end of the year. There has not been any default in repayment of deposits or payment of interest thereon during the year. The Company is holding deposits of ₹ 318 lakhs from its Directors as on 31st March, 2021.

Related party transactions

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. Thus, disclosure in AOC-2 is not required. The details of transaction are provided in Note No. 42 of the Notes to Accounts. Further, there are no material related party transactions during the year under review with the Promoters, Directors, and Key Managerial Personnel.

All Related Party Transactions are placed before the Audit Committee as also before the Board for approval. Omnibus approval was obtained for transactions which are repetitive in nature. A statement giving details of all the transactions entered into pursuant to omnibus approval are placed before the Audit Committee and Board for a review.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. None of the Directors have any pecuniary relationships or transactions vis-a-vis the Company.

Insurance

All the assets of the Company are fully insured against major risks.

Unsecured Loan

The Company has obtained unsecured loan from the following Directors to meet the short term requirements of the Company:

- i. ₹ 460 lakhs from Smt. Hira Bhojwani, Non-Executive Director and
- ii. ₹ 10 lakhs from Mrs. Devika Bhojwani, Whole-time Director

The total outstanding loan as on 31st March, 2021 is ₹ 470 lakhs.

Internal financial controls

The internal financial controls with reference to the Financial Statements are commensurate with the size and nature of business of the Company. The Company has appointed Internal Auditors who periodically audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements. The Audit Committee periodically approves the audit reports, implementation of audit recommendations, if any and adequacy of internal controls. Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors, the Board is of the opinion that there is an existence of proper systems to ensure compliance with the provisions of applicable laws and Company's internal financial controls were adequate, efficient and effective during financial year 2020-21.

Significant and material orders passed by the Regulators

During the year under review, no significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations. However, we had received an email from BSE Ltd. pertaining to non-compliance of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements), 2015. The Company has submitted its reply to BSE Ltd. and their response is awaited.

Directors' Responsibility Statement

Pursuant to the requirement of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Management Discussion and Analysis

Management Discussion and Analysis of the financial conditions and result of operations of the Company for the period under review as required under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in a separate statement in the Annual Report as Annexure I.

Corporate Governance

A separate report on Corporate Governance is set out in Annexure II.

Meetings of the Board and its Committees

During the year 2020-21, the Board met four times on 29th June, 2020, 9th September, 2020, 28th October, 2020 and 5th February, 2021. The gap between two meetings did not exceed 120 days. The details of the Board meetings and various Committee meetings have been mentioned in the Report of Corporate Governance annexed as Annexure II.

Annual Return

Pursuant to Section 92(3) of the Companies Act, 2013, the Annual Return in Form MGT-7 as on 31st March, 2021, is available on Company's website at www.brightbrothers.co.in.

Report of the Statutory Auditors and Notes to Financial Statements

At the 70th Annual General Meeting held on 10th August, 2017, the members had appointed M/s. Desai Saksena & Associates, Chartered Accountants Registration no. 102358W as Statutory Auditors of the Company from the conclusion of the 70th Annual General Meeting till the conclusion of the 75th Annual General Meeting. As per the Companies (Amendment) Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

Further, the Report of the Statutory Auditors alongwith notes to Schedules is enclosed to this report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report. The observations made in the Auditor's Report are self-explanatory and therefore, do not call for any further comments.

Cost Audit

As per the requirement of the Central Government and pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company needs to conduct a Cost Audit for the financial year ending on 31st March, 2022.

The Board of Directors, on recommendation of the Audit Committee, has appointed M/s. S. R. Singh & Co., Cost Accountants, Registration no. 003403 as Cost Auditor to audit the cost accounts of the Company for the financial year 2021-22 at a remuneration of ₹ 1,50,000/- plus tax as applicable and reimbursement of out of pocket expenses. As required under Companies Act, 2013, a resolution seeking members' approval for the remuneration payable to the Cost Auditor forms part of the Notice convening Annual General Meeting.

Secretarial Audit

In terms of Section 204 of the Act and Rules made there under, Ms. Purnima Shetty, Practicing Company Secretary (Registration no. FCS-9089, COP-14933) has been appointed Secretarial Auditor of the Company. The report of the Secretarial Auditor for the financial year 2020-21 is enclosed as Annexure III to this Report.

The Report is self-explanatory and does not call for any further comments.

Whistle Blower Policy

Pursuant to the requirement of the Act, the Company has approved its Whistle Blower Policy which is also called as vigil mechanism. It is uploaded on website of the Company.

This mechanism enables Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

Risk Management Policy

The Company has developed and implemented the Risk Management Policy.

The Company considers ongoing risk management to be a core component of the Management of the Company and understands that the Company's ability to identify and address risk is central to achieving its corporate objectives.

The policy is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter referred to as "Listing Regulations" and provisions of the Companies Act, 2013 which requires the Company to lay down procedures about risk assessment and risk minimization.

Declaration by Independent Directors

Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Anil Kumar Bhandari are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in Section 149 of the Act and the Rules made thereunder and Regulations 16(1)(b) of Listing Regulations about their status as Independent Directors of the Company. Further, the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and also the Code of Conduct for directors and senior management personnel formulated by the company.

There has been no change in the circumstances affecting their status as Independent Directors of the Company. During the year under review, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

Company's Policy on Appointment and Remuneration

The objective of Remuneration Policy is to attract, motivate and retain qualified and expert individuals that the Company needs in order to achieve its strategic and operational objectives, whilst acknowledging the societal context around remuneration and recognizing interest of stakeholders. The Board's approved policy is available on the website of the Company at the following link http://www.brightbrothers.co.in/pdf/pdf_388.pdf

Formal Annual Evaluation by the Board of its own performance and that of its Committees and individual Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees. The evaluation process inter alia considers attendance of Directors at Board and Committee meetings, participation at meetings, domain knowledge, cohesion at the Board's meetings, awareness and observance of governance, etc.

The Board carried out performance evaluation of the Board, Board committees, individual Directors and Chairperson.

Familiarisation programme

The Company has put in place an induction and familiarization programme for all its Directors including the Independent Directors. The familiarization programme for Independent Directors in terms of provisions of Regulation 46(2) of Listing Regulations is uploaded on the website of the company.

Transfer of Unclaimed dividend and underlying shares to Investor Education and Protection Fund (IEPF)

In accordance with the applicable provisions of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (“IEPF Rules”), all unclaimed dividends are required to be transferred by the Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. During the financial year 2020-21, the Company had transferred ₹ 3,85,202/- to IEPF as unclaimed dividend relating to financial year 2012-13. Further, the Company has transferred 6,760 equity shares of the Company to IEPF as the shareholders had not claimed dividend on those shares for the consecutive period of seven years.

The details of total amount lying in Unpaid Dividend Account of the Company and the date on which it is due for transfer is provided below:

| Sr. No. | Dividend for financial year | Amount in ₹ As on 31st March, 2021 | Due for transfer to the Fund after the following date |
|---------|-----------------------------|---------------------------------------|--|
| 1 | 2013-14 | 394,794 | 11/10/2021 |
| 2 | 2014-15 | 278,854 | 22/10/2022 |
| 3 | 2015-16 | 299,354 | 08/09/2023 |
| 4 | 2016-17 | 314,098 | 15/09/2024 |
| 5 | 2017-18 | 217,476 | 24/10/2025 |
| 6 | 2018-19 | 176,094 | 17/09/2026 |
| 7 | 2019-20 | 228,340 | 14/04/2027 |

Pursuant to the provisions of IEPF Rules, the Company has filed the necessary forms and uploaded the aforesaid details on IEPF website (www.iepf.gov.in) and these details are also available under “Download → Investors” Section on the Website of the Company viz. www.brightbrothers.co.in.

Compliance with Secretarial Standards issued by the Institute of Company Secretaries of India

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

Particulars of Employees

Disclosure pertaining to remuneration and other details 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 provided in the Annexure forming part of the Annual Report.

Having regard to the provisions of Section 136(1) read with its relevant proviso of the Companies Act, 2013, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary.

None of the employees of the Company is falling under the criteria as set out in Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 regarding remuneration.

Human Resources

Your Company treats its “human resources” as one of its most important assets.

Your Company is focused on the promotion of talent internally through job rotation and job enlargement.

Prevention, Prohibition and Redressal of Sexual Harassment at Workplace

The Company has formulated a policy on Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. It has also formulated Internal Complaints Committee under the Act. During the year under review, no complaints were filed under the said Act.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Information given as required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

A. Conservation of Energy:

Continuous monitoring and awareness amongst employees has helped to avoid wastage of energy. Various investments in reducing the consumption of energy has helped the Company to reduce the overall power consumption.

Continuous study and analysis for energy conservation, installation of energy efficient equipments has resulted into lower units of power consumption per kg production of finished products. Energy Conservation measures taken:

- Installation of Variable Frequency Drives (VFD) to reduce the power consumption of old machines and replacing the inefficient equipments with latest energy efficient technology and up gradation of equipments.
- Monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilisation on regular basis.
- Installation of servo drives in injection moulding machines to reduce power consumption and Energy efficient pump for cooling tower.
- Replacement of higher HP motor with lower HP motor and replacement of CFL with LED lights.
- Increasing the awareness of energy saving within the organisation to avoid wastage of energy.

B. Technology Absorption, Adaptation and Innovation:

- Improving the output/ input ratio to gain maximum finished products from per kg raw material.
- Modify the mould and dies to improve the cycle time to get higher production from the same machine.
- To modify the process parameters to improve the quality.
- No significant expenditure on Research and Development.

Benefits derived from the above:

- Increased output and labour saving.
- Knowledge and skills sharing across Company initiatives for benchmarking the best practices.
- Fast and efficient production.

C. Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings: ₹ Nil

Foreign Exchange Outgo: ₹ 92.57 lakhs

Acknowledgement

Your Directors place on record their appreciation for employees at all levels who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Government and other statutory authorities for their continued support.

For and on behalf of the Board,
BRIGHT BROTHERS LIMITED

Suresh Bhojwani
Chairman & Managing Director
DIN: 00032966

Place : Mumbai

Date : 18th June, 2021

Annexure-I

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC AND BUSINESS OVERVIEW

As COVID-19 pandemic impacted human life extensively across the globe, the financial year 2020-21 has been an unprecedented year. Its impact on the economic front, too, has been significant. The slowdown across economies witnessed in 2019 exacerbated further in 2020 due to the pandemic. As a result, the global GDP is believed to have contracted by 3.3% in 2020, with all major economies moving into negative territory. China was the only exception amongst the major economies to have posted a positive growth in 2020, albeit at a much lower rate of 2.3%. Despite the steep global decline in the year 2020, global GDP decline was lower than initially feared primarily due to the support from global central banks and fiscal stimulus from governments. The economic upheaval could have been much more severe had it not been for the quick and synchronised response from central banks and governments globally, although this too varied across countries. The global economy is expected to see a rebound in 2021 with the International Monetary Fund (IMF) expecting 6% growth. The increase in balance sheet sizes of almost all central banks and the supportive measures undertaken by governments globally ensured easy availability of funding and support for both private and public consumption. Governments and Central Banks are expected to maintain supportive policies until the recovery is firmly underway.

INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian plastics industry has been developing fast with market growth and diversification in recent years. In India, there are around 30,000 plastic processing units of which 85-90% are small and medium-sized enterprises, over 7000 recycling units and numerous end-users, which ensure an effective industry chain in the country. These enterprises employ more than 4 million people. Key factors that are increasing plastic consumption are construction, automotive, and electrical & electronics industries, and growing population coupled with rapid urbanization and industrialization in emerging economies. The global plastic market size was valued at USD 579.7 billion in 2020 and is expected to expand at a compound annual growth rate (CAGR) of 3.4% from 2021 to 2028.

Your Company is in the business of manufacturing plastic components which are used in refrigerators, washing machines, water purifiers, etc. As the first quarter of the financial year 2020-21 began with the nationwide lockdown due to COVID-19 pandemic, your Company's business was badly impacted as there were negligible sales. As the restrictions were eased in a phased manner, the impact had also affected the second quarter. Therefore, there was 50% de-growth during the first half of the financial year. However, during this period your Company concentrated more on operational efficiency, technology development and optimum utilization of available resources.

As recovery in your Company's business started during the third quarter, it further accelerated in the fourth quarter also. Thus, the Company's business grew both in value and volume in the second half of the financial year 2020-21. This has enabled the Company to sustain the impact of the COVID-19 pandemic.

The below mentioned table gives the present composition of business of your Company.

| Category | Percentage Share in Total Turnover |
|---|------------------------------------|
| Consumer durable (white goods) injection moulded plastic components | 95% |
| Brite branded products (material handling crates and beauty products) | 5% |

OVERALL FINANCIAL PERFORMANCE

The financial performance of the Company has been summarised in the table below followed by explanatory remarks for significant changes in 2020-21 compared to the previous year.

(₹ in lakhs)

| Particulars | FY 2020-21 | FY 2019-20 | Change | % Change | Remarks |
|--|------------|------------|------------|----------|---------|
| Tonnage processed including job work (In Tons) | 11,874.31 | 12,914.92 | (1,040.61) | (8.06) | 1 |
| Total operational income (net) | 20,227.15 | 21,787.11 | (1,559.96) | (7.16) | 1 |
| Changes in finished goods inventory | (187.55) | 122.68 | | | |
| Consumption of material | 13,823.70 | 14,368.70 | | | |
| Purchase of traded goods | 125.96 | 168.93 | | | |
| Employee cost | 1,666.54 | 1,911.31 | | | 2 |
| Operating and other expenses | 3,027.26 | 3,636.81 | | | 3 |
| Earnings before depreciation and finance cost | 1,771.24 | 1,578.68 | 192.56 | 12.20 | 4 |
| Other non-operational income | 78.94 | 14.68 | | | |
| Depreciation and amortization expenses | 577.14 | 590.45 | | | |
| Finance costs | 432.77 | 542.15 | | | |
| Profit/ (loss) before tax | 840.27 | 460.76 | | | |
| Tax expenses | 269.77 | 115.21 | | | |
| Profit/ (loss) after tax | 570.50 | 345.55 | | | |
| Other Comprehensive income | 7.15 | (34.89) | | | |
| Total Comprehensive income | 577.65 | 310.66 | | | |
| EPS | 10.05 | 6.09 | | | |
| Reserves and Surplus | 4,404.09 | 3,821.04 | | | |
| Current liabilities | 10,798.83 | 6,610.09 | 4,188.74 | 63.37 | |
| Net fixed assets | 5,104.82 | 4,373.86 | | | |
| Current assets | 11,678.16 | 6,931.07 | 4,747.09 | 68.49 | |

1. The tonnage processed and Total Operational income (net) during the year has decreased partly due to the impact of COVID-19 pandemic.
2. Employee Cost for the year 2020-21 is ₹ 1,666.54 lakhs as compared to ₹ 1,911.31 lakhs in the previous year.
3. Operating and other expenses for the year 2020-21 is ₹ 3,027.26 lakhs as compared to ₹ 3,636.81 lakhs in the previous year.
4. EBDITA for the year 2020-21 is ₹ 1,771.24 lakhs as compared to ₹ 1,578.68 lakhs in the previous year.
5. During the year, Company has invested ₹ 681.24 Lakhs in Plant and Equipment.

(₹ in lakhs)

| Particulars | 2020-21 | 2019-20 |
|--|------------|----------|
| Net cash flow from/ (used in) operating activities | 1,170.53 | 1,538.03 |
| Net cash flow from/ (used in) investing activities | (1,008.39) | (730.31) |
| Net cash from/ (used in) financing activities | 159.79 | (685.67) |

REVIEW OF OPERATIONS:

During the year 2020-2021, the business of your Company was impacted in the first quarter due to the ongoing COVID-19 pandemic lockdowns and other sanctions, which affected market demand. Fortunately in the second and third quarter your Company did see an increase in demand and a better utilization of its capacities. This momentum continued into the fourth quarter where your Company experienced its peak demand and highest ever turnover.

As the phase wise COVID-19 restrictions have been lifted, your Company has seen an increase in demand across the various segments it caters to. This would include the Washing Machine, Refrigerator, Vacuum Cleaner, Water Purifier, Tooth Brush and Air Conditioner segments.

The tool room division has seen increased order inquiry and request for quotations thanks to the continued move of de-risking from China.

The DIVO brand which is a direct to market product and linked to the retail segment was also impacted in this year due to COVID-19 sanctions and reduced market demand coupled with soft customer sentiment.

GROWTH DRIVER:

Your Company is a majority supplier to the fully automatic washing machine segment for our major customer Whirlpool of India. Fortunately the continued change in market demand is fueling good growth in the fully automatic washing machine segment and will continue to help utilize our installed capacities for the same moving forward.

Your Company has increased its footprint in the Air Conditioning segment.

DIVO has expanded its customer base for private label supplies by utilizing its strong sourcing network.

OPPORTUNITIES:

- The market sentiment continues to focus on more indigenization of manufacturing and sourcing from domestic suppliers. Owing to the same, there is a continued growth in the segments which your Company supplies to.
- The change in consumer habits due to COVID-19 has seen a boost in certain consumer durable segments.

THREAT:

- The primary business of the Company is supplying the consumer durable industry, the nature of which is highly competitive and price revisions are hard to come by, due to which margins remain tight.
- The haircare and beauty care division i.e. DIVO is based on trading and imports and hence any depreciation in Indian currency can have an adverse impact on margins.

OUTLOOK

- The outlook is bullish for India, despite COVID-19. Although the Indian economy is impacted, the segments your Company is catering to are seeing continued growth.
- Your Company has been focusing on cost optimization and lean manufacturing which will improve the profitability as the market demand returns back to normal post lifting of COVID-19 sanctions.

FINANCIAL RATIOS

The significant changes in the financial ratios of the Company, which are more than 25% as compared to the previous year are summarized below:-

| Ratio | F.Y. 2020-21 | F.Y. 2019-20 | Change (%) | Reason for change |
|-----------------------------|--------------|--------------|------------|--|
| Debtors Turnover Ratio | 3.12 | 6.95 | (55%) | During the first quarter of financial year 2020-21, there was an impact of COVID-19 on Sales. This has resulted into a lower Debtors Turnover Ratio. |
| Interest Coverage Ratio | 2.94 | 1.85 | 59% | There has been an improvement in the ratio due to reduction in interest cost and improvement of profitability during the year. |
| Debt Equity Ratio | 1.46 | 1.08 | (35%) | Change in Debt Equity Ratio due to Increase in Bank borrowing. |
| Operating Profit Margin (%) | 6.29 | 4.60 | 37% | During the year, your Company has undertaken various activities to improve operating efficiency and to reduce cost. This has resulted into higher Operating Profit Margin. |
| Net Profit Margin (%) | 2.81 | 1.58 | 77% | The improvement in operating profit margin alongwith lower finance cost and depreciation has resulted in higher Net Profit Margin Ratio. |

INTERNAL CONTROL SYSTEMS

The Company has adequate internal audit and control systems. Internal auditors comprising of professional firms of Chartered Accountants have been entrusted the job to conduct regular internal audits at all units and report the lapses, if any, to the management. Both internal auditors and statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up and remedial measures are being taken including review and increase in the scope of coverage, wherever necessary. The Audit Committee of Directors in its periodical meetings, review the adequacy of internal control systems and procedures and suggest areas of improvements.

The Company has undertaken a detailed exercise to revisit its control systems in technical and other non financial areas to align them properly with Management Information Systems (MIS) to make MIS more efficient and result oriented. Information technology base created by the Company over the period is providing a very useful helping hand in the process. Needless to mention that ensuring maintenance of proper accounting records, safeguarding assets against loss and misappropriation, compliance of applicable laws, rules and regulations and providing reasonable assurance against fraud and errors will continue to remain the central point of the entire control system.

