



Salora International Ltd.

September 06, 20210

The Secretary
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai - 400 001

Scrip Code: 500370

Sub: Submission of Annual Report for Financial Year 2020-21 (including Notice of Annual General Meeting)

Dear Sir,

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirement) Regulations 2015, as amended, please find enclosed herewith Annual Report for financial year 2020-21 along with Notice of 52nd Annual General Meeting (AGM) which is being dispatched / sent to the members by the permitted mode(s).

The aforesaid Annual Report along with the Notice for convening 52nd Annual General Meeting is also available on the website of the company i.e. www.salora.com

This is for your information and records.

Thanking You,

Yours faithfully,
For **Salora International Ltd.**



(Anubhav Nigam)
Company Secretary & Compliance Officer
Membership No.: A59262

Encl. as above



**ANNUAL REPORT
2020-21**

Salora International Limited

52nd ANNUAL REPORT 2020–21

BOARD OF DIRECTORS

GOPAL SITARAM JIWARAJKA – Chairman & Managing Director
 KARNA SINGH MEHTA – Chairman Audit Committee
 & Independent Director
 (Non Executive)

TARUN JIWARAJKA – Whole Time Director & CFO
 NEETU JIWARAJKA – Executive Director
 SANJEEV KAUL DUGGAL – Independent Director
 (Non Executive)
 PARAMARTHA SAIKIA – Independent Director
 (Non Executive)

COMPANY SECRETARY -
 ANUBHAV NIGAM

AUDITORS -

STATUTORY AUDITORS : R. GOPAL & ASSOCIATES
 INTERNAL AUDITORS: SCV & CO. LLP
 SECRETARIAL AUDITORS: SVR & CO.
 COST AUDITORS: GURVINDER CHOPRA & CO.

BANKERS -

STATE BANK OF INDIA
 CANARA BANK
 HDFC BANK LTD.

REGISTERED OFFICE

SALORA INTERNATIONAL LTD.
 D – 13/4, OKHLA INDUSTRIAL AREA,
 PHASE – II, NEW DELHI – 110 020.
 CIN L74899DL1968PLC004962
 sect@salora.com

CORPORATE OFFICE & MANUFACTURING PLANTS

PLOT NO. B – 31 to 34 & 50 to 53, SECTOR – 80,
 NOIDA (U.P.)

REGISTRAR & SHARE TRANSFER AGENTS

SKYLINE FINANCIAL SERVICES PVT. LTD.
 D-153-A, 1st FLOOR, OKHLA INDUSTRIAL AREA, PHASE -I,
 NEW DELHI-110020
 Tel. No.011-40450193 to 197 Fax: 011-26812682
 Email: admin@skylinerta.com

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ANNUAL GENERAL MEETING

Day : Wednesday
 Date : 29th September, 2021
 Time : 11:00 AM
 Venue : D-13/4, Okhla Industrial Area,
 Phase – II, New Delhi – 110 020.

Visit us at www.salora.com

NOTICE TO THE 52ND ANNUAL GENERAL MEETING

NOTICE is hereby given that the 52nd Annual General Meeting of Salora International Limited will be held on Wednesday, 29th September, 2021, at 11:00 A.M. through Video Conferencing (“VC”) / Other Audio - Visual Means (“OAVM”), at registered office of the company, to transact the following business:

ORDINARY BUSINESS

Item No.1 – To receive, consider and adopt the financial statements of the Company for the financial year ended 31st March, 2021 including audited balance sheet as at 31st March, 2021 and statement of profit and loss of the Company for the year ended 31st March, 2021 along with reports of Board of Directors and Auditors’ thereon; and

Item No.2 - To re-appoint Smt. Neetu Jiwarajka (DIN 00025570), as director, who retires by rotation and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS

Item No. 3 – To approve appointment of Shri Karna Singh Mehta as an Independent Director