CAUTIONARY STATEMENT

Statements in this “Management Discussion and Analysis” describing the Company’s projections, expectations or predictions may be “Forward looking statements” within the meaning of applicable Securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could make a difference to the Company’s operation include cyclic demand and pricing of raw materials, changes in Government regulations, tax regimes, cost of power and interest cost and other factors such as litigation and labour negotiations. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events or otherwise.

For and on behalf of the Board,
BRIGHT BROTHERS LIMITED

Suresh Bhojwani
Chairman & Managing Director
DIN: 00032966

Place : Mumbai
Date : 18th June, 2021

Annexure - II

REPORT ON CORPORATE GOVERNANCE

[Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. Company's Philosophy on Code of Corporate Governance:

Your Company firmly believes in effective corporate governance practices and ethical conduct. Transparency and accountability are the basic tenets of Corporate Governance. Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to ethical principles in all its dealings. It helps the Company to achieve its objectives, enhance stakeholders' value and discharge its social responsibility. It, therefore, continues to lay great emphasis on integrity, fairness, empowerment and responsibility for efficient and ethical conduct of its business.

Your Company is proud to belong to a group whose founder lived his life with ethical values and built the business enterprise on a foundation of good governance. Your Company firmly believes that Management must have freedom of execution and this freedom must be exercised within the framework of accountability to meet stakeholders' aspirations and society expectations.

Your Company consistently meets commitment towards continuous upgradation of Corporate Governance Standards. It has complied with the requirements of Corporate Governance stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Board of Directors:

1.1 Composition and category of directors:

The Board of Directors provides leadership, strategic guidance and objective judgement to the Company's Management and directs, supervises and controls performance of the Company. The Composition of the Board of Directors is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. The composition of the Board ensures a judicious mix of Executive and Non- Executive directors as well as Independent and Non-Independent Directors. There were three Independent Directors, two Executive Directors and one Non-executive Director on the Board of the Company as on 31st March, 2021. The Chairman is the Managing Director and a member of the Promoter Group. The Independent Directors provide their independent judgment, external perspective and objectivity on the issues placed before them.

1.2 During the year 2020-21, the Board met four times on 29th June, 2020, 9th September, 2020, 28th October, 2020 and 5th February, 2021. The gap between two meetings did not exceed 120 days. The Agenda for the Board meeting were circulated in advance to take informed decisions.

1.3 Attendance of the Directors and directorship in other companies as on 31st March, 2021:

Names and categories of Directors on the Board, their attendance at the Board Meetings held during the year and at the previous Annual General Meeting held on 12th November, 2020 and the number of other directorships and Chairmanship/Membership of Committee/s in other public companies including listed companies as on 31st March, 2021 are given below. Based on intimations/disclosures received from the Directors periodically, none of the Directors of the Company hold memberships/Chairmanships more than the prescribed limits.

| Name of the Director, Designation and DIN | No. of Board Meetings held & attended during the year | | Category of Directorship | Attendance at previous AGM |
|--|---|----------|---------------------------|----------------------------|
| | Held | Attended | | |
| Mr. Suresh Bhojwani (Chairman & Managing Director) DIN: 00032966 | 4 | 4 | Promoter Executive | Yes |
| Mrs. Devika Bhojwani (Whole-time Director) DIN: 08355381 | 4 | 4 | Promoter Executive | Yes |
| Smt. Hira Bhojwani (Non-Executive Director) DIN: 00032997 | 4 | 3 | Promoter Non-Executive | Yes |
| Mr. K. P. Rao (Independent Director) DIN: 00027577 | 4 | 4 | Non-Executive | Yes |
| Dr. T. S. Sethurathnam (Independent Director) DIN: 00042704 | 4 | 4 | Non-Executive | Yes |
| Mr. Anil Kumar Bhandari (Independent Director) DIN: 00031194 | 3 | 3 | Non-Executive | Yes |

Directorship in other public companies and listed companies as on 31st March, 2021:

| Name of the Director | No. of Directorship(s) in other public companies | | No. of Committee positions held in other public companies | | Names of the listed entities where the Director holds Directorship |
|-------------------------|--|--------|---|--------|--|
| | Chairman | Member | Chairman | Member | |
| Mr. Suresh Bhojwani | Nil | Nil | Nil | Nil | Nil |
| Mrs. Devika Bhojwani | Nil | Nil | Nil | Nil | Nil |
| Smt. Hira Bhojwani | Nil | Nil | Nil | Nil | Nil |
| Mr. K. P. Rao | Nil | Nil | Nil | Nil | Nil |
| Dr. T. S. Sethurathnam | Nil | Nil | Nil | Nil | Nil |
| Mr. Anil Kumar Bhandari | Nil | 2 | 3 | 1 | i. Kirloskar Electric Company Limited ii. Waterbase Limited |

1.4 Change in composition of Directors of the Company:

There has been change in composition of Directors of the Company as one of Independent Director, Late Mr. Byram Jeejeebhoy left for heavenly abode on 9th June, 2020. As per Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), 2015, atleast half of the Board of Directors of the Company should comprise of Independent Directors. Therefore, in compliance with the said Regulation, the Board of Directors recommended the appointment of Mr. Anil Kumar Bhandari as an Independent Director and the same was approved by the members of the Company at their 73rd Annual General Meeting held on 12th November, 2020.

1.5 Board's functioning and Procedure:

The Board of Directors, being an apex body constituted by the Shareholders, plays an important role in ensuring good governance and functioning of the Company. The detailed Agenda are sent to each Director in advance of Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director apprises the Board at every meeting of the overall performance of the Company followed by presentations. The members of the Board have a complete freedom to express their opinion and decisions are taken after detailed discussions.

Evolving strategy, annual business plan, review of actual business plan and course correction as deemed fit, constitute the primary business of the Board. The Board reviews the certificate issued by Chief Financial Officer and Company Secretary of the Company regarding compliances of all the applicable laws on quarterly basis.

1.6 Independent Directors

Schedule IV of the Companies Act, 2013 and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of non-Independent Directors. During the financial year 2020-21, the Independent Directors held their meeting on 30th March, 2021 and *inter alia* reviewed the performance of the Chairman and Managing Director, the Executive Director and senior officials of the Company who are in-charge of the management and administration of the business of the Company.

There have been no pecuniary or business relationship between the Non-Executive Directors and the Company, except for the sitting fees and commission payable to them annually in accordance with the applicable laws and with the approval of the shareholders. A declaration to this effect is also submitted by all the Independent Directors at the beginning of each financial year.

The Independent Directors have submitted declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations. The Board of Directors, based on the declaration(s) received from the Independent Directors, have verified the veracity of such disclosures and confirm that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management of the Company. The terms and conditions of their appointment, sitting fees payable to them and familiarization programme provided by the company is available on the Company's website at the following link: http://www.brightbrothers.co.in/pdf/pdf_185.pdf

Pursuant to a notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the Directors in this regard.

1.7 Core skills/ expertise/ competencies of the Board:

- i. Sales & Marketing: Experience in sales and marketing management based on understanding of the customer's requirements.
- ii. General management/Governance: Strategic thinking, decision making and protect interest of all stakeholders.
- iii. Financial skills: Understanding the financial statements, financial controls, risk management, mergers and acquisition, etc.
- iv. Technical skills and professional skills and knowledge including legal and regulatory aspects.

The Matrix/Table of Core Skills, Expertise and Competencies of Board of Directors has been provided below:

| Sr. No. | Details of core skills, expertise and competencies | Names of the Directors | | | | | |
|---------|--|------------------------|----------------------|--------------------|---------------|------------------------|-------------------|
| | | Mr. Suresh Bhojwani | Mrs. Devika Bhojwani | Smt. Hira Bhojwani | Mr. K. P. Rao | Dr. T. S. Sethurathnam | Mr. Anil Bhandari |
| 1 | Sales & Marketing | | | | | | |
| | Experience in sales and marketing management | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2 | General management/ Governance | | | | | | |
| | Strategic thinking | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Decision making | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3 | Financial skills | | | | | | |
| | Understanding the financial statements | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Risk management | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4 | Technical skills and professional skills | | | | | | |
| | Professional skills | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| | Regulatory framework | ✓ | ✓ | | ✓ | ✓ | ✓ |
| | Knowledge of petrochemicals | ✓ | ✓ | ✓ | ✓ | | |

1.8 Relationship between the Directors inter-se:

Mr. Suresh Bhojwani, Chairman and Managing Director is the son of Smt. Hira Bhojwani, Non-Executive Director. Mrs. Devika Bhojwani, Whole-time Director is the spouse of Mr. Suresh Bhojwani.

3. Committees of the Board of Directors

The Board has constituted the following Committees of Directors to deal with matters and to monitor the activities falling within the terms of reference as follows:

(i) Audit Committee:

The Audit Committee was constituted to review the financial statements, annual budget, accounting policies and practices and internal audit process.

The composition of Audit Committee as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013 as on 31st March, 2021 is as follows:

| Name of the Director | Designation | Category | Number of meetings held and attended during the year | |
|------------------------|-------------|----------------------------|--|----------|
| | | | Held | Attended |
| Mr. K. P. Rao | Chairman | Independent, Non-Executive | 4 | 4 |
| Dr. T. S. Sethurathnam | Member | Independent, Non-Executive | 4 | 4 |
| Mr. Suresh Bhojwani | Member | Non-Independent, Executive | 4 | 4 |

Mrs. Sonali Pednekar acts as Secretary to the Committee

During the financial year 2020-21, four Audit Committee meetings were held on 29th June, 2020, 9th September, 2020, 28th October, 2020 and 5th February, 2021 and the gap between two meetings did not exceed 120 days. The Chairman of the Committee Mr. K. P. Rao attended the Annual General Meeting of the Company held on 12th November, 2020.

- **Terms of Reference:**

The terms of reference of the Audit Committee have been further enhanced / modified to be in line with the enhanced scope for the Committee as laid down under Section 177 of the Companies Act, 2013 which are briefly as follows:

- (a) Oversight of the Company's financial reporting process and the disclosure of its financial information.
- (b) Reviewing with the management quarterly and annual financial statements before submission to the Board for approval with particular reference to the matters specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:
 - Matters required to be included in the Director's Responsibility Statement and to be included in the Board's Report in terms of Section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
 - Approve policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same
- (c) To consider the appointment or re-appointment of the statutory auditors, the audit fee, any questions of resignation or dismissal and payment to statutory auditors for any other services rendered by them.
- (d) Reviewing findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (e) Discussion with statutory auditors before the audit commences about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (f) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

- **Other Details:**

- (a) The Committee invites representatives of Statutory Auditors to be present at the meetings whenever it considers appropriate.
- (b) Mrs. Sonali Pednekar is the Compliance Officer, to ensure compliance and effective implementation of the Insider Trading Code. The disclosure under the Insider Trading Code filed with the Stock Exchange are reported to the Committee on Quarterly basis.

(ii) **Nomination and Remuneration Committee:**

The Board has constituted the Nomination and Remuneration Committee which has been mandated to recommend to the Board, salary (including annual increments), perquisites and commission to be paid to the Company's Executive Directors and employees. Under the enhanced terms of reference, the scope of the Committee, in addition to the above, includes formulation of criteria for performance evaluation of Independent Directors and the Board, policy on Directors' appointment and remuneration and remuneration policy relating to Key Managerial Personnel and other employees.

The composition of the Committee (as on 31st March, 2021):

| Name of the Director | Designation | Category | Number of meetings held and attended during the year | |
|-------------------------|-------------|----------------------------|--|----------|
| | | | Held | Attended |
| Mr. K. P. Rao | Chairman | Independent, Non-Executive | 1 | 1 |
| Dr. T. S. Sethurathnam | Member | Independent, Non-Executive | 1 | 1 |
| Mr. Anil Kumar Bhandari | Member | Independent, Non-Executive | 0 | 0 |

During the financial year 2020-21, One meeting of the Committee was held on 9th September, 2020.

- Remuneration of Managerial Personnel:

Details of remuneration paid/payable to Chairman and Managing Director and Whole-Time Director for the financial year ended 31st March, 2021 are as follows:

(₹ in lakhs)

| Particulars | Mr. Suresh Bhojwani Chairman and Managing Director | Mrs. Devika Bhojwani Whole Time Director |
|---------------------|--|---|
| Salary & Allowances | 61.03 | 8.10 |
| Perquisites | 2.25 | 0 |
| Contribution to PF | 5.94 | 0.60 |
| Total | 69.22 | 8.70 |

The additional information in respect of Executive Directors is as under:

| | Mr. Suresh Bhojwani | Mrs. Devika Bhojwani |
|------------------|---------------------|----------------------|
| Service contract | Five years | Three years |
| Notice period | Six months | Six months |
| Severance fees | Not applicable | Not applicable |

- Independent and Non-executive Directors are paid sitting fees of ₹ 20,000/- per Board meeting, ₹ 10,000/- per Audit Committee meeting and ₹ 1,000/- for every other Committee meeting. No sitting fee is payable to Executive Directors.
- Presently, the Company has no stock option scheme.
- Details of Sitting fees and Commission paid to Independent and Non-Executive Directors for attending Board/Committee Meetings for the period 1st April, 2020 to 31st March, 2021:

(₹ in lakhs)

| Sr. No. | Name of the Director | Board Meetings | Committee Meetings | Independent Directors Meeting | Commission |
|---------|-------------------------|----------------|--------------------|-------------------------------|------------|
| 1. | Mr. K. P. Rao | 0.80 | 0.45 | 0.20 | 2.80 |
| 2. | Dr. T. S. Sethurathnam | 0.80 | 0.41 | 0.20 | 2.80 |
| 3. | Mr. Anil Kumar Bhandari | 0.60 | NIL | 0.00 | 0.82 |
| 4. | Smt. Hira Bhojwani | 0.60 | 0.03 | Not applicable | 1.40 |

The shareholding details of the aforesaid Directors in the Company as on 31st March, 2021 are provided below:

| Sr. No. | Name of the Director | Category | Number of shares held |
|---------|-------------------------|---|-----------------------|
| 1. | Mr. K. P. Rao | Independent, Non-Executive | 651 |
| 2. | Dr. T. S. Sethurathnam | Independent, Non-Executive | NIL |
| 3. | Mr. Anil Kumar Bhandari | Independent, Non-Executive | 1,000 |
| 4. | Smt. Hira Bhojwani | Non-Independent, Non-Executive Director | 3,70,310 |

(iii) **Stakeholders Relationship Committee:**

The Committee is constituted to redress Shareholders' complaints like transfer/transmission of shares, duplicate issue of share certificates, non-receipt of annual report, dividends, notices etc.

The composition of the Committee is as follows:

| Name of the Director | Designation | Category | Number of meetings held and attended during the year | |
|-----------------------|-------------|--------------------------------|--|----------|
| | | | Held | Attended |
| Mr. K. P. Rao | Chairman | Independent, Non-Executive | 4 | 4 |
| Mr. Suresh Bhojwani | Member | Non-Independent, Executive | 4 | 4 |
| Mrs. Devika Bhojwani | Member | Non-Independent, Executive | 4 | 4 |
| Smt. Hira T. Bhojwani | Member | Non-Independent, Non-Executive | 4 | 3 |

The Company Secretary acts as the Secretary to the Committee. There were no complaints pending as on 31st March, 2021.

4. General Body Meetings:

Particulars of previous three Annual General Meetings.

| AGM | Year | Location of the Meeting | Date | Time | Special Resolutions |
|----------------------|---------|---|---------------------------------------|------------|---|
| 73 rd AGM | 2019-20 | Video Conferencing/ Other Audio Visual Means | 12 th November, 2020 | 11.00 a.m. | <ul style="list-style-type: none"> - Payment of Remuneration to Cost Auditors for the financial year 2020-21. - Payment of Commission to Directors - Appointment of Mr. Anil Kumar Bhandari as an Independent Director for a period of five years - Approve payment of remuneration to Mr. Suresh Bhojwani Chairman and Managing Director of the Company for remaining period of his term of 5 years |
| 72 nd AGM | 2018-19 | Walchand Hirachand Hall, IMC, 4 th floor, IMC Marg, Churchgate, Mumbai-400020 | 13 th August, 2019 | 11.30 a.m. | <ul style="list-style-type: none"> - Payment of remuneration to Cost Auditors for the financial year 2019-20 - Re-appointment of Mr. K. P. Rao as Independent Director for a period of five years - Re-appointment of Dr. T. S. Sethurathnam as an Independent Director for the period of five years - Re-appointment of Mr. Byram Jeejeebhoy as an Independent Director for the period of five years |

| AGM | Year | Location of the Meeting | Date | Time | Special Resolutions |
|----------------------|---------|---|----------------------------------|-----------|---|
| | | | | | <ul style="list-style-type: none"> - Appointment of Smt. Hira Bhojwani as Non-Executive Non-Independent Director of the Company - Appointment of Mrs. Devika Bhojwani as Whole-time Director of the Company - Re-appointment of Mr. Karan Bhojwani, Vice President- Operations for a period of five years |
| 71 st AGM | 2017-18 | M. C. Ghia Hall, 2 nd Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Fort, Mumbai-400001 | 22 nd September, 2018 | 3.00 p.m. | <ul style="list-style-type: none"> - Payment of remuneration to Cost Auditors for the financial year 2018-19 - Continuation of appointment of Mr. K. P. Rao, Dr. T. S. Sethurathnam and Mr. Byram Jeejeebhoy as Independent Directors as per Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 |

No resolution was passed by Postal Ballot during the Financial Year.

Extraordinary General Meeting:

No Extraordinary General Meeting was held during the year 2020-21.

5. Disclosures under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations):

| Particulars | Regulation | Details |
|--|--|--|
| Related party transactions | Regulation 23 of SEBI Listing Regulations and as defined under the Act | Details of related party transactions entered into by the Company are included in the notes to the Financial Statements. All the transactions covered under the related party transaction are fair, transparent and at arm's length. No significant material transaction has been made with the directors, their relatives or management which is in conflict with the interest of the Company. The Board's approved policy for related party transactions is available on the website of the Company at the following link: http://www.brightbrothers.co.in/pdf/pdf_105.pdf |
| Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad | Schedule V (c) 9(q) to the SEBI Listing Regulations | The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31 st March, 2021. The ratings given by ICRA for Term Loan and Sales Invoice Finance is BB (Stable) and A4+ respectively. These ratings were assigned on 28th January, 2020 pursuant to the Term Loan and Sales Invoice Finance availed from Kotak Mahindra Bank Limited. |
| Details of Regulatory compliance | Schedule V (c) 10(b) to the SEBI Listing Regulations | There were no cases of non-compliance during the last three financial years. No penalty or strictures have been imposed on the Company by the stock exchange, or Securities and Exchange Board of India ('SEBI') or any statutory authority on any matter related to capital Markets. However, we had received an email from BSE Ltd. pertaining to non-compliance of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements), 2015. The Company has submitted its reply to BSE Ltd. and their response is awaited. |
| Commodity price risk and hedging activities | Schedule V (c) 10(g) of the SEBI Listing Regulations | The activities carried out by the Company are not prone to commodity price risk. Hence, the Company has not undertaken commodity hedging positions during the financial year. |
| Compliance with the Code of Conduct | Regulation 34 (3) of the SEBI Listing Regulations | The declaration signed by the Chairman and 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 forms part of the Annual Report. |

| Particulars | Regulation | Details |
|--|--|---|
| CEO/CFO Certification | Regulation 17(8) of SEBI Listing Regulations, 2015 | The Chairman and Managing Director and Chief Financial Officer have in respect of the financial year ended 31st March, 2021 certified to the Board regarding compliances of covenants contained in the Regulation. The Certificate forms part of the Annual Report. |
| Compliance Certificate from the Auditors | Regulation 34(3) of SEBI Listing Regulations, 2015 | The Company has obtained a Certificate from the Statutory Auditors regarding compliance of conditions of Corporate Governance as stipulated in Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Certificate forms part of the Annual Report. |
| Certificate regarding directors qualifications | Schedule V (c) 10(i) to the SEBI Listing Regulations | The Company has obtained 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 forms part of the Annual Report. |
| Whistle Blower Policy and Vigil Mechanism | Regulation 22 of SEBI Listing Regulations | The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. |
| Policy on Determination of Materiality for Disclosures | Regulation 30 of SEBI Listing Regulations | The Company has adopted a Policy on Determination of Materiality for Disclosures. The Board's approved policy is available on the website of the Company at the following link: http://www.brightbrothers.co.in/pdf/pdf_103.pdf |
| Discretionary requirements | Schedule II Part E of the SEBI Listing Regulations | The auditors' report on financial statements of the Company are unqualified. Internal auditors report of the manufacturing units of the Company is submitted to the Audit Committee on quarterly basis. |

6. Disclosures in relation to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013

| Number of complaints filed during the financial year | Number of complaints disposed of during the financial year | Number of complaints pending as at the end of the financial year |
|--|--|--|
| NIL | NIL | NIL |

7. Fees to statutory auditors:

M/s. Desai Saksena and Associates, Chartered Accountants (Firm Registration No. 102358W) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors' fees, given below:

(₹ in lakhs)

| Particulars | 2020-21 | 2019-20 |
|---------------------------|---------|---------|
| Audit fees | 6.00 | 6.00 |
| Others | 0.09 | 0.09 |
| Reimbursement of expenses | — | 0.14 |
| Total Payment to Auditors | 6.09 | 6.23 |

8. Disclosure of Accounting Standards:

The Company follows the Accounting Standards issued by the Institute of Chartered Accountants of India and Companies (Accounting Standards) Rules, 2006.

9. Others

The Company does not have any subsidiaries.

10. Compliance with non-mandatory requirements:

Adoption of non-mandatory requirements under Regulation 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time to time and implemented as per the requirements of the Company.

11. Means of Communication:

- The quarterly, half yearly and annual results are generally published in “The Free Press Journal” (English) and “Nav-Shakti” (Marathi) in Mumbai edition.

The results are also submitted on a timely basis in such a form to the Stock Exchange (i.e. BSE Limited) where the Equity shares of the Company are listed so as to enable it to put it on its website viz. www.bseindia.com. The results are also uploaded on the website of the Company viz. www.brightbrothers.co.in.

- A Management Discussion and Analysis is being presented as a part of the Annual Report as required under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

12. General Shareholders Information:

| | |
|--|--|
| Annual General Meeting | |
| • Date and Time | : Monday, 27th September, 2021 at 12:00 Noon (IST) |
| • Venue | : The meeting will be held through Video Conferencing/ Other Audio Visual Means. The venue of the meeting shall be deemed to be the Registered Office of the Company at Office no. 91, 9 th Floor, Jolly Maker Chambers No. 2, 225, Nariman Point, Mumbai-400021. |
| • Dividend Payment date | : On or after 27th September, 2021 |
| Financial Year | 2020-21 |
| Date of Book Closure | : 21st September, 2021 to 27th September, 2021 (Both days inclusive) |
| Financial Calendar for 2021-22 | |
| Reporting for June, 2021 quarter | : On or before 14th August, 2021. |
| Reporting for September, 2021 quarter | : On or before 14th November, 2021. |
| Reporting for December, 2021 quarter | : On or before 14th February, 2022. |
| Reporting for quarter & year ended March, 2022 | : On or before 30th May, 2022. |

Listing:

The Equity shares of the Company are listed on Bombay Stock Exchange Limited. The Company has paid the Annual Listing Fee for the year 2020-21.

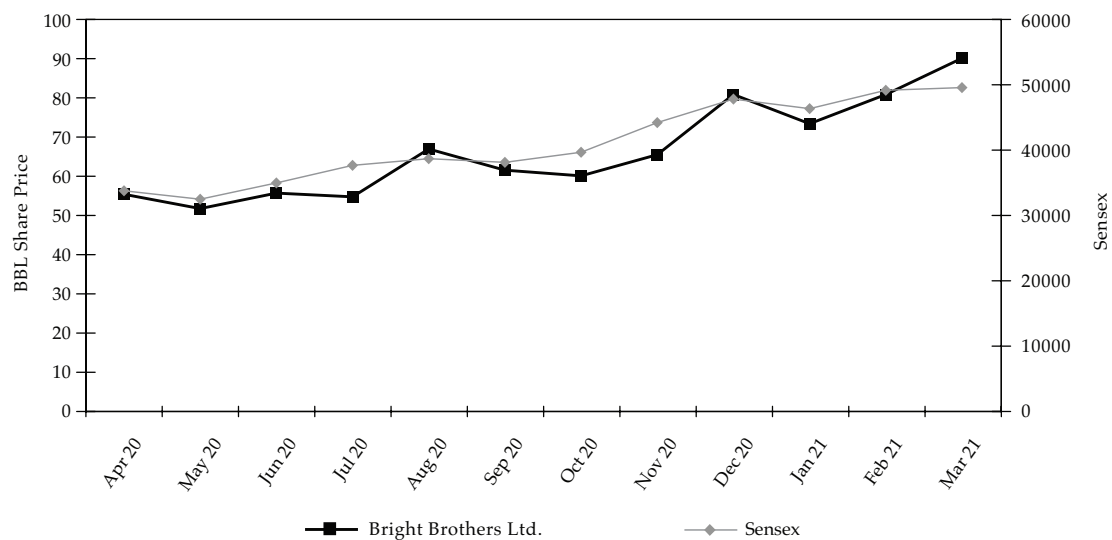
| | |
|-------------------------------------|-------------------------|
| • Stock Code | : 526731 |
| • ISIN No. for NSDL and CDSL | : INE630D01010 |
| • Scrip ID | : BRIGHTBR |
| • CIN | : L25209MH1946PLC005056 |

- **Stock Market Data (BSE):**

Monthly high and low quotations of shares and volume of Equity shares traded on Bombay Stock Exchange Limited is as follows.

| Month | High Price | Low Price | Close Price | No. of Shares | Sensex |
|--------|------------|-----------|-------------|---------------|----------|
| Apr-20 | 67.50 | 51.00 | 55.30 | 21,715 | 33717.62 |
| May-20 | 58.80 | 48.05 | 51.65 | 8,654 | 32424.10 |
| Jun-20 | 68.85 | 51.65 | 55.60 | 28,907 | 34915.80 |
| Jul-20 | 63.00 | 47.05 | 54.65 | 36,507 | 37606.89 |
| Aug-20 | 75.90 | 51.05 | 66.85 | 3,86,400 | 38628.29 |
| Sep-20 | 69.00 | 49.40 | 61.45 | 17,276 | 38067.93 |
| Oct-20 | 64.35 | 49.55 | 60.00 | 47,042 | 39614.07 |
| Nov-20 | 70.00 | 55.10 | 65.40 | 33,763 | 44149.72 |
| Dec-20 | 86.75 | 64.00 | 80.75 | 84,361 | 47751.33 |
| Jan-21 | 89.45 | 71.05 | 73.30 | 46,191 | 46285.77 |
| Feb-21 | 88.00 | 71.35 | 80.75 | 60,435 | 49099.99 |
| Mar-21 | 99.00 | 78.40 | 90.00 | 2,35,583 | 49509.15 |

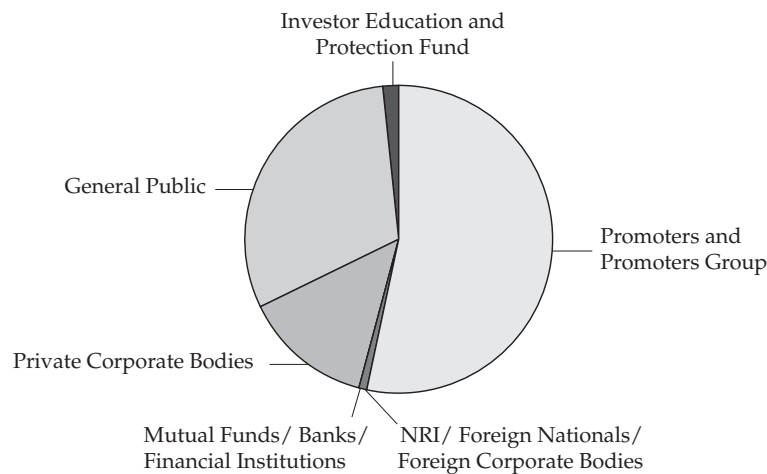
Share Performance of the Company in Comparison to BSE Sensex
BSE Sensex Vs BBL Share Price (Monthly Closing Price)



Pattern of Shareholding as on 31st March, 2021:

| Category | No. of Shares | % |
|--|------------------|---------------|
| * Promoters and Promoter Group | 30,43,683 | 53.58 |
| Non Promoters | | |
| a. NRIs/Foreign Nationals/Foreign Corporate Bodies | 43,315 | 0.76 |
| b. Mutual Funds/Banks/Financial Institutions | 50 | 0.00 |
| c. Private Corporate Bodies | 7,68,810 | 13.53 |
| d. General Public | 17,43,397 | 30.70 |
| e. Investor Education and Protection Fund | 80,980 | 1.43 |
| Grand Total | 56,80,235 | 100.00 |

*Note: None of the Promoters have pledged their shares as on 31st March, 2021.



* Promoter holdings comprised in "Promoter and Promoter Group" as defined in Regulation 2(w) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

| Sr. No. | Name of the shareholder | No. of Shares held as on 31st March, 2021 | % of total shareholding |
|---------|---------------------------------------|---|-------------------------|
| 1. | M/s. T. W. Bhojwani Leasing Pvt. Ltd. | 10,53,225 | 18.54 |
| 2. | Mr. Suresh Bhojwani | 12,83,418 | 22.59 |
| 3. | Smt. Hira T. Bhojwani | 3,70,310 | 6.52 |
| 4. | T. W. Bhojwani – HUF | 2,40,430 | 4.23 |
| 5. | Mrs. Devika S. Bhojwani | 41,300 | 0.73 |
| 6. | S. T. Bhojwani – HUF | 20,000 | 0.35 |
| 7. | Ms. Ruchika S. Bhojwani | 17,500 | 0.31 |
| 8. | Mr. Karan S. Bhojwani | 17,500 | 0.31 |
| | Total | 30,43,683 | 53.58 |

Distribution of shareholding (shares)

| Sr. No. | Shareholding of Shares | | | Number of Shareholders | % of Total Shareholders | Shares | % of Total Share Capital |
|--------------|------------------------|----|------------|------------------------|-------------------------|------------------|--------------------------|
| 1 | 1 | to | 500 | 3,200 | 88.79 | 3,83,623 | 6.75 |
| 2 | 501 | to | 1000 | 174 | 4.83 | 1,44,400 | 2.54 |
| 3 | 1001 | to | 2000 | 91 | 2.53 | 1,37,888 | 2.43 |
| 4 | 2001 | to | 3000 | 38 | 1.05 | 95,708 | 1.68 |
| 5 | 3001 | to | 4000 | 17 | 0.47 | 59,607 | 1.05 |
| 6 | 4001 | to | 5000 | 22 | 0.61 | 1,05,300 | 1.85 |
| 7 | 5001 | to | 10000 | 23 | 0.64 | 1,72,082 | 3.03 |
| 8 | 10001 | to | 9999999999 | 39 | 1.08 | 45,81,627 | 80.67 |
| Total | | | | 3,604 | 100.00 | 56,80,235 | 100.00 |

Share Transfer System:

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

The aforesaid requests are processed by Link Intime India Pvt. Ltd. All the documents received from shareholders are scrutinized by the Company's RTA. The shares lodged for transmission, etc. are processed and share certificates duly endorsed are returned within the stipulated time, subject to documents being valid and complete in all respects.

SEBI, vide its Circular No. SEBI/HO/MIRSD/DOP1/ CIR/P/2018/73 dated 20th April, 2018, introduced a documented framework for streamlining and strengthening the systems and processes of RTAs, Issuer Companies and Bankers to an Issue with regards to handling and maintenance of records, transfer of securities and payment of dividend, as may be applicable. In the said Circular, SEBI has suggested measures to make the systems and processes among the RTAs, Issuer Companies and Bankers, more robust and transparent. The said SEBI Circular, *inter alia*, provides for some key requirements like maintenance of dividend master file, reconciliation of dividend account(s), Updation of PAN and Bank mandates by the Shareholders, wherever not available, System-Log(s), enhanced due diligence, etc. The Company and its RTA are in compliance with the applicable requirements of the set framework.

Dematerialisation and Liquidity:

The shares of the Company are required to be compulsorily traded in dematerialised form. 55,25,109 Equity Shares representing 97.26% of the total Equity Capital of the Company are held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) as on 31st March, 2021.

Outstanding GDRs/ ADRs/Warrants or any convertible instrument, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on 31st March, 2021, the Company does not have any outstanding DRs/ADRs/Warrants or any convertible instruments.

Plant Locations:

| | |
|---|---|
| <p>Puducherry: Plant I, II and III Plot No. 1/1 to 1/4, Thirubhuvanai, Mannadipet Commune, Puducherry – 605 107. Phone No. : 0413 2640105/ 2641030</p> | <p>Faridabad: Plot No. 16-17, Sector 24, Faridabad, Haryana – 121 005. Phone No.: 9582806741</p> |
| <p>Bhimtal: Hiltron Electronic Complex, Plot No. C,D,E,F & G Mallittal, Bhimtal, Nainital, Uttarakhand – 263136 Phone No.: 9557700155</p> | <p>Dehradun: Khasara No. 3962,3963,3946 & 3947 Lal Tapper Industrial Area, Majri Grant Dehradun, Uttarakhand – 248140. Phone No.: 9760406068</p> |

Address for Investor's correspondence:

| | | |
|---|--|--|
| For all matters relating to shares, dividends, Annual Reports | M/s. Link Intime India Pvt Ltd. C 101, 247 Park, L. B. S. Marg, Vikhroli West, Mumbai-400083 Contact person: Mr. Ganapati Haligouda Email: rnt.helpdesk@linkintime.co.in | Phone : 022 4918 6000 Fax : 022 4918 6060 |
| For any other general matters | Company Secretary Bright Brothers Limited Office no. 91, 9 th Floor, Jolly Maker Chambers no. 2, 225, Nariman Point, Mumbai-400021 Email: invcom@brightbrothers.co.in | Phone : 022-25835158 |

For and on behalf of the Board,
BRIGHT BROTHERS LIMITED

Suresh Bhojwani
Chairman & Managing Director
DIN: 00032966

Place : Mumbai
Date : 18th June, 2021

Annexure to Corporate Governance Report

I. Declaration of Compliance with the Code of Conduct

I hereby confirm that:

the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2021.

Suresh Bhojwani

Chairman & Managing Director

DIN: 00032966

Place : Mumbai

Date : 18th June, 2021

II. CEO-CFO CERTIFICATE under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Board of Directors,
BRIGHT BROTHERS LIMITED

- (a) We have reviewed financial statements and the cash flow statement of Bright Brothers Limited for the year ended on 31st March, 2021 and that 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 violate the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
- (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 that the same have been disclosed in the notes to the financial statements; and
 - (iii) that there are no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mr. Suresh Bhojwani
Chairman & Managing Director
DIN 00032966

Mr. Chirag Shah
Chief Financial Officer

Place : Mumbai

Date : 18th June, 2021

Annexure - III**Certificate of Compliance with the Corporate Governance**

Independent Auditor's Certificate on compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Bright Brothers Limited

1. We have examined the compliance of conditions of Corporate Governance by **Bright Brothers Limited** ("the Company"), for the year ended 31st March, 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for the Statement

2. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

3. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March, 2021.
5. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
8. We 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.

Restriction on Use

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

For Desai Saksena & Associates

Chartered Accountants

FRN : 102358W

Dr. S.N. Desai

Partner

Membership No.: 032546

UDIN : 21032546AAAABO1168

Place : Mumbai

Date : 18th June, 2021

Annexure - IV**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
Bright Brothers Limited
2-91, Floor-9, Plot 225, 2,
Jolly Maker Chambers,
Vinayak Kumar Shah Marg,
NCPA, Nariman Point,
Mumbai 400021

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bright Brothers Limited having CIN: L25209MH1946PLC005056 and having registered office at 610-611, Nirman Kendra, Famous Studio Lane, Mahalaxmi, Mumbai 400 011 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 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 the Director | DIN | Date of Appointment in the Company |
|--------|-------------------------------------|----------|------------------------------------|
| 1 | Mr. Suresh Thakurdas Bhojwani | 00032966 | 01/02/2018 |
| 2 | Ms. Hira Thakurdas Bhojwani | 00032997 | 01/04/2019 |
| 3 | Ms. Devika Suresh Bhojwani | 08355381 | 01/10/2019 |
| 4 | Mr. Purnachandrarao Kuchimanchi | 00027577 | 13/08/2019 |
| 5 | Mr. Subramaniam Sethurathnam Thinam | 00042704 | 13/08/2019 |
| 6 | Mr. Anil Kumar Bhandari | 00031194 | 12/11/2020 |

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.

Sd/-
Purnima Shetty
Practicing Company Secretary
FCS – 9089, CP No.: 14933
UDIN No.- F009089C000489503

Place : Mumbai
Date : 19th June, 2021

Annexure - III
Form No. MR-3

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

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

To,
The Members,
Bright Brothers Limited
CIN: L25209MH1946PLC005056
Office no. 91, 9th Floor,
Jolly Maker Chambers No. 2, 225,
Nariman Point,
Mumbai 400021

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Bright Brothers Limited, (hereinafter called as the 'Company'). This Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other returns maintained by the Company for the financial year ended March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(Not applicable to the Company for the period under review)**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 read with amendments from time to time **(Not applicable as the Company has not issued any further share capital during the period under review)**;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable as the Company has not issued any stock options during the period under review)**;

- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable as the Company has not issued and listed any debt capital during the period under review);**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 read with Amendments, regarding the Companies Act and dealing with client **(Not applicable as the Company is not registered as Registrar to Issue & Share Transfer Agent during the period under review);**
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable as there was no reportable event during the period under review);**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable as there was no reportable event during the period under review);**
- (vi) The other laws that are applicable specifically to the Company are as follows:
 - a) Maharashtra Shops and Establishments (Regulation of employment and conditions of service) Act, 2017, Rules thereunder and other State Acts and Rules thereunder, including statutory amendments made thereto
 - b) Factories Act, 1948 and applicable State Rules;
 - c) Contract Labour (Regulation and Abolition) Act, 1970, Contract Labour (Regulation and Abolition) Central Rules, 1971 and applicable State Rules.
 - d) Industrial Disputes Act, 1947, Industrial Disputes (Central) Rules, 1957 and applicable State Rules
 - e) Industrial Employment (Standing Orders) Act, 1946, Industrial Employment (Standing Orders) Central Rules, 1946 and applicable State Rules
 - f) Employee Compensation Act, 1923, Workmen Compensation Rules, 1924 and applicable State Rules.
 - g) Employees' Provident Funds and Miscellaneous Provisions Act, 1952, Employees' Provident Fund Scheme, 1952, Employees' Pension Scheme, 1995 and Employees' Deposit Linked Insurance Scheme, 1976.
 - h) Equal Remuneration Act, 1976 and Equal Remuneration Rules, 1976.
 - i) Maternity Benefit Act, 1961 and applicable State Rules.
 - j) Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.
 - k) Payment of Wages Act, 1936, Payment of Wages (Nomination) Rules, 2009 and applicable State Rules.
 - l) Minimum Wages Act, 1948, Minimum Wages Rules, 1950 and applicable State Rules.
 - m) Payment of Gratuity Act, 1972 and applicable State Rules.
 - n) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013
 - o) Environment Protection Act, 1986 and other applicable environmental laws;
 - p) Air (Prevention and Control of Pollution) Act, 1981 and Air (Prevention and Control of Pollution) Rules 1982 and applicable State rules;
 - q) Water (Prevention and Control of Pollution) Act, 1974 and Water (Prevention and Control of Pollution) Rules, 1975 and applicable State Rules.
 - r) Hazardous Waste (Management and Handling) Rules, 1989 and Amendment Rules, 2003;
 - s) The Trademark Act, 1999

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 Agreement entered into by the Company with BSE Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- The casual vacancy in the office of Independent Director caused by the sudden demise of the independent director on 9th June 2020 was filled within a period of three months by appointment of Additional Director in a Board meeting in compliance of Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25(6) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

However, due to the nationwide lockdown in view of the ongoing pandemic situation and general extension provided to all Companies for holding the Annual General meeting, the said appointment of the Director who was above the age of 75 years could not be immediately approved by the shareholders in terms of Regulation 17(1A) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

The appointment was placed before the shareholders and approved in the Annual General meeting held on 12th November 2020.