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

“**RESOLVED THAT** pursuant to provisions of Sections 149, 152 and other applicable provisions, if any, of Companies Act, 2013 (‘Act’) and Companies (Appointment & Qualification of Directors) Rules, 2014 (‘Rules’), including any statutory modification(s) or re-enactment thereof read with Schedule IV of the Act and Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, (“LODR”), and based on the recommendation of the Nomination and Remuneration Committee, Shri Karna Singh Mehta (DIN: 00128166), who was appointed as an Independent Director at the 48th Annual General Meeting of the Company and who holds office up to 11th November, 2021, is eligible for re-appointment and meet the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations. He has already attained the age of 75 years and qualifies for being appointed as an Independent Director and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, to continue as Director of the Company on and after 16th January, 2021. Shri Karna Singh Mehta be and is hereby re-appointed as Non-Executive Independent Director of the Company to hold office for the second term of five consecutive years with effect from 9th February, 2021 till 8th February, 2026 and that he shall not be liable to retire by rotation.”

Item No. 4 – To approve appointment of Smt. Neetu Jiwarajka, as Executive Director

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, read with Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and Articles of Association of the Company and subject to the such approvals as may be necessary and further subject to the approval of Shareholders and subject to the approval of the Central Government, if necessary, Smt. Neetu Jiwarajka (DIN 00025570) be and is hereby re-appointed as Executive Director of the Company for a period of 5 (Five) years w.e.f. 30th June, 2021 upto 29th June, 2026 whose period of office shall be liable for determination by retirement of directors by rotation as per the provisions of Section 152 of Companies Act, 2013 on the following terms of remuneration:

Name of Director	Amount of monthly remuneration
Smt. Neetu Jiwarajka	Rs.60,000/-

RESOLVED FURTHER THAT appointment of Smt. Neetu Jiwarajka (DIN 00025570) on the board, be and is considered in compliance of provisions of the second proviso of section 149(1) of Companies Act, 2013 and provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 in regard to the appointment of Women Director;

RESOLVED FURTHER THAT pursuant to Section II of Part II of Schedule V and other applicable provisions, of the Companies Act, 2013, if any, (including any amendment and modification thereof) and subject to such approvals as may be necessary, in the event of there being loss or inadequacy of profits for any financial year, the aforesaid remuneration payable to Executive

Director shall be the minimum remuneration payable unless revised further.”

Item No. 5 – To ratify the remuneration payable to Cost Auditors

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(3) and other applicable provisions, if any, 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 payable to M/s. Gurvinder Chopra & Co., Cost Accountants (Firm Registration No.100260) appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022, amounting Rs.40,000/- (Rupees Forty Thousand Only) plus payment of taxes, as applicable and reimbursement of out of pocket expenses that may be incurred by them in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby approved.”

By Order of the Board of Directors

Salora International Ltd.

Regd. Office:

D – 13/4, Okhla Industrial Area, Phase – II,

New Delhi – 110 020

CIN L74899DL1968PLC004962

sect@salora.com

Dated: 12.08.2021

Place: New Delhi

(Anubhav Nigam)
Company Secretary

NOTES

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporate are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting hence proxy form and attendance slip are not annexed herewith.
3. SEBI has mandated the submission of Permanent Account Number (PAN) and Bank details by every shareholder, accordingly, shareholders are requested to please update PAN and Bank details to their Depository Participant in case of Demat holding. Members holding shares in physical form may submit the Pan and Bank details to the Company or the Registrar.
4. To support the `Green Initiative`, Members who have not registered their e-mail addresses are requested to register the same with their DPs / SKYLINE.
5. Members having any query(ies) relating to this Annual Report are requested to send their questions to Registered Office of the Company at least 7 days before the date scheduled for Annual General Meeting.
6. As per the provisions of Section 72 of the Act, the facility for submitting nomination is available for members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No.2B. The members are requested these details to their DP in case shares held in electronic form and to the RTA (SKYLINE), in case shares are held in physical form.

7. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. The Register of Members and Share Transfer Register of the Company will remain close during the period from 23-09-2021 to 29-09-2021 (both days inclusive) for the purpose of Annual General Meeting.
9. SEBI has amended Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide Gazette notification dated June 8, 2018 and mandated that transfer of securities would be carried out in dematerialized form only except in case of transmission / transposition of securities.
10. In case of physical transmission of shares, copy of PAN Card of the transferee is mandatory.
11. The Notice of the AGM along with Annual Report for the financial year 2020-21 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 of the AGM and the Annual Report will also be available on the Company's website at www.salora.com, under Investor Section and website of BSE Limited at www.bseindia.com. No physical / hard copies of the notice and the annual report will be sent.
12. Electronic copy of the Annual Report is being sent to all Members whose email ID is registered with the Company / Depository Participants (DP) for communication purposes. Members who have not got their email id registered with the Company are requested to inform your email id to the Company or its RTA in case of physical holding and in case of demat holding update your email id with the depository participant. Investors may also download the Annual Report of the Company from the website of the Company or website of Stock Exchange as well.
13. The statutory registers including register of directors and key managerial personnel and their shareholding, the register of contracts or arrangements in which directors are interested maintained under the Companies Act, 2013 and all other documents referred to in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the company by sending e-mail to sect@salora.com.
14. The relevant details pursuant to Regulations 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(s) seeking appointment / re-appointment at this AGM are provided in the Corporate Governance Report forming part of the Annual Report and Explanatory Statements of the notice as the case may be.
15. There are no unclaimed and unpaid dividend amount which is lying pending with the Company.
16. The information required in terms of provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in Corporate Governance Report annexed to the Directors' Report which is integral part of the 52nd Annual Report 2020-21.
17. Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of maximum term permitted under the provisions of Companies, 2013. In line with the requirements of Companies Act, 2013 M/s. R. Gopal & Associates, Chartered Accountants, (Firm Registration No. No.000846C) was appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 48th AGM held on 13th September, 2017 till the conclusion of the 53rd AGM to be held in 2022. The requirement for the annual ratification of statutory auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017, notified on May 07, 2018.
18. The Board of Directors has appointed CS Shivam Rastogi, Practicing Company Secretary (FCS No. 10704 & COP No.14600) as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner.
19. The Company shall avail the services of Skyline Financial Services Pvt. Ltd., Registrar and Share Transfer Agents of the Company, to provide the Video conferencing and e-voting facility for the AGM.
20. Information regarding re-appointment of director and Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the business under Item No. 3 to 4 of the Notice is annexed hereto. The relevant details required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of the directors seeking appointment / re-appointment at this AGM are also annexed.

21. Since the AGM will be held through VC/ OAVM Facility, the Route Map is not annexed with this Notice.
22. Members can contact Shri Anubhav Nigam, Company Secretary, on Alternate Tel. No. 0120-4885528 for any query relating to Annual General Meeting (AGM).
23. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID / folio number, PAN, mobile number at sect@salora.com between Friday 17th September, 2021 (9:00 A.M. IST) and Wednesday 22nd September, 2021 (5:00 P.M. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

E-VOTING AND VIDEO CONFERENCING:

1. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at: www.salora.com. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
5. AGM to be convened through VC / OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

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

The remote e-voting period begins on Sunday, 26th September, 2021 at 09:00 A.M. and ends on Tuesday, 28th September, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Wednesday, 22nd September, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Wednesday, 22nd September, 2021.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode
In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders

holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center; gap: 20px;"> <div style="text-align: center;">  App Store </div> <div style="text-align: center;">  Google Play </div> </div> <div style="display: flex; justify-content: center; align-items: center; gap: 20px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 1. Existing users 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. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a 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 i.e. NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at 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

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

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

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL. For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.	8 Character DP ID followed by 8 Digit Client ID
b) For Members who hold shares in demat account with CDSL. For example if your Beneficiary ID is 12***** then your user ID is 12*****	16 Digit Beneficiary ID
c) For Members holding shares in Physical Form. For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***	EVEN Number followed by Folio Number registered with the company