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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board meetings and Committee meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board as the case may be.
- Company is generally regular in compliance with the filing of e-forms with the Ministry of Corporate Affairs as required under the Companies Act, 2013 and the Rules framed thereunder and where in few instances not filed within the prescribed time limit, the same was filed with payment of additional fees.
- 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 and as informed, the Company has responded appropriately to notices received from statutory/ regulatory authorities including initiating immediate corrective measures, where necessary

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

This Report is to be read with my letter of even date which forms an integral part of this Report.

Purnima Shetty
Practicing Company Secretary
FCS No. 9089
C.P. No. 14933
UDIN No. F009089C000481055

Place: Navi Mumbai

Date: 17th June, 2021

Note:

Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct records. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2021 pertaining to Financial Year 2020-21.

'Annexure A'

**(To the Secretarial Audit Report of M/s. Bright Brothers Limited
for the financial year ended 31st March, 2021)**

To,
The Members,
Bright Brothers Limited
CIN: L25209MH1946PLC005056
Office no. 91, 9th Floor,
Jolly Maker Chambers No. 2, 225,
Nariman Point,
Mumbai 400021

My Secretarial Audit Report of even date, for the F.Y. 2020-2021 is to be read along with this letter:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and rules and regulations and to ensure that the systems are adequate and operate effectively. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about correctness of the contents of the secretarial records. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provisions of the corporate and other laws, rules, regulations, norms and standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
5. Wherever required, I obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
6. The Secretarial Audit Report 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.

Purnima Shetty
Practicing Company Secretary
FCS No. 9089
C.P. No. 14933
UDIN No. F009089C000481055

Place: New Mumbai
Date: 17th June, 2021

Annexure - IV

To,
The Board of Directors,
Bright Brothers Limited,
CIN No. L25209MH1946PLC005056
Office no. 91, 9th Floor,
Jolly Maker Chambers No. 2, 225,
Nariman Point,
Mumbai 400021

Sir/ Madam,

Annual Secretarial Compliance Report for the Financial Year 2020-21

We have been engaged by Bright Brothers Limited (hereinafter referred to as 'the Company') bearing CIN: L25209MH1946PLC005056 whose Equity Shares are listed on BSE Limited to conduct an audit in terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI's Circular No. CIR/CFD/CMD1/27/2019 dated 08th February, 2019 and to issue the Annual Secretarial Compliance Report thereon.

It is the responsibility of the management of the Company to maintain records, devise proper systems to ensure compliance with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and to ensure that the systems are adequate and are operating effectively.

Our responsibility is to verify compliances by the Company with provisions of all applicable SEBI Regulations and circulars/ guidelines issued there under from time to time and issue a report thereon.

Our audit was conducted in accordance with Guidance Note on Annual Secretarial Compliance Report issued by the Institute of Company Secretaries of India and in a manner which involved such examinations and verifications as considered necessary and adequate for the said purpose.

Annual Secretarial Compliance Report is enclosed.

Purnima Shetty
Practicing Company Secretary
FCS No. 9089
C.P. No. 14933

Place: Navi Mumbai

Date: 18th June, 2021

**Secretarial Compliance Report of Bright Brothers Limited
For the Financial Year Ended 31st March, 2021**

Under Regulation 24A of SEBI (Listing Obligation & Disclosure Requirements), Regulations, 2015

To,
The Board of Directors
Bright Brothers Limited,
CIN No. L25209MH1946PLC005056
Office no. 91, 9th Floor,
Jolly Maker Chambers No. 2, 225,
Nariman Point,
Mumbai 400021

I have examined:

- a) all the documents and records made available to us and explanation provided by M/s Bright Brothers Limited (“the listed entity”),
- b) the submissions/ filings made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2021 (“Review Period”) in respect of compliance with the provisions of :

- a) the Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”)

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

- a) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **
- c) the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 2011;
- d) the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **
- e) the Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; **
- f) the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **
- g) the Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **
- h) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(** Not applicable as the listed entity did not carry out the activities covered by the regulations/ guidelines during the review period)

Based on the above examination, I hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

| Sr. No. | Compliance Requirement (Regulations, Circulars/ Guidelines including Specific clause) | Deviations | Observations/ Remarks of the Practicing Company Secretary |
|---------|---|---|--|
| 1 | Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 | Non-compliance with the requirements pertaining to appointment or continuation of Non-executive director who has attained the age of seventy-five years | <p>As informed by the Management there was a casual vacancy in the office of the Independent Director due to the sudden demise of the existing Independent Director and in view of the prevailing exceptional circumstances brought about by the Covid 19 pandemic, the Company in the best of its abilities filled the vacancy in compliance of Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25(6) of SEBI (LODR) Regulation, 2015.</p> <p>However, the same could not be approved by the Shareholders due to its inability to convene Extra ordinary general meeting or conduct a postal ballot in view of the ongoing nationwide crisis.</p> <p>The appointment was placed before and approved by the shareholders in the Annual General Meeting of the Company held thereafter on 12th November 2020</p> |

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of these records;
- c) The following are the actions taken against the listed entity / its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

| Sr. No. | Action Taken By | Details of Violation | Details of action/ Observations/ violation taken E.g. fines, remarks of the warning letter, debarment, etc. | Observations/ Remarks of the Practicing Company Secretary, if any |
|---------|-------------------------------------|---|---|--|
| 1 | Bombay Stock Exchange Limited (BSE) | Regulation 17(1A) of the SEBI (LODR) Regulations, 2015 Non-compliance with the requirements pertaining to appointment or continuation of Non-executive director who has attained the age of seventy-five years | Levy of Fine vide email dated 17 th November 2020 in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 | The Company has sought waiver of the fine vide letter dated 18 th November 2020 setting out the exceptional circumstances in which the non-compliance occurred followed by the communication of the noting's of the Board meeting in which the Non- executive Independent Director was appointed vide letter dated 17 th February 2021. Response to the aforesaid communications is awaited as on the date of this report |

- d) As there was no observation made in the previous reports, the listed entity was not required to take any actions to comply with the same.

Purnima Shetty
Practicing Company Secretary
FCS No. 9089
C.P. No. 14933
UDIN No.- F009089C000481066

Place: Navi Mumbai
Date: 18th June, 2021

Note:

Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct records. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2021 pertaining to Financial Year 2020-21.

Independent Auditors' Report

**TO THE MEMBERS OF,
BRIGHT BROTHERS LIMITED**

Report on the Audit of the Financial Statements

Opinion

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

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

Emphasis of Matter:

- The Company has an internal control system. However, the same needs to be strengthened.

Our opinion is not modified in respect of this matter.

Key Audit Matters

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

| Sn. | The Key Audit Matters | How our audit addressed the key audit matter |
|-----|--|---|
| 1 | Evaluation of Contingent Liabilities | |
| | The Company operates in multiple jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters during the normal course of business regarding Disputed Statutory Liabilities and Contingent Liabilities. These involve significant management judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the financial statements. | <p>Our audit procedures include the following substantive procedures:</p> <ul style="list-style-type: none"> ➤ Read and analysed documents provided by the management for key uncertain tax positions; ➤ Discussed with appropriate senior management and evaluated management's underlying key assumptions in disclosure of disputed statutory liabilities; and ➤ Assessed management's estimate of the possible outcome of the disputed cases. |

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 financial statements and our auditor's report thereon.

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

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

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

Management's Responsibilities for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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 as at 31st March 2021 on its financial position in its financial statements - Refer Note No. 34 (Sn 1 to 5) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Desai Saksena & Associates**
Chartered Accountants
Firm's registration number: 102358W
Dr. S. N. Desai
Partner
Membership number: 32546
UDIN: 21032546AAAABO1168

Place: Mumbai
Date: 18th June 2021

Annexure – A to the Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Bright Brothers Limited of even date)

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

We have audited the internal financial controls over financial reporting of **Bright Brothers Limited** (the “Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The 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 Companies Act, 2013.

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, 2021, 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.

For **Desai Saksena & Associates**
Chartered Accountants
Firm's registration number: 102358W

Dr. S. N. Desai
Partner
Membership number: 32546
UDIN: 21032546AAAABO1168

Place: Mumbai
Date: 18th June 2021

Annexure – B to the Independent Auditors’ Report

With reference to the “Annexure B” referred to in the Independent Auditors’ Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report the following:

- (i) In respect of Company’s property, plant and equipment:
 - (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The property, plant and equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) In respect Company’s inventories:

The inventory, and inventory lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) In our opinion and according to information and explanation given to us, the Company has not granted any loans, secured or unsecured to parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable to the Company.
- (iv) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured or provided any guarantees or security to parties covered under section 185 of the Act. The Company has not granted any loans, no investments has been made, no guarantees or security are given to parties covered section 186 of the Act. Accordingly, paragraph 3 (iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year ended March 31, 2021 and does not have any unclaimed deposits as of that date. Therefore, reporting under clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts and records maintained by the Company pursuant to the Rules prescribed by the Central Government under sub section (1) of section 148 of the Act and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- (vii) In respect of statutory dues:
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees’ state insurance, income-tax, customs duty & corresponding cess, service tax, goods and service tax, professional tax, and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees’ state insurance, income tax, duty of customs, corresponding cess, goods and service tax, professional tax, and other material statutory dues were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute, other than the following dues of value added tax, provident fund, goods and service tax.

| Sr. No. | Name of the Statute | Nature of dues | Financial Year to which it Pertains | Forum where dispute is Pending | *Amount (₹ in Lakhs) |
|---------|--|---------------------------------|-------------------------------------|--|----------------------|
| 1 | Bombay Sales Tax Act, 1959 and Central Sales Tax Act, 1956 | Sales tax, Interest and Penalty | 1998-99 2001-02 | Sales Tax Appellate Tribunal | 6.80 |
| 2 | Bombay Sales Tax Act, 1959 | Sales tax, Interest and Penalty | 1987-89 | Joint Commissioner (Appeals-Sales Tax) | 16.86 |
| 3 | The Central Excise Act, 1956 | Duty and Penalty | 1996-1997 to 1998-1999 | CESTAT | 89.78 |

| Sr. No. | Name of the Statute | Nature of dues | Financial Year to which it Pertains | Forum where dispute is Pending | *Amount (₹ in Lakhs) |
|---------|--|---------------------------------|-------------------------------------|-------------------------------------|----------------------|
| 4 | Provident Fund Act, 1952 | P.F. dues | 2010-2011, 2011-2012, 2012-2013 | Commissioner (PF) | 8.66 |
| 5 | Uttarakhand Value Added Tax, 2005 | Sales tax | 2011-12, 2012-13, 2013-14, 2014-15 | Assessing Officer | 2.45 |
| 6 | Service Tax under the Finance Act, 1994 ** | Service tax | 2015-16 | Joint Commissioner CGST, Faridabad | 66.66 |
| 7 | MVAT Act, 2002 and Central Sales Tax Act, 1956 *** | Sales tax, Interest and Penalty | 2015-16 | Assistant Commissioner of Sales Tax | 7.85 |
| 8 | MVAT Act, 2002 and Central Sales Tax Act, 1956*** | Sales tax, Interest and Penalty | 2016-17 | Assistant Commissioner of Sales Tax | 9.19 |
| 9 | MVAT Act, 2002 and Central Sales Tax Act, 1956 *** | Sales tax, Interest and Penalty | 2017-18 | Assistant Commissioner of Sales Tax | 5.56 |

* Interest and Penalty as per the orders received.

** There is no response from the department on a reply filed by the Company, hence considered as disputed on a conservative side.

*** Based on the certification of the legal consultant, rectification/appeal will be filled in due course of time and accordingly considered as disputed by the Company.

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government and has not issued any debentures.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments). The term loan raised during the year has been applied for the purpose for which it was raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting standard (IND AS) 24, Related Party Disclosure specified under Section 133 of the Act.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable.

For **Desai Saksena & Associates**
Chartered Accountants
Firm's registration number: 102358W

Dr. S. N. Desai
Partner

Membership number: 32546
UDIN: 21032546AAAABO1168

Place: Mumbai
Date: 18th June 2021

Balance Sheet As at 31st March, 2021

| | Note No. | As at 31st March, 2021 | (₹ in Lakhs) As at 31st March, 2020 |
|--|----------|---------------------------|---|
| ASSETS | | | |
| 1. Non-current assets | | | |
| (a) Property, Plant and Equipment | 2 | 5,104.82 | 4,373.86 |
| (b) Capital work-in-progress | 3 | — | — |
| (c) Other intangible assets | 4 | — | — |
| (d) Financial assets | | | |
| (i) Investments | 5 | 34.81 | 59.51 |
| (ii) Deposits | 6 | 135.76 | 141.38 |
| (iii) Loans | 7 | — | — |
| (iv) Other financial assets | 8 | 183.34 | 161.26 |
| (e) Deferred tax assets | 20B | — | 153.38 |
| (f) Other non-current assets | 9 | 61.78 | 62.70 |
| Total non-current assets | | 5,520.51 | 4,952.09 |
| 2. Current assets | | | |
| (a) Inventories | 10 | 2,032.98 | 1,225.44 |
| (b) Financial assets | | | |
| (i) Investments | 11 | 470.45 | 671.90 |
| (ii) Trade receivables | 12 | 8,376.30 | 4,597.84 |
| (iii) Cash and cash equivalents | 13 | 629.03 | 307.10 |
| (iv) Other bank balances | 14 | 21.83 | 29.67 |
| (c) Other current assets | 15 | 147.57 | 99.12 |
| Total current assets | | 11,678.16 | 6,931.07 |
| TOTAL ASSETS | | 17,198.67 | 11,883.16 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 16 | 567.60 | 567.60 |
| Other equity | 17 | 4,404.09 | 3,821.04 |
| Total Equity | | 4,971.69 | 4,388.64 |
| Liabilities | | | |
| 1. Non-current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 18 | 1,073.45 | 480.88 |
| (ii) Deposits | 19 | 138.00 | 180.00 |
| (b) Deferred tax liabilities | 20A | 216.70 | 223.55 |
| Total non-current liabilities | | 1,428.15 | 884.43 |
| 2. Current liabilities | | | |
| (a) Financial liabilities | | | |
| (i) Borrowings | 21 | 650.00 | 608.00 |
| (ii) Trade payables | 22 | | |
| Micro, small and medium enterprises | | 217.46 | 219.83 |
| Others | | 3,621.54 | 1,602.95 |
| (iii) Other financial liabilities | 23 | 5,864.38 | 3,809.53 |
| (b) Other current liabilities | | 214.89 | 181.23 |
| (c) Provisions | 24 | 63.95 | 122.97 |
| (d) Income tax liabilities (Net) | | 166.61 | 65.58 |
| Total current liabilities | | 10,798.83 | 6,610.09 |
| TOTAL EQUITY AND LIABILITIES | | 17,198.67 | 11,883.16 |
| Significant Accounting Policies | 1 | | |

The accompanying notes referred to herein form an integral part of the financial statements

As per our Report annexed
For Desai Saksena & Associates
Firm Registration No.: 102358W
Chartered Accountants
Dr. S. N. Desai
Partner
Membership No. 32546

Smt. Hira Bhojwani
Non-Executive Director
DIN: 00032997

Mr. Chirag Shah
Chief Financial Officer

Mrs. Sonali Pednekar
Company Secretary &
Compliance Officer

Mr. Suresh Bhojwani
DIN: 00032966

Mrs. Devika Bhojwani
DIN: 08355381

Mr. K. P. Rao
DIN: 00027577

Dr. T. S. Sethurathnam
DIN: 00042704

Mr. Anil Kumar Bhandari
DIN: 00031194

Chairman &
Managing Director

Whole Time Director

Independent Directors

Mumbai, 18th June, 2021

Statement of Profit and Loss for the year ended 31st March, 2021

| | Note No. | Year Ended 31st March, 2021 | (₹ in Lakhs) Year Ended 31st March, 2020 |
|---|----------|--------------------------------|--|
| INCOME | | | |
| Revenue from operations | 25 | 20,227.15 | 21,787.11 |
| Other income | 26 | 78.94 | 14.68 |
| Total Revenue | | 20,306.09 | 21,801.79 |
| EXPENSES | | | |
| Cost of materials consumed | 27 | 13,823.70 | 14,368.70 |
| Purchases of traded goods | 28 | 125.96 | 168.93 |
| Changes in inventories of finished goods, work-in-progress and traded goods | 29 | (187.55) | 122.68 |
| Other operating expenses | 30 | 2,107.52 | 2,486.87 |
| Employee benefits expenses | 31 | 1,666.54 | 1,911.31 |
| Finance costs | 32 | 432.77 | 542.15 |
| Depreciation and amortization expenses | 2 | 577.14 | 590.45 |
| Other expenses | 33 | 919.74 | 1,149.94 |
| Total Expenses | | 19,465.82 | 21,341.03 |
| Profit before Tax | | 840.27 | 460.76 |
| TAX EXPENSES | | | |
| (1) Current Tax | | 269.77 | 115.21 |
| (2) MAT Credit | | 118.00 | 47.91 |
| (3) Deferred Tax | | — | 111.80 |
| (4) Excess / Short Provision for Earlier Years | | 146.53 | (44.50) |
| | | 5.24 | — |
| Profit after Tax | | 570.50 | 345.55 |
| OTHER COMPREHENSIVE INCOME | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurements of net defined benefit plans (Net of tax) | | 7.15 | (34.89) |
| TOTAL COMPREHENSIVE INCOME | | 577.65 | 310.66 |
| EARNING PER EQUITY SHARE IN (₹) | | | |
| Basic and diluted (Face Value ₹ 10/- paid-up) | 45 | 10.05 | 6.09 |
| Significant Accounting Policies | 1 | | |

The accompanying notes referred to herein form an integral part of the financial statements

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DIN: 00042704

Mr. Anil Kumar Bhandari
DIN: 00031194

Chairman &
Managing Director

Whole Time Director

Independent Directors

Mumbai, 18th June, 2021

Cash Flow Statement for the year ended 31st March, 2021

| | (₹ in Lakhs) | |
|---|--------------------------------|--------------------------------|
| | Year ended 31st March, 2021 | Year ended 31st March, 2020 |
| (A) CASH FLOW FROM OPERATING ACTIVITIES : | | |
| Profit before Tax | 840.27 | 460.76 |
| Adjustments for : | | |
| Depreciation and amortization | 577.14 | 590.45 |
| Finance cost | 432.77 | 542.15 |
| Loss/(gain) on sale of property, plant & equipment | (2.46) | 2.70 |
| Interest (income) | (1.69) | (15.40) |
| Dividend from non current investment (income) | (0.52) | (1.39) |
| Net (gain)/loss on sale of investments | (68.87) | 9.43 |
| Operating profit before working capital changes | 1,776.64 | 1,588.70 |
| Adjustments for : | | |
| Movements in working capital : | | |
| Increase/(Decrease) in trade payables | 2,016.22 | (619.08) |
| Increase/(Decrease) in other current financial liabilities | 2,054.85 | 3,239.91 |
| Increase/(Decrease) in other current liabilities | 83.69 | 73.53 |
| Increase/(Decrease) in provisions | (46.47) | (2.69) |
| (Increase)/Decrease in trade receivables | (3,778.46) | (2,926.39) |
| (Increase)/Decrease in other bank balances | 7.84 | 39.87 |
| (Increase)/Decrease in inventories | (807.54) | 285.55 |
| (Increase)/Decrease in other financial assets | (21.71) | (52.49) |
| (Increase)/Decrease in other assets | (47.53) | (34.88) |
| Working capital changes : | (539.11) | 3.33 |
| Cash flow from/(Used In) Operating Activities | 1,237.53 | 1,592.03 |
| Income tax Refund/(Paid) | (67.00) | (54.00) |
| Net Cash flow from/(Used In) Operating Activities (A) | 1,170.53 | 1,538.03 |
| (B) CASH FLOW FROM INVESTING ACTIVITIES : | | |
| Purchase of property, plant & equipments, including capital work in progress-tangible assets and capital advances | (1,309.72) | (435.72) |
| Proceeds from sale of property, plant & equipments | 4.09 | 1.98 |
| Interest Income | 1.69 | 15.40 |
| Dividend from non current investment income | 0.52 | 1.39 |
| Purchase of investment | (1,195.20) | (1,024.78) |
| Proceeds from sale of investments | 1,490.23 | 711.42 |
| Net cash flow from/(Used in) Investing Activities (B) | (1,008.39) | (730.31) |
| (C) CASH FLOWS FROM FINANCING ACTIVITIES : | | |
| Proceeds from long-term borrowings | 709.49 | 322.06 |
| Repayment of long term borrowing | (158.93) | (169.90) |
| Increase/(Decrease) in short-term borrowings | 42.00 | (22.00) |
| Finance Cost | (432.77) | (542.15) |
| Final Dividend paid (including dividend distribution tax) | — | (136.72) |
| Interim Dividend paid (including dividend distribution tax) | — | (136.96) |
| Net Cash flow from/(Used in) Financing Activities (C) | 159.79 | (685.67) |
| NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C) | 321.93 | 122.05 |
| Cash and cash equivalents at the beginning of year | 307.10 | 185.05 |
| Cash and cash equivalents at the end of the year | 629.03 | 307.10 |
| (1) The above statement has been prepared in indirect method. | | |
| (2) Previous year's figures have been reclassified to conform to current year's presentation. | | |
| (3) Figures in the bracket indicate out go. | | |

This is the Cash Flow Statement referred to in our report of even date.

As per our Report annexed
For Desai Saksena & Associates
Firm Registration No.: 102358W
Chartered Accountants
Dr. S. N. Desai
Partner
Membership No. 32546

Smt. Hira Bhojwani
Non-Executive Director
DIN: 00032997

Mr. Chirag Shah
Chief Financial Officer

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Mr. K. P. Rao
DIN: 00027577

Dr. T. S. Sethurathnam
DIN: 00042704

Mr. Anil Kumar Bhandari
DIN: 00031194

Chairman &
Managing Director

Whole Time Director

Independent Directors

Mumbai, 18th June, 2021

Statement of Changes in Equity for the year ended 31st March, 2021

| | (₹ in Lakhs) | | | |
|---------------------------------|--------------|---------------------------------|--|-------------------------------------|
| EQUITY SHARE CAPITAL : | | Balance as at 1st April 2020 | Changes in equity share capital during the year | Balance as at 31st March 2021 |
| Paid up capital (Refer Note 16) | 567.60 | 567.60 | — | 567.60 |

OTHER EQUITY :

Particulars

Reserves and Surplus

| Particulars | Capital Reserve | Securities Premium Reserve | Capital Redemption Reserve | General Amalgamation Reserve | Retained Earnings | Revaluation Reserve | Other Comprehensive Income | Total |
|--|-----------------|----------------------------|----------------------------|------------------------------|-------------------|---------------------|----------------------------|-------------------|
| Balance as at 1st April 2020 | 156.83 | 967.00 | 229.53 | 1,933.17 | 353.20 | 84.79 | (42.48) | 3,821.04 |
| Profit/(Loss) for the year | | | | | 570.50 | | | 570.50 |
| Other Comprehensive Income : Remeasurements of net defined benefit plans (Net of tax) | | 967.00 | 229.53 | 1,933.17 | 923.70 | 84.79 | 12.55 (29.93) | 12.55 4,404.09 |
| Balance as at 31st March 2021 | 156.83 | 967.00 | 229.53 | 1,933.17 | 923.70 | 84.79 | (29.93) | 4,404.09 |

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The accompanying notes referred to herein form an integral part of the financial statements

As per our Report annexed
For Desai Saksena & Associates
Firm Registration No.: 102358W
Chartered Accountants
Dr. S. N. Desai
Partner
Membership No. 32546

Smt. Hira Bhojwani
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DIN: 00042704
Mr. Anil Kumar Bhandari
DIN: 00031194

Chairman & Managing Director
Whole Time Director
Independent Directors

Mumbai, 18th June, 2021.

Notes accompanying the Financial Statements

Note 1

SIGNIFICANT ACCOUNTING POLICIES

COMPANY INFORMATION:

The Bright Brothers Limited (“the Company”) is public limited Company incorporated and domiciled in India and has registered office at Office No.91, 9th Floor, Jolly Maker Chambers No. 2, 225, Nariman Point, Mumbai 400 021. It is incorporated under the Indian Companies Act, 1913 and its shares are listed on the Bombay Stock Exchange Limited.

The Company is engaged in the business of manufacturing injection moulded plastics products for supplies to Original Equipment Manufacturers for Consumer Durable Industry and market its own products under “Brite” brand for material handling crates.

The Company has hair care division which market hair brushes and beauty products under “DIVO” brand.

(A) Basis of Preparation of Financial Statements:

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013.

The financial statements of the Company are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities are measured at Fair value (refer accounting policy on financial instruments – note (H) below.
- Defined Benefit and other Long term Employee Benefits - Refer note (J) below.

(B) Use of Estimates:

The presentation of financial statements requires the management to make certain judgments, estimates and assumption that affects the reported amounts reported under the financial statements and notes thereto. Although such estimates and assumptions are based on the management evaluation of relevant facts and circumstances as on the date of financial statements, the actual amounts (crystallization after preparation of financial statements) may differ from these estimates.

All the assets and liabilities have been classified as current or non-current as per the company’s normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

(C) Property, Plant and Equipment:

- (i) Property, plant and equipment other than certain revalue land, capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalisation criteria are met, directly attributable cost of bringing the asset to its working condition for the intended use and initial estimate of decommissioning, restoring and similar liabilities. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.
- (ii) Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Otherwise, such items are classified as inventories.
- (iii) Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.
- (iv) Cost of land includes lands acquired under lease.
- (v) Cost of building includes buildings constructed on leasehold lands.

(D) Depreciation on Property, Plant and Equipment:

- (i) Depreciation on Property, plant and equipment is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, which are equal to the life prescribed under the Schedule II to the Companies Act, 2013.

Depreciation on assets added/sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded.

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

- (ii) Premium on leasehold land is amortized over the period of lease.

(E) Intangible Assets:

Intangible assets, which are acquired, are capitalized and amortized on a straight-line basis over their useful lives of four years.

Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment losses.

Notes accompanying the Financial Statements

(F) Foreign Currency Transactions:

- (i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction.
- (ii) Foreign currency monetary assets and liabilities are translated at year end exchange rates. Exchange differences arising either on settlement or on translation of monetary items at the year end are recognised as income or expenses in the year in which they arise.

(G) Inventories:

Inventories includes Raw Material and Components, Work-in-Progress, Finished goods and Traded goods, Stores & spares, Consumables, Packing Materials.

- (i) Raw Material and Components – Cost include cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using identified lot basis / First in first out (FIFO) basis.
- (ii) Finished stock, Traded goods and Work in progress stock- Cost includes cost of direct material, labour, other direct cost and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis.
- (iii) Stores Spare Parts, Consumables, Packing Materials etc. – Cost is determined on FIFO basis.

Adequate allowance is made for obsolete and slow moving items.

(H) Financial Instruments:

Financial assets - Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss is initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss. Subsequent measurement Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (i) the entity's business model for managing the financial assets and;
- (ii) the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

Impairment:

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

Notes accompanying the Financial Statements

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement:

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

Loans & Borrowings:

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

De-recognition

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

Offsetting of financial instruments

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

(I) Fair Value measurement:

The Company measures financial instruments, at fair value at each balance sheet date.

Notes accompanying the Financial Statements

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

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

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

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

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

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

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

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

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

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

(J) Employee Benefits:

The Company has following post-employment plans:

- (a) Defined benefit plans such a gratuity,
- (b) Defined contribution plans such as Provident fund & Superannuation fund and
- (c) Other employee benefits

(a) Defined-benefit plan:

The defined benefit obligations are calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (i) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (ii) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising

- (i) Re-measurement of Actuarial(gains)/losses
- (ii) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (iii) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

(b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

Notes accompanying the Financial Statements

(c) Other employee benefits:

- (i) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.
- (ii) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

(K) Impairment of Non Financial Assets:

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

(L) Taxes on Income:

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items, that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

(M) Provisions, Contingent Liabilities and Contingent Assets:

Provisions:

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

Contingent Liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that can't be recognised because it can't be measured reliably. The Company does not recognise the contingent liability but disclose its existence in its financial statements.

Contingent assets:

Contingent assets are neither recognised, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

Notes accompanying the Financial Statements

(N) Leased Assets:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 "Leases" which replaces the existing lease standard, Ind AS 17 "Leases" and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective 01 April, 2019, the Company has adopted Ind AS 116 "Leases". The Company's lease assets class consist of leases of factory premises and office premises. These leases were earlier classified as "Operating Leases" under Ind AS 17.

On transition to Ind AS 116 "Leases", the Company has determined these as short term leases.

- The company didn't recognised the Right to Use and Lease liabilities for lease for which the leases are classified as short term on the date of initial transition.
- All the lease transactions entered by the company are deemed as short term leases.

Considering the above criteria, all the leases previously classified as operating leases under Ind AS 17 are to be deemed as short term leases and hence no further adjustments to its carrying value is required to be made in this financial statements.

Rental expense recorded for short-term leases was ₹ 177.11 lakhs for the year ended 31 March, 2021 (Previous Year ₹ 187.66 lakhs)

(O) Exceptional Items:

Exceptional Items: On certain occasions, the size, type or incidence of an item of income or expense, pertaining to ordinary activities of the Company is such that its disclosure improves an understanding of performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

(P) Borrowing Costs:

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. All other borrowing costs are charged to revenue.

(Q) Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue is recognised only if following conditions are satisfied:

- (i) The Company has transferred risks and rewards incidental to ownership to the customer;
- (ii) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (iii) It is probable that the economic benefit associated with the transaction will flow to the Company; and
- (iv) It can be reliably measured and it is reasonable to expect ultimate collection.

Revenue from sale of services is recognized when the services are rendered.

Dividend income is recognised when the right to receive payment is established.

(R) Earnings Per Share:

Earnings per share are calculated by divided the profit attributable to the shareholders by the number of equity shares outstanding at the close of the year. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the period. The weighted diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

(S) Cash and Cash Equivalents:

Cash and Cash equivalents include cash and cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

(T) Cash Flow Statement:

The Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of:

- (i) transactions of a non-cash nature.
- (ii) any deferrals or accruals of past or future operating cash receipts or payments and
- (iii) items of income or expense associated with investing or financing cash flows.

(U) Cash Dividend:

The Company recognizes a liability to pay dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company i.e. when the dividend distribution is being approved by the shareholders. A corresponding amount is recognized directly in equity.

Notes accompanying the Financial Statements

Note 2

PROPERTY, PLANT AND EQUIPMENT

| Particulars | Gross Block | | | | Accumulated Depreciation | | | Net Block | |
|------------------------|------------------------------------|-----------|-------------|--------------------------------|------------------------------------|----------------------------------|---|--------------------------------|--------------------------------|
| | Opening Balance as at 1 April 2020 | Additions | (Disposals) | Balance as at 31st March, 2021 | Opening Balance as at 1 April 2020 | Depreciation charge for the year | (On disposals/ Adjustments during the year) | Balance as at 31st March, 2021 | Balance as at 31st March, 2020 |
| Land - Leasehold | 125.22 | — | — | 125.22 | 13.15 | 1.20 | — | 14.35 | 110.87 |
| Land - Freehold | 212.51 | 425.00 | — | 637.51 | — | — | — | — | 212.51 |
| Buildings | 1,454.15 | 80.54 | — | 1,534.69 | 489.66 | 52.40 | — | 542.06 | 964.49 |
| Plant and Equipment | 7,565.25 | 681.24 | — | 8,246.49 | 4,887.37 | 434.08 | — | 5,321.45 | 2,925.04 |
| Furniture and Fixtures | 245.37 | 2.01 | — | 247.38 | 189.52 | 8.21 | — | 197.73 | 49.65 |
| Vehicles | 271.32 | 79.54 | (32.40) | 318.46 | 147.98 | 23.05 | (30.78) | 140.25 | 178.21 |
| Office equipment | 131.79 | 1.11 | — | 132.90 | 87.08 | 9.07 | — | 96.15 | 36.75 |
| Moulds | 662.01 | 26.14 | — | 688.15 | 554.04 | 27.03 | — | 581.07 | 107.08 |
| Computers | 197.90 | 11.38 | — | 209.28 | 176.44 | 12.02 | — | 188.46 | 20.82 |
| Electric Installation | 251.42 | 2.76 | — | 254.18 | 197.84 | 10.08 | — | 207.92 | 46.26 |
| Total | 11,116.94 | 1,309.72 | (32.40) | 12,394.26 | 6,743.08 | 577.14 | (30.78) | 7,289.44 | 4,373.86 |
| Previous Year | 10,672.42 | 456.49 | (11.97) | 11,116.94 | 6,159.92 | 590.45 | (7.29) | 6,743.08 | 4,373.86 |

Notes accompanying the Financial Statements

| | (₹ in Lakhs) | |
|----------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2021 | As at 31st March, 2020 |
| Note 3 | | |
| CAPITAL WORK-IN-PROGRESS | | |
| Assets under installation | | |
| Buildings | — | — |
| Plant and Equipment | — | — |
| Total | <u>—</u> | <u>—</u> |

Note 4

OTHER INTANGIBLE ASSETS

Gross carrying amount

| | |
|---|--------------|
| Balance as at 1st April 2020 | 20.73 |
| Additions | — |
| (On disposals/ Adjustments during the year) | — |
| Balance as at 31st March 2021 | <u>20.73</u> |

Accumulated Depreciation

| | |
|---|--------------|
| Balance as at 1st April 2020 | 20.73 |
| Depreciation charge for the year | — |
| (On disposals/ Adjustments during the year) | — |
| Balance as at 31st March 2021 | <u>20.73</u> |

Net carrying amount as at 1st April 2020

—

Net carrying amount as at 31st March 2021

—

Note 5

NON CURRENT INVESTMENTS

| | Quantity | | Amount (₹ in Lakhs) | |
|---|-----------|-----------|---------------------|--------------|
| | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| (A) Investment in equity instruments (at cost) - Unquoted | | | | |
| The Saraswat Co-op. Bank Ltd. (Share of ₹ 10/- each, fully paid up) | 1,000 | 1,000 | 0.10 | 0.10 |
| Shalimar Infotech Ltd. (Share of ₹ 300.12/- each, fully paid up) | 1,666 | 1,666 | 5.00 | 5.00 |
| (A) | | | <u>5.10</u> | <u>5.10</u> |
| (B) Other non-current investments (units of venture fund) | | | | |
| Ambit Pragma Fund Scheme I | 6208 | 6208 | 29.71 | 54.41 |
| (B) | | | <u>29.71</u> | <u>54.41</u> |
| Total [A + B] | | | <u>34.81</u> | <u>59.51</u> |

Notes accompanying the Financial Statements

| | As at 31st March, 2021 | (₹ in Lakhs) As at 31st March, 2020 |
|--|---------------------------|---|
| Note 6 | | |
| DEPOSITS | | |
| (Unsecured, Considered good unless otherwise stated) | | |
| Security and other deposits | 135.76 | 141.38 |
| Total | <u>135.76</u> | <u>141.38</u> |
| Note 7 | | |
| LOANS | | |
| (Unsecured, Considered good unless otherwise stated) | | |
| Inter corporate loans | 660.00 | 660.00 |
| Less: Provisions | 660.00 | 660.00 |
| Total | <u>—</u> | <u>—</u> |
| Note 8 | | |
| OTHER FINANCIAL ASSETS | | |
| (Unsecured, Considered good unless otherwise stated) | | |
| Advance tax | 183.34 | 161.26 |
| Total | <u>183.34</u> | <u>161.26</u> |
| Note 9 | | |
| OTHER NON-CURRENT ASSETS | | |
| (Unsecured, Considered good unless otherwise stated) | | |
| Deposit against disputed stamp duty | 39.81 | 39.85 |
| Balances/Deposits with Govt. & Statutory Authorities | 21.97 | 22.85 |
| Total | <u>61.78</u> | <u>62.70</u> |
| Note 10 | | |
| INVENTORIES | | |
| Raw materials | 1,245.26 | 654.73 |
| Finished goods/work in progress | 505.81 | 321.66 |
| Traded goods | 63.78 | 60.38 |
| Stores, spares and components | 135.42 | 132.27 |
| Packing materials | 82.71 | 56.40 |
| Total | <u>2,032.98</u> | <u>1,225.44</u> |

Notes accompanying the Financial Statements

Note 11

CURRENT INVESTMENTS

| Sr. No. | Name of the Body Corporate | Quantity | | Amount (₹ in Lakhs) | |
|------------|--|-----------|-----------|---------------------|-----------|
| | | 31-Mar-21 | 31-Mar-20 | 31-Mar-21 | 31-Mar-20 |
| (A) | Investment in equity instruments (quoted) | | | | |
| | (No. of equity shares of face value of ₹ 10 each fully paid-up unless otherwise specified) | | | | |
| | JSW Steel Ltd. (Face value of ₹ 1 each) | — | 5,169 | — | 7.56 |
| | Atul Ltd. | — | 629 | — | 25.09 |
| | Jsw Energy Ltd. | — | 13,000 | — | 5.55 |
| | EID Parry (India) Ltd. (Face value of ₹ 1 each) | — | 3,000 | — | 4.17 |
| | Astrazeneca Pharma India Ltd (Face value of ₹ 2 each) | — | 850 | — | 20.43 |
| | HDFC Bank Ltd. (Face value of ₹ 1 each) | — | 271 | — | 2.33 |
| | Sun Pharmaceuticals Industries Ltd (Face Value of ₹ 1 Each) | — | 3,188 | — | 11.23 |
| | Grasim Industries Ltd (Face Value of ₹ 2 Each) | — | 688 | — | 3.28 |
| | Wockhardt Ltd (Face Value of ₹ 5 Each) | — | 2,182 | — | 3.77 |
| | (A) | | | — | 83.41 |
| (B) | Investments in Mutual Funds (trade) | | | | |
| | HDFC Equity Savings Fund - Regular Plan - Growth | 123,415 | 123,415 | 52.73 | 40.69 |
| | Kotak Liquid Regular Plan Growth | — | 7,664 | — | 306.58 |
| | Kotak Savings Fund - Regular Plan - Growth | 1,238,412 | 634,488 | 417.72 | 203.63 |
| | Kotak Liquid Regular Plan Growth | — | 3,529 | — | 37.59 |
| | (B) | | | 470.45 | 588.49 |
| | Total [A + B] | | | 470.45 | 671.90 |