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.shivamr@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email id – evoting@nsdl.co.in or pallavid@nsdl.co.in or SoniS@nsdl.co.in or at telephone nos.:- +91 22 24994545, +91 22 24994559, who will also address the grievances connected with voting by electronic means. Members may also write to the Company Secretary at the Company's email address: sect@salora.com

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

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

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

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

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

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

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders, who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at sect@salora.com. The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

DECLARATION OF RESULTS ON THE RESOLUTIONS:

The Scrutinizer shall, immediately after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM, submit a consolidated Scrutinizer's report of the total votes cast in favour and against the resolution(s), invalid votes, if any, and whether the resolution(s) has/have been carried or not, to the Chairman or a person authorized by him in writing. The result declared along with the Scrutinizer's Report shall be placed on the Company's website www.salora.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited where the securities of the Company are listed. Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting i.e. 29th September, 2021.

Please note the following:

- o Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- o It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

By Order of the Board of Directors
Salora International Ltd.

Regd. Office:
D – 13/4, Okhla Industrial Area,
Phase – II, New Delhi – 110 020
CIN L74899DL1968PLC004962
sect@salora.com

Dated: 12.08.2021
Place: New Delhi

(Anubhav Nigam)
Company Secretary

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

As required by Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item No.2 to Item No. 5 of the accompanying Notice:

Item No. 2

Based on the terms of appointment, executive director and whole time director are subject to retirement by rotation. Smt. Neetu Jiwarajka, executive director, whose office is liable to retire by rotation & holds office upto this Annual General Meeting and being eligible, offers herself for reappointment at this AGM

Smt. Neetu Jiwarajka is looking after products portfolio and business in Life Style Product business of the Company and has contributed her continued efforts for growth of the Company.

Except Shri Gopal Sitaram Jiwarajka, Shri Tarun Jiwarajka and Smt. Neetu Jiwarajka herself, None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Item No. 2 of this Notice.

Item No. 3

Shri Karna Singh Mehta was appointed as Non-Executive Directors in the category of Independent Directors for a period of five years, not liable to retire by rotation, as approved by the shareholders in the 48th Annual General Meeting held on September 13th, 2017. His term as Non-Executive Independent Directors shall expire on 11th November, 2021.

As per the provisions of Section 149 (10) of the Companies Act, 2013 (the ‘Act’), an Independent Director shall hold office for a term up to five consecutive years on the Board of the company and shall be eligible for reappointment for the second term on passing of a special resolution and disclosure of the same in the Board’s report. Further, as per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘LODR’), as amended vide SEBI LODR (Amendment) Regulations, 2018 w.e.f. April 1, 2019, no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment.

Accordingly, special resolution is proposed to take shareholders’ approval for Shri Karna Singh Mehta to continue as Director of the Company on and after 16th January, 2021 & for re-appointment of Shri Karna Singh Mehta as Independent Directors for the second term of five years w.e.f. 9th February, 2021 to 8th February, 2026.

Shri Karna Singh Mehta (DIN: 00128166), aged 75 years, is a Chartered Accountant by profession and is spearheading head of M/s. S.S. Kothari Mehta & Co., Chartered Accountants. He has specialization in Corporate Financial Planning & Corporate Restructuring, Project Financing, Business Valuation, etc. He has been a renowned professional in the recent past and headed important position, like director of SEBI, National Stock Exchange, President of PHD Chamber of Commerce and Industry. He has been actively involved in preparation of various representations and appearing before Government Committees and also acted as member of various Government Committees. Shri Mehta has a wide exposure to industry in his capacity as Director of some leading companies in the corporate sector and Head of Management Consultancy Division of S.S. Kothari Mehta & Co.

The Company had received from Shri Karna Singh Mehta:

- (i) Consent in writing to act as director in Form DIR-2 of the Rules;
- (ii) Intimation in Form DIR-8 of the Rules to the effect that they are not disqualified under Section 164(2) of the Act;
- (iii) Intimation to the effect that they are not disqualified from being appointed a director of a listed entity by virtue of any SEBI order or order of any such authority, as per instructions given by SEBI and circulated to the companies by BSE vide its Circular No. LIST/COMP/14/2018-19 dated June 20, 2018; and
- (iv) Declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of LODR.