(₹ in Lakhs)

As at
31st March, 2021 As at
31st March, 2020

Note 12

TRADE RECEIVABLES

(Unsecured, Considered good)

Outstanding for a period less than six months from the date they are due for payment

| | | |
|----------------------------|---------|----------|
| Unsecured, considered good | 8327.77 | 4,532.39 |
|----------------------------|---------|----------|

Outstanding for a period exceeding six months from the date they are due for payment

| | | |
|----------------------------|-------|-------|
| Unsecured, considered good | 48.53 | 65.45 |
|----------------------------|-------|-------|

| | | |
|--------------|-----------------|-----------------|
| Total | 8,376.30 | 4,597.84 |
|--------------|-----------------|-----------------|

Notes accompanying the Financial Statements

| | (₹ in Lakhs) | |
|---|---------------------------|---------------------------|
| | As at 31st March, 2021 | As at 31st March, 2020 |
| Note 13 | | |
| CASH AND CASH EQUIVALENTS | | |
| Cash on hand | 8.79 | 8.68 |
| Balances with Banks in current accounts | 620.24 | 298.42 |
| Total | <u>629.03</u> | <u>307.10</u> |

| | | |
|----------------------------|--------------|--------------|
| Note 14 | | |
| OTHER BANK BALANCES | | |
| Earmarked deposits | 2.74 | 2.74 |
| Unpaid dividend accounts | 19.09 | 26.93 |
| Total | <u>21.83</u> | <u>29.67</u> |

| | | |
|---|---------------|--------------|
| Note 15 | | |
| OTHER CURRENT ASSETS | | |
| (Unsecured, Considered good unless otherwise stated) | | |
| Prepaid Expenses | 57.02 | 41.43 |
| Advances recoverable in cash or in kind or for value to be received | 71.37 | 40.98 |
| Loan and advances to employees | 18.44 | 15.87 |
| Balance with government authorities | 0.74 | 0.84 |
| Total | <u>147.57</u> | <u>99.12</u> |

| | | |
|--|---------------|---------------|
| Note 16 | | |
| EQUITY SHARE CAPITAL | | |
| Authorised : | | |
| 7,000,000 (previous year 7,000,000) Ordinary Shares of ₹ 10/- each | 700.00 | 700.00 |
| 3,000,000 (previous year 3,000,000) Cumulative redeemable preference shares of ₹ 10/- each | 300.00 | 300.00 |
| Issued, Subscribed and Paid up : | | |
| 5,680,235 (previous year 5,680,235) Ordinary Shares of ₹ 10/- each paid up | 568.02 | 568.02 |
| Less: Calls in arrears | 0.42 | 0.42 |
| Total | <u>567.60</u> | <u>567.60</u> |

Notes accompanying the Financial Statements

The Reconciliation of the number of shares outstanding

(₹ in Lakhs)

| Particulars | 2020-21 | | 2019-20 | |
|---|-----------|--------|-----------|--------|
| | Number | Amount | Number | Amount |
| Shares outstanding at the beginning of the year | 5,680,235 | 568.02 | 5,680,235 | 568.02 |
| Shares outstanding at the end of the year | 5,680,235 | 568.02 | 5,680,235 | 568.02 |

(Terms/Rights and Restriction attached to shares):

The Company has one class of shares i.e. Ordinary shares having a par value of ₹ 10/- per share. Each holder of Equity shares is entitled to one vote per share and are subject to the preferential rights as prescribed under law.

Each Shareholder is eligible for one vote per share held. In the event of liquidation, Ordinary shareholders will be eligible to receive the assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting except in the case of Interim Dividend.

Preference Shares:

The Company has the power to issue cumulative redeemable preference shares. In the event of liquidation, the Preference shareholders of the Company have the preference over equity shares when it comes to payment of dividend and return of capital.

The details of shareholders holding more than 5 percent shares

| Name of Shareholder | 2020-21 | | 2019-20 | |
|---------------------------------------|--------------------|--------------|--------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Mr. Suresh Bhojwani (DIN: 00032966) | 1,283,418 | 22.59% | 1,283,418 | 22.59% |
| Smt. Hira T. Bhojwani (DIN: 00032997) | 370,310 | 6.52% | 370,310 | 6.52% |
| M/s. T. W. Bhojwani Leasing Pvt. Ltd | 1,053,225 | 18.54% | 1,014,489 | 17.86% |
| M/s. Patton International Limited | 358,802 | 6.32% | 358,802 | 6.32% |

| Unpaid Calls | 2020-21 | 2019-20 |
|--------------|---------|---------|
| By Directors | Nil | Nil |
| By Others | 42,000 | 42,000 |

(₹ in Lakhs)

As at
31st March, 2021 As at
31st March, 2020

Note 17

OTHER EQUITY

| | | |
|--------------------------------|-----------------|-----------------|
| (a) Capital Reserve | 156.83 | 156.83 |
| (b) Securities Premium Reserve | 967.00 | 967.00 |
| (c) Capital Redemption Reserve | 229.53 | 229.53 |
| (d) General Reserve | 1,933.17 | 1,933.17 |
| (e) Amalgamation Reserve | 139.00 | 139.00 |
| (f) Retained Earnings | 923.70 | 353.20 |
| (g) Revaluation Reserve | 84.79 | 84.79 |
| (h) Other Comprehensive Income | (29.93) | (42.48) |
| Total | 4,404.09 | 3,821.04 |

Notes accompanying the Financial Statements

Nature & Purpose of the Reserve:

- (a) **Capital Reserve** : Capital reserve created at the time of acquisition. The reserve will be utilised in accordance with the provisions of the Act.
- (b) **Securities Premium Reserve** : Securities premium reserve is credited when shares are issued at premium. The reserve will be utilised in accordance with the provisions of the Act.
- (c) **Capital Redemption Reserve** : Capital redemption reserve is being created by transfer from Retained earnings at the time of buy back of equity shares in accordance with the Act. The reserve will be utilised in accordance with the provisions of the Act.
- (d) **General Reserve** : The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.
- (e) **Amalgamation Reserve** : The Amalgamation reserve is created for amalgamation of Brite Automotive and Plastics Limited with Bright Brothers Limited pursuant to the Scheme of amalgamation being sanctioned by the High Court. This reserve is utilised in accordance with the provisions of the Act.
- (f) **Retained Earnings** : Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.
- (g) **Revaluation Reserve** : Revaluation reserve represents the revalued of certain fixed assets as on 30.06.1993 as per the Valuation report dated 16.11.1993 submitted by Professional Valuers, appointed for the purpose by the Company. The reserve will be utilised in accordance with the provisions of the Act.

| | (₹ in Lakhs) | |
|-------------------------------|------------------|------------------|
| | As at | As at |
| | 31st March, 2021 | 31st March, 2020 |
| Note 18 | | |
| NON CURRENT BORROWINGS | | |
| SECURED | | |
| Term loans from banks | | |
| Car Loan | 112.33 | 75.77 |
| Banks | 961.12 | 405.11 |
| (Refer Note 44) | | |
| Total | <u>1,073.45</u> | <u>480.88</u> |

Note 19

DEPOSITS

UNSECURED

Fixed Deposits

| | | |
|-----------------|---------------|---------------|
| Related parties | 138.00 | 180.00 |
| Total | <u>138.00</u> | <u>180.00</u> |

Note 20

DEFERRED TAX

(A) Deferred Tax Liabilities

- (i) Property, Plant and Equipment: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting.

| | | | |
|------------------------------|-----|---------------|---------------|
| Gross deferred tax liability | (A) | <u>216.70</u> | <u>223.55</u> |
|------------------------------|-----|---------------|---------------|

(B) Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax payment on payment basis

- (i) Other item giving rise to timing difference/Unabsorbed business loss

| | | | |
|---------------------------|-----|----------|---------------|
| Gross deferred tax assets | (B) | <u>—</u> | <u>153.38</u> |
|---------------------------|-----|----------|---------------|

Notes accompanying the Financial Statements

| | (₹ in Lakhs) | |
|-------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2021 | As at 31st March, 2020 |
| Note 21 | | |
| CURRENT BORROWINGS | | |
| UNSECURED | | |
| Loans repayable on demand | 470.00 | 470.00 |
| | <u>470.00</u> | <u>470.00</u> |
| Fixed Deposits | | |
| Related parties | 180.00 | 138.00 |
| Total | <u><u>650.00</u></u> | <u><u>608.00</u></u> |
| Note 22 | | |
| TRADE PAYABLES | | |
| Due to: | | |
| Micro, small and medium enterprises | 217.46 | 219.83 |
| Others | 3,621.54 | 1,602.95 |
| Total | <u><u>3,839.00</u></u> | <u><u>1,822.78</u></u> |

Notes:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act, to the extent information available to the Company are as follows:

| | As at 31st March, 2021 | As at 31st March, 2020 |
|--|---------------------------|---------------------------|
| Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 217 | 220 |
| Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | — | — |
| Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year | — | — |
| Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | — | — |
| Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | — | — |
| Interest due and payable towards suppliers registered under MSMED Act, for payments already made | — | — |
| Further interest remaining due and payable for earlier years | — | — |

Note 23

OTHER FINANCIAL LIABILITIES

| | | |
|--|------------------------|------------------------|
| Unpaid dividends | 19.09 | 26.93 |
| Current maturities of long term borrowings | 281.07 | 208.29 |
| Sales Invoice Finance | 5,099.97 | 3,262.52 |
| Other liabilities | 464.25 | 311.79 |
| Total | <u><u>5,864.38</u></u> | <u><u>3,809.53</u></u> |

Note 24

PROVISIONS

| | | |
|----------------------------------|---------------------|----------------------|
| Provision for employees benefits | 63.95 | 122.97 |
| Total | <u><u>63.95</u></u> | <u><u>122.97</u></u> |

Notes accompanying the Financial Statements

| | (₹ in Lakhs) | |
|--|--------------------------------|--------------------------------|
| | Year Ended 31st March, 2021 | Year Ended 31st March, 2020 |
| Note 25 | | |
| REVENUE FROM OPERATIONS | | |
| Sale of Goods | | |
| Sale of Plastic Components | 18,883.66 | 20,348.71 |
| Hair Care and Beauty Products | 228.56 | 329.17 |
| Sale of Moulds | 268.89 | 145.40 |
| | <u>19,381.11</u> | <u>20,823.28</u> |
| Sale of services | | |
| Job Work | 846.04 | 963.83 |
| Total | <u><u>20,227.15</u></u> | <u><u>21,787.11</u></u> |
| Note 26 | | |
| OTHER INCOME | | |
| Interest | 1.69 | 15.40 |
| Dividend | 0.52 | 1.39 |
| Net gain on sale of investments | 68.87 | (9.43) |
| Profit/(loss) sale of assets | 2.46 | (2.70) |
| Other non-operating income | 5.40 | 10.02 |
| Total | <u><u>78.94</u></u> | <u><u>14.68</u></u> |
| Note 27 | | |
| COST OF MATERIALS CONSUMED | | |
| Cost of raw material consumed | | |
| Opening stock of raw materials | 654.73 | 775.80 |
| Add : Purchases | 12,068.13 | 11,565.42 |
| Less : Closing Stock of raw materials | 1,245.26 | 654.73 |
| (A) | <u><u>11,477.60</u></u> | <u><u>11,686.49</u></u> |
| Cost of components, packing, paints and plating charges consumed | | |
| Consumption of components | 1,840.25 | 2,006.52 |
| Consumption of packing | 475.25 | 535.13 |
| Consumption of paints and plating charges | 30.60 | 140.56 |
| (B) | <u><u>2,346.10</u></u> | <u><u>2,682.21</u></u> |
| Total [A+B] | <u><u>13,823.70</u></u> | <u><u>14,368.70</u></u> |
| Note 28 | | |
| PURCHASES OF TRADED GOODS | | |
| Hair Care and Beauty products | 125.96 | 168.93 |
| Total | <u><u>125.96</u></u> | <u><u>168.93</u></u> |
| Note 29 | | |
| CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS | | |
| Inventories at the beginning of the year | | |
| Finished goods/work-in-process/traded goods | 382.04 | 504.72 |
| Inventories at the end of the year | | |
| Finished goods/work-in-process/traded goods | 569.59 | 382.04 |
| Total | <u><u>(187.55)</u></u> | <u><u>122.68</u></u> |

Notes accompanying the Financial Statements

| | (₹ in Lakhs) | |
|---|--------------------------------|--------------------------------|
| | Year ended 31st March, 2021 | Year ended 31st March, 2020 |
| Note 30 | | |
| OTHER OPERATING EXPENSES | | |
| Consumption of stores and spare parts | 178.01 | 133.89 |
| Power and fuel | 824.42 | 933.84 |
| Contract labour and sub-contract charges | 937.53 | 1,197.64 |
| Repairs to machinery | 131.89 | 174.27 |
| Repairs to mould | 35.67 | 47.23 |
| Total | 2,107.52 | 2,486.87 |
| Note 31 | | |
| EMPLOYEE BENEFITS EXPENSES | | |
| Salaries, Wages, bonus and superannuation fund | 1,498.69 | 1,699.87 |
| Contribution to Provident fund and pension scheme | 60.45 | 68.79 |
| Gratuity contribution | 30.06 | 42.77 |
| Staff welfare expenses | 77.34 | 99.88 |
| Total | 1,666.54 | 1,911.31 |
| Note 32 | | |
| FINANCE COSTS | | |
| Interest and discounting charges | 381.79 | 480.48 |
| Interest on term loan | 50.98 | 61.67 |
| Total | 432.77 | 542.15 |
| Note 33 | | |
| OTHER EXPENSES | | |
| Security charges and other contract charges | 101.13 | 113.85 |
| Rent rates and taxes | 197.19 | 205.07 |
| Printing and stationery | 17.97 | 22.34 |
| Communication expenses | 14.15 | 13.68 |
| Insurance | 31.13 | 24.78 |
| Repairs and maintenance - building | 6.27 | 16.02 |
| Repairs and maintenance - others | 68.74 | 54.10 |
| Legal and professional fees | 62.41 | 108.27 |
| Directors sitting fees and commission | 11.91 | 9.29 |
| Audit fees | 6.00 | 6.00 |
| Travelling and conveyance | 77.39 | 133.42 |
| Sales promotion and commission | 9.57 | 20.05 |
| Freight and forwarding charges | 211.21 | 267.81 |
| Advertisement and sales promotions | 18.96 | 25.42 |
| Miscellaneous expenses | 85.71 | 129.84 |
| Total | 919.74 | 1,149.94 |

Notes accompanying the Financial Statements

34. Contingent Liabilities not provided for:

| | | (₹ in Lakhs) | |
|---------|--|--------------|-----------|
| Sr. No. | Particulars | 2020-2021 | 2019-2020 |
| 1 | Sales Tax, VAT and CST (including Interest and Penalty wherever applicable.) | 48.71 | 355.63 |
| 2 | Service Tax | 66.66 | — |
| 3 | Stamp Duty | 36.75 | 36.75 |
| 4 | Excise Duty | 89.78 | 89.78 |
| 5 | Employees Provident Fund | 8.66 | 8.66 |

Notes:

- Most of the issues of litigation pertaining to Central Excise/Service Tax/Income Tax are based on interpretation of the respective Law & Rules thereunder. Management has been opined by its counsel that many of the issues raised by revenue will not be sustainable in law as they are covered by judgments of respective judicial authorities which supports its contention. As such no material impact on the financials of the Company is envisaged.
- Sales Tax and Entry Tax related litigation/demand primarily pertains to non-submission of required declaration forms in time due to non- receipt of the same from customers and/or some interpretation related issues. However in most of the cases, required documents are being filed and minor impact if any, shall be given in the year of final outcome of respective matter in appeal.
- Other issues are either in ordinary course of business or not of substantial nature and management is reasonably confident of their positive outcome. Management shall deal with them judiciously and provide for appropriately, if any such need arises.

35. Commitments:

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) is ₹ 23.77 lakhs (Previous year ₹ 37.73 lakhs).

36. Payments to Auditors:

| | | (₹ in Lakhs) | |
|----------------------------------|-------------|--------------|--|
| Particulars | 2020-2021 | 2019-2020 | |
| Audit fees | 6.00 | 6.00 | |
| Others | 0.09 | 0.09 | |
| Reimbursement of expenses | — | 0.14 | |
| Total Payment To Auditors | 6.09 | 6.23 | |

37. Financial Instruments:

The details of significant accounting policies, including criteria for recognition, the basis of measurement and the basis on which income and expenditure are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the respective Notes to Financial Statements.

Financial assets and liabilities

The accounting classification of each category of financial instruments, and their carrying amounts are set out as below:

(a) Financial assets

Instruments carried at fair value

| | | | | | | | (₹ in Lakhs) | |
|-----------------------------|----------------------------------|---------------------------------|---|--|----------------------------|------------------------|--------------|--|
| Particulars | FVOCI (Equity instruments) | FVOCI (Other instruments) | Fair value through profit and loss | Instruments carried at amortized cost | Total carrying value | Total fair value | | |
| As at 31 March, 2020 | | | | | | | | |
| Investments | — | — | 731.41 | — | 731.41 | 731.41 | | |
| Trade receivables | — | — | — | 4,597.84 | 4,597.84 | 4,597.84 | | |
| Cash and cash equivalents | — | — | — | 307.10 | 307.10 | 307.10 | | |
| Other bank balances | — | — | — | 29.67 | 29.67 | 29.67 | | |
| Deposits | — | — | — | 141.38 | 141.38 | 141.38 | | |
| Other financial assets | — | — | — | 161.26 | 161.26 | 161.26 | | |
| Total | — | — | 731.41 | 5,237.25 | 5,968.66 | 5,968.66 | | |

Notes accompanying the Financial Statements

| Particulars | FVOCI (Equity instruments) | FVOCI (Other instruments) | Fair value through profit and loss | Instruments carried at amortized cost | Total carrying value | Total fair value |
|-----------------------------|----------------------------------|---------------------------------|---|--|----------------------------|------------------------|
| As at 31 March, 2021 | | | | | | |
| Investments | — | — | 505.26 | — | 505.25 | 505.25 |
| Trade receivables | — | — | — | 8,376.30 | 8,376.30 | 8,376.30 |
| Cash and cash equivalents | — | — | — | 629.03 | 629.03 | 629.03 |
| Other bank balances | — | — | — | 21.83 | 21.83 | 21.83 |
| Deposits | — | — | — | 135.76 | 135.76 | 135.76 |
| Other financial assets | — | — | — | 183.34 | 183.34 | 183.34 |
| Total | — | — | 505.25 | 9,346.26 | 9,851.51 | 9,851.51 |

(b) Financial liabilities

(₹ in Lakhs)

| Particulars | Fair value through profit and loss | at amortized cost | Total carrying value | Total fair value |
|-----------------------------|--|----------------------|-------------------------|---------------------|
| As at 31 March, 2020 | | | | |
| Borrowings | — | 1,088.88 | 1,088.88 | 1,088.88 |
| Trade payables | — | 1,822.78 | 1,822.78 | 1,822.78 |
| Deposits | — | 180.00 | 180.00 | 180.00 |
| Other financial liabilities | — | 3,809.53 | 3,809.53 | 3,809.53 |
| Total | — | 6,901.19 | 6,901.19 | 6,901.19 |
| As at 31 March, 2021 | | | | |
| Borrowings | — | 1,723.45 | 1,723.45 | 1,723.45 |
| Trade payables | — | 3,839.00 | 3,839.00 | 3,839.00 |
| Deposits | — | 138.00 | 138.00 | 138.00 |
| Other financial liabilities | — | 5,864.38 | 5,864.38 | 5,864.38 |
| Total | — | 11,564.83 | 11,564.83 | 11,564.83 |

(c) Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

The categories used are as follows:

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

The below table summarises the categories of financial assets and liabilities as at March 31, 2021, and March 31, 2020 measured at fair value

(₹ in Lakhs)

| Particulars | Level 1 | Level 2 | Level 3 | Total |
|-----------------------------|---------------|----------|--------------|---------------|
| As at 31 March, 2020 | | | | |
| Equities | | | | |
| Equity Instruments | 83.41 | — | 59.51 | 142.92 |
| Debt | | | | |
| Real Estate Fund | — | — | — | — |
| Structured Products | — | — | — | — |
| Liquid Mutual Funds | 588.49 | — | — | 588.49 |
| FMP Mutual fund | — | — | — | — |
| Preference Shares | — | — | — | — |
| Government Bonds | — | — | — | — |
| Bonds | — | — | — | — |
| Non-Convertible Debentures | — | — | — | — |
| Total | 671.90 | — | 59.51 | 731.41 |

Notes accompanying the Financial Statements

| Particulars | Level 1 | Level 2 | Level 3 | Total |
|-----------------------------|---------------|----------|--------------|---------------|
| As at 31 March, 2021 | | | | |
| Equities | | | | |
| Equity Instruments | — | — | 34.81 | 34.81 |
| Debt | | | | |
| Real Estate Fund | — | — | — | — |
| Structured Products | — | — | — | — |
| Liquid Mutual Funds | 470.45 | — | — | 470.45 |
| FMP Mutual fund | — | — | — | — |
| Preference Shares | — | — | — | — |
| Government Bonds | — | — | — | — |
| Bonds | — | — | — | — |
| Non-Convertible Debentures | — | — | — | — |
| Total | 470.45 | — | 34.81 | 505.26 |

Fair value of financial assets and liabilities measured at amortised cost:-

(₹ in Lakhs)

| Particulars | As at 31 March, 2021 | | As at 31 March, 2020 | |
|------------------------------|----------------------|------------------|----------------------|-----------------|
| | Carrying value | Fair value | Carrying value | Fair value |
| Financial assets | | | | |
| Trade receivables | 8,376.30 | 8,376.30 | 4,597.84 | 4,597.84 |
| Cash and cash equivalents | 629.03 | 629.03 | 307.10 | 307.10 |
| Other bank balances | 21.83 | 21.83 | 29.67 | 29.67 |
| Deposits | 135.76 | 135.76 | 141.38 | 141.38 |
| Other financial assets | 183.34 | 183.34 | 161.26 | 161.26 |
| Total | 9,346.26 | 9,346.26 | 5,237.25 | 5,237.25 |
| Financial liabilities | | | | |
| Borrowings | 1,723.45 | 1,723.45 | 1,088.88 | 1,088.88 |
| Trade payables | 3,839.00 | 3,839.00 | 1,822.78 | 1,822.78 |
| Deposits | 138.00 | 138.00 | 180.00 | 180.00 |
| Other financial liabilities | 5,864.38 | 5,864.38 | 3,809.53 | 3,809.53 |
| Total | 11,564.83 | 11,564.83 | 6,901.19 | 6,901.19 |

The Management assessed that fair value of cash and cash equivalents, trade receivables, investments in term deposits, loans, other financial assets (except derivative financial instruments, if any), trade payables, and other financial liabilities (except derivative financial instruments, if any) is considered to be equal to the carrying amount of these items due to their short-term nature. There were no significant changes in classification and no significant movements between the fair value hierarchy classifications of financial assets and financial liabilities during the period.

38. Risk Management:

Financial risk management objective and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Managing Board. The risk management policies aim to mitigate the following risks arising from the financial instruments: (a) Liquidity risk; (b) Market risk and (c) Credit risk.

Notes accompanying the Financial Statements

(A) Financial risk factors

The Company's principal financial liabilities comprise borrowings, deposits from dealers and trade and other payables. The purpose of these financial liabilities is to finance the Company's operations and to provide to support its operations. The Company's principal financial assets include investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to the following risk arising from the financial instruments: (a) Liquidity risk; (b) Market risk and (c) Credit risk.

| Risk | Exposure arising from | Measurement | Management |
|--------------------------------|--|--|---|
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities; working capital management |
| Market Risk - Foreign exchange | Financial assets and liabilities denominated in Foreign Currencies. | Cash flow forecasting; Sensitivity analysis | Hedging Forex planning |
| Market Risk - Interest rate | Long-term borrowings at variable rates | Sensitivity analysis | Interest rate swaps |
| Market Risk - Price risk | Investments in Equities, Bonds, debentures, Mutual Funds | Sensitivity analysis; market fluctuations; credit rating | Continuous monitoring, Diversification |
| Credit risk | Cash and cash equivalents, trade receivables, investments, loans and other financial assets measured at fair/amortised cost. | Ageing analysis/Credit ratings/Assets Coverage | Diversification in various class of assets, credit limits |

(a) Liquidity risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintaining sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company manages its liquidity risk by ensuring as far as possible that it will have sufficient liquidity to meet its short term and long term liabilities as and when due. Anticipated future cash flows, undrawn committed credit facilities are expected to be sufficient to meet the liquidity requirements of the Company.

(i) Financing arrangements

The Company has access to the following undrawn borrowing facilities as at the end of the reporting period:

(₹ in Lakhs)

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| Secured working capital credit facility from Banks | 0.03 | 1,237.48 |

(ii) The following is the contractual maturities of the financial liabilities:

(₹ in Lakhs)

| Particulars | Total Liability (undiscounted) | Less than 1 year | 1-3 years | more than 3 years | Carrying amount as per Books |
|-----------------------------------|--------------------------------|------------------|-----------|-------------------|------------------------------|
| As at 31 March, 2020 | | | | | |
| Non-derivative liabilities | | | | | |
| Borrowings | 1,088.88 | 608.00 | 466.66 | 14.23 | 1,088.88 |
| Trade payables | 1,822.78 | 1,822.78 | — | — | 1,822.78 |
| Deposits | 180.00 | — | 180.00 | — | 180.00 |
| Other financial liabilities | 3,809.53 | 3,809.53 | — | — | 3,809.53 |
| As at 31 March, 2021 | | | | | |
| Non-derivative liabilities | | | | | |
| Borrowings | 1,723.45 | 650.00 | 836.96 | 236.49 | 1,723.45 |
| Trade payables | 3,839.00 | 3,839.00 | — | — | 3,839.00 |
| Deposits | 138.00 | — | 138.00 | — | 138.00 |
| Other financial liabilities | 5,864.38 | 5,864.38 | — | — | 5,864.38 |

Notes accompanying the Financial Statements

(b) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include investment, deposits, foreign currency receivables and payables. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. The Company's treasury team manages the Market risk, which evaluates and exercises independent control over the entire process of market risk management.

(i) Foreign currency risk

Foreign currency risk can only arise on financial instruments that are denominated in a currency other than the functional currency in which they are measured. The Company's functional and presentation currency is INR. The Company has not entered into any transaction, in currency other than functional currency, for purchase of raw material or capital assets nor availed any foreign currency loans, which remains outstanding as at year end. Similarly, the Company does not have any assets / liabilities receivable / payable in foreign currency as at year end date. The Company is not exposed to any foreign currency.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's entire borrowings, Long term as well as short term, have fixed rate of interest and carried at amortized costs. The Company did not have any borrowings bearing variable rate of interest.

Exposure to Interest rate risk - Financial liabilities

(₹ in Lakhs)

| Particulars | As at | |
|--|----------------|----------------|
| | 31 March, 2021 | 31 March, 2020 |
| Total borrowings | 7,242.49 | 4,739.69 |
| % of borrowings out of above bearing variable rate of interest | | |
| 1. Short term in nature | 74.30% | 73.23% |
| 2. Long term in nature | 14.82% | 10.15% |

Hence, the Company is not exposed to any interest rate risk.

(iii) Price risk

The Company's exposure to price risk arises from investments held by the Company and classified in the balance sheet at fair value through profit and loss. To manage its price risk arising from its investments, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company in accordance with the guidelines provided by the Board of directors of the Company.

Exposure

(₹ in Lakhs)

| Particulars | As at 31 March, 2021 | | As at 31 March, 2020 | |
|--|----------------------|----------------|----------------------|----------------|
| | Amount | % | Amount | % |
| Equities | | | | |
| Quoted Equity Instruments | — | — | 83.41 | 11.40% |
| Other Equity Instruments | 34.81 | 6.89% | 59.51 | 8.14% |
| Mutual Funds | | | | |
| Savings, Liquid & Other Fund Instruments | 470.45 | 93.11% | 588.49 | 80.46% |
| Total | 505.26 | 100.00% | 731.41 | 100.00% |

Investments in Equity Instruments and Mutual funds (including investment through Venture funds)

The Company's quoted equity instruments and in mutual funds are subject to the market price risk arising from the fluctuation in the market price of those instruments. This risk arises from instruments which are classified as Fair value through P&L wherein the price fluctuations, based on the historical trends, are not very significant.

Sensitivity

The table below summarises the impact of Increase/decrease of the BSE index on the Company's investments in quoted equity instruments and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5% or decrease by 5% with all other variables held constant and that all the Company's investments in equity instruments and mutual funds moved in line with the index.

(₹ in Lakhs)

| Impact on profit before tax | For the year ended 31 March, 2021 | For the year ended 31 March, 2020 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| BSE Sensex - Increase 5% -Gain/(loss) | — | 4.17 |
| BSE Sensex - Decrease 5% -Gain/(loss) | — | (4.17) |

Notes accompanying the Financial Statements

(c) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of counter party, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risks on an on-going basis throughout each reporting period.

To assess whether there is a significant change increase in credit risk the Company compares the risks of default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. It considers the reasonable and supportive forward looking information such as;

- (i) Actual or expected significant adverse changes in business.
- (ii) Actual or expected significant changes in the operating results of the counterparty.
- (iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations.
- (iv) Significant increase in credit risk on other financial instruments of same counterparty.

The company categorises financial assets based on the assumptions, inputs and factors specific to the class of financial assets into High-quality assets, negligible credit risk; Quality assets, low credit risk; Standard assets, moderate credit risk; Substandard assets, relatively high credit risk; Low quality assets, very high credit risk; Doubtful assets, credit-impaired.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than one year past due. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Provision for expected credit losses:

| Description of category | Category | Basis for recognition of expected credit loss provision | | |
|---|---|---|----------------------------------|--|
| | | Investments | Loans and deposits | Trade Receivables |
| Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil | High-quality assets, negligible credit risk | 12 month expected credit losses | 12 month expected credit losses | Life time expected credit losses (simplified approach) |
| Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past | Quality assets, low credit risk | | | |
| Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong | Standard assets, moderate credit risk | | | |
| Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 180 days past due | Substandard assets, relatively high credit risk | Life-time expected credit losses | Life-time expected credit losses | Life time expected credit losses (simplified approach) |
| Assets where there is a high probability of default. In general, assets where contractual payments are more than 180 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due | Low quality assets, very high credit risk | | | |
| Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. The company categorises a loan or receivable for write off when a debtor fails to make Contractual payments greater than 365 days past due. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss. | Doubtful assets, credit-impaired | Asset is written off | | |

Notes accompanying the Financial Statements

Expected credit loss for loans, security deposits and investments:

As at 31st March, 2021

| Particulars | | Asset group | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|---|---|-----------------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses | Financial assets for which credit risk has not increased significantly since initial recognition | Loans | 660.00 | — | 660.00 | — |
| | | Security and other deposits | — | — | — | — |
| Loss allowance measured at life-time expected credit losses | Financial assets for which credit risk has increased significantly and not credit-impaired or credit impaired | NA | — | — | — | — |

As at 31st March, 2020

| Particulars | | Asset group | Estimated gross carrying amount at default | Expected probability of default | Expected credit losses | Carrying amount net of impairment provision |
|---|---|-----------------------------|--|---------------------------------|------------------------|---|
| Loss allowance measured at 12 month expected credit losses | Financial assets for which credit risk has not increased significantly since initial recognition | Loans | 660.00 | — | 660.00 | — |
| | | Security and other deposits | — | — | — | — |
| Loss allowance measured at life-time expected credit losses | Financial assets for which credit risk has increased significantly and not credit-impaired or credit impaired | NA | — | — | — | — |

Expected credit loss for trade receivables under simplified approach

(₹ in Lakhs)

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
|--|----------------------|----------------------|
| Not Due | 7,821.86 | 4,178.50 |
| Due for not more than 3 months | 405.75 | 276.72 |
| Due for more than 3 months or but less than 6 months | 100.16 | 77.17 |
| Due for more than 6 months | 48.53 | 65.45 |
| Total | 8,376.30 | 4,597.84 |

(B) Commodity Risk

The Company is exposed to the risk of price fluctuation of raw materials proactively managed through forward booking, inventory management and proactive vendor development practices.

(C) Capital risk management

(a) The Company's objectives when managing capital are to:

Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Notes accompanying the Financial Statements

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which includes capital and other strategic investments. The Company's intention is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business.

The Company monitors capital using a gearing ratio being a ratio of net debt as a percentage of total capital.

(₹ in Lakhs)

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
|--|-------------------------|-------------------------|
| Total equity | 4,971.69 | 4,388.64 |
| Net Debt | 1,043.49 | 700.07 |
| Total Capital (Borrowings and Equity) | 6,015.18 | 5,088.71 |
| Gearing Ratio | 17.35% | 13.76% |

- (i) Net debt represents total borrowings (non-current & current) as reduced by cash and cash equivalents.
(ii) Equity comprises of all components including other comprehensive income.

(b) Dividend:

(₹ in Lakhs)

| Particulars | As at 31 March, 2021 | As at 31 March, 2020 |
|---|-------------------------|-------------------------|
| Equity Shares: | | |
| Final dividend for the year ended March 31, 2020 of ₹ NIL per shares (March 31, 2019 of ₹ 2.00 per shares) fully paid share | — | 113.60 |
| Interim dividend for the year ended March 31, 2021 of ₹ NIL per shares (March 31, 2020 of ₹ 2 per shares) fully paid share | — | 113.60 |

The Board of Directors have recommended a payment of final dividend of ₹ 2.50 per equity share of the face value of ₹ 10 each for the financial year ended 31st March, 2021. Final dividend is subject to approval of Shareholders.

39. Disclosure Pursuant to Ind AS – 19 "Employee Benefits":

(a) Defined contribution plan

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary and other allowances as per regulations. The obligation of the Company is limited to the amount contributed and it has no further contractual or any constructive obligation. The expenses recognised during the year towards defined contribution plan is ₹ 60.45 lakhs (March 31, 2019 ₹ 68.79 lakhs).

(b) Defined benefit plan

(i) Gratuity:

In accordance with applicable laws, the company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employee on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by Life Insurance Corporation of India under their respective Group Gratuity Schemes.

(₹ in Lakhs)

| Particulars | Present Value of Obligation | Fair Value of plan assets |
|--|--------------------------------|------------------------------|
| As at March 31, 2019 | 223.21 | 258.01 |
| Current service cost | 21.69 | — |
| Interest expense/(income) | 16.64 | 20.02 |
| Total amount recognised in profit or loss | 38.33 | 20.02 |
| Remeasurements | | |
| Return on plan assets, excluding amounts included in interest expense/(income) | — | (19.00) |
| Net actuarial (gain)/loss | — | — |
| Change in experience | (2.07) | — |
| Change in demographic assumptions | — | — |
| Change in financial assumptions | 17.96 | — |
| Total amount recognised in other comprehensive income | 15.89 | (19.00) |

Notes accompanying the Financial Statements

| Particulars | Present Value of Obligation | Fair Value of plan assets |
|--|-----------------------------|---------------------------|
| Employer Contribution | — | 18.83 |
| Benefits payment | (10.73) | (10.73) |
| As at 31 March, 2020 | 266.70 | 267.13 |
| The net liability as at 31 March, 2020 | 0.43 | |
| As at 31 March, 2020 | 266.70 | 267.13 |
| Current service cost | 25.88 | — |
| Interest expense/(income) | 17.41 | 20.38 |
| Total amount recognised in profit or loss | 43.30 | 20.38 |
| Remeasurements | | |
| Return on plan assets, excluding amounts included in interest expense/(income) | — | (0.22) |
| Net actuarial (gain)/loss | — | — |
| Change in experience | (10.35) | — |
| Change in demographic assumptions | — | 24.12 |
| Change in financial assumptions | 0.23 | — |
| Total amount recognised in other comprehensive income | (10.12) | 23.90 |
| Employer Contribution | — | 38.29 |
| Benefits payment | (21.24) | (21.24) |
| As at 31 March, 2021 | 278.64 | 328.47 |
| The net liability as at 31 March, 2021 | 49.83 | |

The net liability disclosed above relates to funded/unfunded plans are as follows:

(₹ in Lakhs)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|----------------------|----------------------|
| Present value of funded obligations | (278.64) | (266.70) |
| Fair value of plan assets | 328.47 | 267.13 |
| (Deficit)/Surplus of funded plan | 49.83 | 0.43 |
| Significant estimates: actuarial assumptions and sensitivity | | |
| Financial assumption: | | |
| Discount rate | 6.79% | 6.80% |
| Salary escalation rate | 4.00% | 4.00% |
| Demographic assumption: | | |
| Mortality rate | IALM (2012-14) Ult. | IALM (2006-08) Ult. |
| Employee Attrition rate | | |
| 0 to 40 Years | 3.00% | 3.00% |
| 41 to 50 Years | 2.00% | 2.00% |
| 51 to 58 Years | 1.00% | 1.00% |
| Retirement age | 58 Years | 58 Years |
| Sensitivity analysis | | |
| The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are: | | |
| Discount rate | | |
| (a) Discount rate - 100 basis points | 302.71 | 290.92 |
| (b) Discount rate + 100 basis points | 257.50 | 245.54 |
| Salary escalation rate | | |
| (a) Rate - 100 basis points | 257.96 | 245.99 |
| (b) Rate + 100 basis points | 301.82 | 290.02 |

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

Notes accompanying the Financial Statements

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| The major categories of plan asset are as follows: | | |
| Equities | 0.00% | 0.00% |
| Bonds | 0.00% | 0.00% |
| Gilts | 0.00% | 0.00% |
| Pooled assets with an insurance company | 100.00% | 100.00% |
| Other | 0.00% | 0.00% |
| Total | 100.00% | 100.00% |

The defined benefit obligations shall mature after year end March 31, 2021 as follows:

| | | |
|-----------|--------|--------|
| Year 1 | 12.33 | 16.13 |
| Year 2 | 22.30 | 12.01 |
| Year 3 | 12.32 | 20.49 |
| Year 4 | 25.25 | 11.62 |
| Year 5 | 23.95 | 24.33 |
| Year 6-10 | 134.10 | 121.90 |

The weighted average duration of the defined benefit obligation is 8.94 years (Previous Year: 9.38 years).