The Board, based on the performance evaluation and recommendation of Nomination and Remuneration Committee, considers that given his background, experience and contribution, the continued association of Shri Karna Singh Mehta would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director.

Except Shri Karna Singh Mehta, none of other Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No.3 of the Notice.

Item no. 4

The Board of Directors of the Company considered the recommendation of Nomination and Remuneration Committee to approve appointment and payment of remuneration payable to Smt. Neetu Jiwrajka (DIN 00025570), Executive Director of the Company; to restore her remuneration at the level of remuneration which was paid to her by company during the term of her previous appointment. The Board discussed the various aspects and analyzed the amount of Salary and other perquisites forming part of remuneration payable to Smt. Neetu Jiwrajka, Executive Director. The Board was agreed to seek approval of the members in the ensuing Annual General Meeting on the terms, conditions and remuneration as approved by the Board.

Further, particulars of Smt. Neetu Jiwrajka have been given in the Annexure to this Notice.

Smt. Neetu Jiwrajka is interested to the extent of remuneration proposed in the aforesaid resolution. Shri Gopal Sitaram Jiwrajka, Chairman & Managing Director and Shri Tarun Jiwrajka, Whole Time Director of the Company is relative of Smt. Neetu Jiwrajka and deemed to be interested in this resolution and no other director is interested or concerned, financially or otherwise, in the resolution.

Item no. 5

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company.

On the recommendation of the Audit Committee at its meeting held on 29th June, 2021 the Board has, considered and approved the appointment of M/s. Gurvinder Chopra & Co., Cost Accountants as the Cost Auditor of the Company for financial year 2021-22 at a remuneration of Rs.40,000/- per annum plus applicable service tax and reimbursement of out of pocket expenses.

The Board recommends this resolution for approval of the Members. None of the Directors / Key Managerial Personnel of the Company / their relatives, in any way, is interested or concerned, financially or otherwise, in the resolution.

By Order of the Board of Directors
Salora International Ltd.

Regd. Office:
D – 13/4, Okhla Industrial Area, Phase – II,
New Delhi – 110 020
CIN L74899DL1968PLC004962
sect@salora.com

Dated: 12.08.2021
Place: New Delhi

(Anubhav Nigam)
Company Secretary

Details of Directors seeking Appointment / Re-appointment at the Annual General Meeting in compliance of SS-2 issued by ICSI and information pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forming part of Explanatory Statement:

Particulars	Smt Neetu Jiwrajka	Shri Karna Singh Mehta
Date of Birth (Age)	04-09-1960 60 years	16-01-1946 75 Years
Date of Appointment in the Company	30.06.2016	12.11.2016
DIN	00025570	00128166
Qualification	Graduate	Chartered Accountant
Experience	Experience in marketing and business development of life style products.	Specialization in Corporate Financial Planning & Corporate Restructuring, Project Financing, Business Valuation etc.
Directorship held in other public companies	-	-
Membership/ Chairmanship of committees of other companies	-	-
Relationship with other Directors/ MD/ KMPs	Shri Gopal Sitaram Jiwrajka, Chairman & Managing Director and Shri Tarun Jiwrajka, Whole Time Director	No relation
Shareholding in the Company	7,31,410	Nil
Present Remuneration	Rs.7,20,000/-	-
Remuneration Last drawn	Rs.7,00,401/-	-

STATEMENT PURSUANT TO SCHEDULE V PART II SECTION – II

I. GENERAL INFORMATION

- (1) Nature of Industry : Manufacturing of Smart LED / LED TVs, Speakers, Home Theater, Speaker Tower, Mobile charger, Washing Machine, Refrigerator & Air Conditioners.
: Distribution of IT & Telecom Products
: Distribution of Life style Products
: Wind Power Generation
- (2) Date or expected date of commencement of commercial production. : 29.11.1968
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not Applicable
- (4) Financial performance based on given indicators : (Rs. in lacs)
i. EBITD : 834.59
ii. PBT : 1554.76
iii. PAT : 1141.11
- (5) Foreign investment or collaborations, if any : No foreign investment or collaboration