(ii) Compensated Absences:

The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

Risk exposure:

Through its defined benefit plans, Company is exposed to a number of risks, the most significant of which are detailed below:

| | |
|------------------------------------|---|
| Investment risk/ Interest risk: | The Company is exposed to Investment/Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit. |
| Longevity risk: | The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason. |
| Salary risk: | The Company is exposed to higher liability if the future salaries rise more than assumption of salary escalation. |

40. Income Taxes:

(A) Components of Income Tax Expense.

(₹ in Lakhs)

| Particulars | Year ended 31 March, 2021 | Year ended 31 March, 2020 |
|--|------------------------------|------------------------------|
| (a) Tax expense recognised in the Statement of Profit and Loss | | |
| (i) Current tax | | |
| Current year | 118.00 | 159.71 |
| Tax provision of earlier years | 5.24 | — |
| Total current tax | 123.24 | 159.71 |
| (ii) Deferred tax | | |
| Relating to origination and reversal of temporary difference | 146.53 | (44.50) |
| Total deferred income tax expense/(credit) | 146.53 | (44.50) |
| Total (i) + (ii) | 269.77 | 115.21 |
| (b) Tax on Other Comprehensive Income | | |
| (i) Tax relating to items that will not be reclassified to profit or loss | | |
| Tax on realized gain of equity instruments | — | — |
| Tax on re-measurements of net defined benefit plans | — | — |
| Tax on equity instrument through other comprehensive income | — | — |
| (ii) Income tax on items that will be reclassified to profit or loss | | |
| Tax on debt instrument through other comprehensive income | — | — |
| Total (i) + (ii) | — | — |

Notes accompanying the Financial Statements

(B) Reconciliation of tax expenses and the accounting profit for the year.

(₹ in Lakhs)

| Particulars | Year ended 31 March, 2021 | Year ended 31 March, 2020 |
|--|------------------------------|------------------------------|
| A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows: | | |
| Profit before tax | 840.27 | 460.76 |
| Enacted income tax rate in India | 27.82% | 27.82% |
| Expected income tax expense during the year at statutory rate | 233.76 | 128.18 |
| Differences due to: | | |
| Expenses not deductible for tax purposes | 9.08 | 7.28 |
| Exempt Income | (0.14) | — |
| Tax of earlier years reversed | — | — |
| Impact of Minimum alternate tax | 118.00 | 47.91 |
| Adjustment of C/F Losses/Difference in Tax Rate etc.. | (141.88) | (135.46) |
| Effective tax expenses | 118.00 | 47.91 |

(C) The movement in deferred tax assets and liabilities.

(₹ in Lakhs)

| Movement during the year ended March 31, 2020 | Year Ended 31 March, 2019 | Credit/(charge) in statement of Profit and Loss | Credit/(charge) in Other Comprehensive Income | Year Ended 31 March, 2020 |
|--|------------------------------|---|--|------------------------------|
| Deferred tax assets/(liabilities) | | | | |
| On expenses allowable for tax purposes when paid | 32.82 | 120.56 | — | 153.38 |
| On depreciation | (147.49) | (76.06) | — | (223.55) |
| On fair valuation of financial assets | — | — | — | — |
| Total | (114.67) | 44.50 | — | (70.17) |
| Movement during the year ended March 31, 2021 | Year Ended 31 March, 2020 | Credit/(charge) in statement of Profit and Loss | Credit/(charge) in Other Comprehensive Income | Year Ended 31 March, 2021 |
| Deferred tax assets/(liabilities) | | | | |
| On expenses allowable for tax purposes when paid | 153.38 | (153.38) | — | — |
| On depreciation | (223.55) | 6.85 | — | (216.70) |
| On fair valuation of financial assets | — | — | — | — |
| Total | (70.17) | (146.53) | — | (216.70) |

41. The Company is engaged in the activities relating to manufacture and sale of process plastics and the Chief Operating Decision Maker (Board of Directors) review the operating results as a whole for the purposes of making decisions about resources to be allocated and assess its performance, the entire operations are to be classified as a single business segment, namely process plastics. The geographical segments considered for disclosure are India and Rest of the World. All the manufacturing facilities are located in India.

- The Product wise break up – Please refer Note 25.
- Geographical information.

(₹ in Lakhs)

| Particulars | Revenue from external Customers | | Non-Current Assets* | |
|---------------|---------------------------------|------------------------------|------------------------------|------------------------------|
| | Year ended March 31, 2021 | Year ended March 31, 2020 | Year ended March 31, 2021 | Year ended March 31, 2020 |
| India | 20,227.15 | 21,787.11 | 5,104.82 | 4,373.86 |
| Rest of World | — | — | — | — |
| Total | 20,227.15 | 21,787.11 | 5,104.82 | 4,373.86 |

* Non-Current Assets are used in the operations of the Company to generate revenues both in India and outside India

Notes accompanying the Financial Statements

(iii) Information about major customers

Revenue from sale of products to largest customers (greater than 10% of total sales) is ₹ 16,241.30 lakhs (March 31, 2020 ₹ 17,758.25 lakhs)

42. The disclosure as required by Ind AS 24 "Related Parties Disclosures", is as follows:

Names of related parties are as under:

(a) **Associate Concerns:**

M/s. Quality Plastics
M/s. T.W. Bhojwani Leasing Pvt. Ltd.

(b) **Key Managerial Personnel:**

Mrs. Devika Bhojwani - Whole Time Director DIN: 08355381
Mr. Suresh Bhojwani - Chairman & Managing Director DIN: 00032966
Mr. Chirag Shah - Chief Financial Officer
Mrs. Sonali Pednekar - Company Secretary & Compliance Officer

(c) **Relatives of Key Managerial Personnel:**

Smt. Hira Bhojwani - Non-Executive Director DIN: 00032997
Mr. Karan Bhojwani - Vice-President - Operation
Ms. Ruchika Bhojwani - Chief Operating Officer
M/s. T.W. Bhojwani HUF
M/s. S. T. Bhojwani HUF

(d) **Other Related Parties:**

Mr. K. P. Rao - Independent Director DIN : 00027577
Dr. T. S. Sethurathnam - Independent Director DIN : 00042704
Mr. Byram Jeejeebhoy - Independent Director DIN : 00033204 (upto 9th June, 2020)
Mr. Anil Kumar Bhandari - Independent Director DIN: 00031194 (w.e.f. 9th September, 2020)

(₹ in Lakhs)

| Particulars | Associate Concerns | | Key Management Personnel | | Relatives of Key Management Personnel | | Other Related Parties | |
|--|--------------------|--------------|--------------------------|---------------|---------------------------------------|--------------|-----------------------|---------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| (a) Remuneration | | | | | | | | |
| (i) Mrs. Devika Bhojwani DIN: 08355381 | — | — | 8.70 | 10.24 | — | — | — | — |
| (ii) Mr. Suresh Bhojwani DIN : 00032966 | — | — | 69.22 | 91.91 | — | — | — | — |
| (iii) Mr. Karan Bhojwani | — | — | — | — | 38.21 | 45.00 | — | — |
| (iv) Ms. Ruchika Bhojwani | — | — | — | — | 17.81 | 24.01 | — | — |
| (v) Others | — | — | 57.42 | 67.31 | — | — | — | — |
| | — | — | 135.34 | 169.46 | 56.02 | 69.01 | — | — |
| (b) Warehousing Charges | | | | | | | | |
| (i) Quality Plastics | 12.80 | 14.40 | — | — | — | — | — | — |
| | 12.80 | 14.40 | — | — | — | — | — | — |
| (c) Royalty | | | | | | | | |
| (i) Quality Plastics | 2.50 | 3.50 | — | — | — | — | — | — |
| | 2.50 | 3.50 | — | — | — | — | — | — |
| (d) Purchase | | | | | | | | |
| (i) Quality Plastics | 4.69 | 9.31 | — | — | — | — | — | — |
| | 4.69 | 9.31 | — | — | — | — | — | — |

Notes accompanying the Financial Statements

(₹ in Lakhs)

| Particulars | Associate Concerns | | Key Management Personnel | | Relatives of Key Management Personnel | | Other Related Parties | |
|---|--------------------|---------|--------------------------|---------|---------------------------------------|---------|-----------------------|---------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| (e) Loans Accepted/(Repaid) | | | | | | | | |
| (i) Mrs. Devika S. Bhojwani DIN: 08355381 | — | — | — | 10.00 | — | — | — | — |
| (ii) Ms. Ruchika Bhojwani | — | — | — | — | — | (5.00) | — | — |
| (iii) Mr. K. P. Rao DIN: 00027577 | — | — | — | — | — | — | — | 15.00 |
| | — | — | — | 10.00 | — | (5.00) | — | 15.00 |
| (f) Interest Paid | | | | | | | | |
| (i) Smt. Hira T. Bhojwani DIN : 00032997 | — | — | — | — | 57.63 | 61.56 | — | — |
| (ii) Mr. Suresh Bhojwani DIN : 00032966 | — | — | 1.73 | 1.80 | — | — | — | — |
| (iii) Mrs. Devika S. Bhojwani DIN : 08355381 | — | — | 4.92 | 4.82 | — | — | — | — |
| (iv) Mr. K. P. Rao DIN : 00027577 | — | — | — | — | — | — | 6.13 | 5.69 |
| | — | — | 6.66 | 6.62 | 57.63 | 61.56 | 6.13 | 5.69 |
| (g) Dividend Paid | | | | | | | | |
| (i) Smt. Hira T. Bhojwani DIN : 00032997 | — | — | — | — | — | 7.41 | — | — |
| (ii) Mr. Suresh Bhojwani DIN : 00032966 | — | — | — | 25.67 | — | — | — | — |
| (iii) Mrs. Devika S. Bhojwani DIN : 08355381 | — | — | — | 0.83 | — | — | — | — |
| (iv) Mr. Karan Bhojwani | — | — | — | — | — | 0.35 | — | — |
| (v) Ms. Ruchika Bhojwani | — | — | — | — | — | 0.35 | — | — |
| (vi) Mr. K. P. Rao DIN : 00027577 | — | — | — | — | — | — | — | 0.01 |
| (vii) Mr. Byram Jeejeebhoy DIN : 00033204 | — | — | — | — | — | — | — | 0.10 |
| (viii) Mr. Chirag Shah | — | — | — | 0.08 | — | — | — | — |
| (ix) M/s. T.W. Bhojwani Leasing Pvt. Ltd. | — | 19.76 | — | — | — | — | — | — |
| (x) M/s. T.W. Bhojwani HUF | — | — | — | — | — | 4.81 | — | — |
| (xi) M/s. S. T. Bhojwani HUF | — | — | — | — | — | 0.40 | — | — |
| | — | 19.76 | — | 26.58 | — | 13.32 | — | 0.11 |
| (h) Sitting Fees & Commission | | | | | | | | |
| (i) Smt. Hira T. Bhojwani DIN : 00032997 | — | — | — | — | 2.03 | 1.63 | — | — |
| (ii) Mr. K. P. Rao DIN : 00027577 | — | — | — | — | — | — | 4.25 | 3.25 |
| (iii) Dr. T. S. Sethurathnam DIN : 00042704 | — | — | — | — | — | — | 4.21 | 3.21 |
| (iv) Mr. Byram Jeejeebhoy DIN : 00033204 | — | — | — | — | — | — | — | 1.20 |
| (v) Mr. Anil Kumar Bhandari DIN : 00031194 | — | — | — | — | — | — | 1.42 | — |
| | — | — | — | — | 2.03 | 1.63 | 9.88 | 7.66 |

Notes accompanying the Financial Statements

(₹ in Lakhs)

| Particulars | Associate Concerns | | Key Management Personnel | | Relatives of Key Management Personnel | | Other Related Parties | |
|---|--------------------|--------------|--------------------------|--------------|---------------------------------------|---------------|-----------------------|--------------|
| | 31.03.21 | 31.03.20 | 31.03.21 | 31.03.20 | 31.03.21 | 31.03.20 | 31.03.21 | 31.03.20 |
| (i) Year End Balances | | | | | | | | |
| (i) Receivable | | | | | | | | |
| (1) Quality Plastics | 2.50 | 3.78 | — | — | — | — | — | — |
| | 2.50 | 3.78 | — | — | — | — | — | — |
| (ii) Trade Payable | | | | | | | | |
| (1) Quality Plastics | 11.33 | 12.13 | — | — | — | — | — | — |
| | 11.33 | 12.13 | — | — | — | — | — | — |
| (iii) Unsecured Loans Payable | | | | | | | | |
| (1) Smt. Hira T. Bhojwani DIN : 00032997 | — | — | — | — | 660.00 | 660.00 | — | — |
| (2) Mr. Suresh Bhojwani DIN : 00032966 | — | — | 18.00 | 18.00 | — | — | — | — |
| (3) Mrs. Devika S. Bhojwani DIN: 08355381 | — | — | 50.00 | 50.00 | — | — | — | — |
| (4) Mr. K. P. Rao DIN : 00027577 | — | — | — | — | — | — | 60.00 | 60.00 |
| | — | — | 68.00 | 68.00 | 660.00 | 660.00 | 60.00 | 60.00 |
| (iv) Commission Payable | | | | | | | | |
| (1) Smt. Hira T. Bhojwani DIN : 00032997 | — | — | — | — | 1.40 | 0.80 | — | — |
| (2) Mr. K. P. Rao DIN : 00027577 | — | — | — | — | — | — | 2.80 | 1.60 |
| (3) Dr. T. S. Sethurathnam DIN : 00042704 | — | — | — | — | — | — | 2.80 | 1.60 |
| (4) Mr. Byram Jeejeebhoy DIN : 00033204 | — | — | — | — | — | — | — | 0.80 |
| (5) Mr. Anil Kumar Bhandari DIN : 00031194 | — | — | — | — | — | — | 0.82 | — |
| | — | — | — | — | 1.40 | 0.80 | 6.42 | 4.00 |
| (v) Remuneration Payable | | | | | | | | |
| (1) Mrs. Devika Bhojwani DIN : 08355381 | — | — | 0.71 | 0.71 | — | — | — | — |
| (2) Mr. Suresh Bhojwani DIN : 00032966 | — | — | 6.90 | 6.90 | — | — | — | — |
| (3) Mr. Karan Bhojwani | — | — | — | — | 3.21 | 3.21 | — | — |
| (4) Ms. Ruchika Bhojwani | — | — | — | — | 1.78 | 1.78 | — | — |
| (5) Others | — | — | 5.81 | 4.65 | — | — | — | — |
| | — | — | 13.42 | 12.26 | 4.99 | 4.99 | — | — |

- (i) No amount pertaining to related parties has been provided for as doubtful debts. Also no amount has been written off/back.
- (ii) The related parties are as identified by the Company and relied upon by the Auditors.

43. Trade Payables includes amount payable to related Party ₹ 11.33 lakhs (Previous Year ₹ 12.13 lakhs)

Notes accompanying the Financial Statements

44. Assets provided as security

- (a) Vehicle loans are taken from the banks against hypothecation of the vehicles purchased, repayable in 60 monthly instalments with interest rates ranging from 7.40% to 9.49%.
- (b) (i) Term loan from Kotak Mahindra Bank are secured against Primary Security exclusive charge on all existing and future receivables/ current assets/ movable assets/ moveable fixed assets with the term loan of ₹ 7.50 Cr carry interest at 1.25% p.a. over and above the 3 months MCLR (as at 31.03.21 is 6.95%) payable in monthly basis. The term loan monthly instalment payable @ ₹ 19.98 lakhs, last instalment due in June 2023.
- (ii) Working Capital Term Loan from Kotak Mahindra Bank are secured against Primary Security exclusive charge on all existing and future receivables/ current assets/ movable assets/ moveable fixed assets with the Working Capital Term Loan of ₹ 7.45 Cr carry interest rate shall be floating for the entire loan tenor. Applicable floating ROI as on date of offer is 7.50% p.a. with moratorium of 12 months. The monthly instalment payable @ ₹ 23.17 lakhs, first instalment due in February 2022 last instalment due in January 2025.
- (iii) Sales Invoice Financing from Kotak Mahindra Bank are secured against Primary Security exclusive charge on all existing and future receivables/ current assets/ movable assets/ moveable fixed assets with the Sales Invoice Financing of ₹ 45.00 Cr carry interest at 0.85% p.a. over and above the 3 months MCLR (as at 31.03.21 is 6.95%)
- (iv) Adhoc Sales Invoice Financing from Kotak Mahindra Bank are secured against Primary Security exclusive charge on all existing and future receivables/ current assets/ movable assets/ moveable fixed assets with the Adhoc Sales Invoice Financing of ₹ 6.00 Cr applicable floating ROI as on date of offer is 9.80% p.a.

The collateral security (Applicable for all facilities) secured by way of Mortgage over Puducherry and Bhimtal properties.

45. Earnings Per Share (EPS) :

(₹ in Lakhs)

| Particulars | 2020-2021 | 2019-2020 |
|---|-----------|-----------|
| Profit after tax (PAT) available for equity shareholders (before exceptional items) | 570.50 | 345.55 |
| Profit after tax (PAT) available for equity shareholders (after exceptional items) | 570.50 | 345.55 |
| Weighted average number of equity Shares (In nos.) | 5680235 | 5680235 |
| Nominal value of equity Shares (In ₹) | 10.00 | 10.00 |
| Basic & diluted earning per share (Before exceptional Income/Loss) (In ₹) | 10.05 | 6.09 |
| Basic & diluted earning per share (After exceptional Income/Loss) (In ₹) | 10.05 | 6.09 |

46. The Company had earlier given Inter Corporate Loans. The company has provided ₹ 660 lakhs from Financial Year 2012-13 to 2015-16 towards doubtful loans. The Company has filed legal suit for recovery of the loan in respect of the same.
47. The unsold portion of Freehold land at Village Hariyali, Thaluka Kurla in Mumbai Suburban District (Bhandup) was revalued on 30th June, 1993 on the Market Value/Replacement basis using the standard indices as assessed by the approved valuer. The revalued amount of freehold land remains substituted for the historical cost in the gross block of property, plant and equipment amounting to ₹ 150.39 lakhs. In respect of the said land, there were litigation going on. During the year, the Company has done out of court settlement with litigants and paid ₹ 4.25 crores. The same has been capitalised under Freehold land.
48. Balances of trade receivables and trade payables are subject to confirmations and reconciliations.
49. The previous period's figures have been re-grouped/re-classified wherever required to conform to current year's classification. All figures of financials have been rounded off to nearest lakhs rupees.

The accompanying notes referred to herein form an integral part of the financial statements

| | | | |
|---|---|--|---------------------------------|
| As per our Report annexed | Smt. Hira Bhojwani Non-Executive Director DIN: 00032997 | Mr. Suresh Bhojwani DIN: 00032966 | Chairman & Managing Director |
| For Desai Saksena & Associates Firm Registration No.: 102358W Chartered Accountants | Mr. Chirag Shah Chief Financial Officer | Mrs. Devika Bhojwani DIN: 08355381 | Whole Time Director |
| Dr. S. N. Desai Partner Membership No. 32546 | Mrs. Sonali Pednekar Company Secretary & Compliance Officer | Mr. K. P. Rao DIN: 00027577 | Independent Directors |
| Mumbai, 18th June, 2021 | | Dr. T. S. Sethurathnam DIN: 00042704 | |
| | | Mr. Anil Kumar Bhandari DIN: 00031194 | |

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