II INFORMATION ABOUT THE APPOINTEE

(A) Shri Karna Singh Mehta

- (1) Background details : Provided in the explanatory statement
 (2) Past remuneration : Not applicable
 (3) Recognition or awards : NIL
 (4) Job profile and his suitability : Non Executive & Independent Director
 (5) Remuneration proposed : -
 (6) Comparative remuneration profile with respect to industry size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) : Not applicable
 (7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : Except holding position of Non Executive & Independent Director, he has no other pecuniary relationship with the Company.

(B) Smt. Neetu Jiwrajka

- (1) Background details : Provided in the explanatory statement
 (2) Past remuneration : Past remuneration of Smt. Neetu Jiwrajka, Executive Director of the Company is within the managerial remuneration limit approved by the members earlier.
 (3) Recognition or awards : NIL
 (4) Job profile and his suitability : Executive Director
 (5) Remuneration proposed : Provided in the relevant resolution
 (6) Comparative remuneration profile with respect to industry size of the Company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin) : Remuneration for similar position in the industry having regard to the size of the Company and profile of Smt. Neetu Jiwrajka is not less than the proposed remuneration.
 (7) Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any : Except holding position of Executive Director (Promoter Group) and as a shareholder, she has no other pecuniary relationship with the Company. She is relative of Shri Gopal Sitaram Jiwrajka, Chairman & Managing Director and Shri Tarun Jiwrajka, Whole Time Director.

III OTHER INFORMATION

- (1) Reasons of loss or inadequate profits : During the financial year ended March 31, 2021 the Company faced challenging times due to Global Pandemic and resultant reduction in the sales.
 (2) Steps taken or proposed to be taken for improvement : The Company has taken significant steps to reduce costs in line with the projected sales showed considerable recovery of business results.
 (3) Expected increase in productivity and profits in measurable terms : The year 2021-22 is expected to show further progressive recovery of demand and underlying business results.

IV DISCLOSURE

- The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report. : Provided in the Corporate Governance Report.

- (i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. of all the directors;
- (ii) Details of fixed components and performance linked incentives along with the performance criteria
- (iii) Service contracts, notice period, severance fees.
- (iv) Stock option details, if any, and whether the same has been issued at the discount as well as the period over which accrued and over which exercisable.

Regd. Office:
D-13/4, Okhla Industrial Area
Phase – II, New Delhi – 110 020
CIN L74899DL1968PLC004962
sect@salora.com

Dated: 12.08.2021
Place: New Delhi

By Order of the Board of Directors
Salora International Ltd.

(Anubhav Nigam)
Company Secretary

To,

M/s. Skyline Financial Services Pvt. Ltd.
D-153A, 1st Floor,
Okhla Industrial Area, Phase – I
New Delhi – 110 020.

Unit: Salora International Ltd.

Sir,

In terms of Securities and Exchange Board of India circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018. I/
We hereby furnish the required details as follows:

Name of Shareholders			
Folio No.			
PAN (attached self attested copy) First Holder, Second Holder Third Holder	FIRST HOLDER	SECOND HOLDER	THIRD HOLDER
Bank a/c No. (kindly attach name printed cancel cheque / attested copy of pass book)			
Bank Name			
Branch Address			
IFSC No.			
MICR No.			
Email id			
Mobile / Telephone No.			

Name of shareholder(s)

Signature of shareholder(s)

1. _____

1. _____

2. _____

2. _____

3. _____

3. _____

DIRECTORS' REPORT

Dear Members,

Your Board of Directors is pleased to present 52nd Annual Report on business and operation of the Company along with Audited Financial Statements for the Financial Year ended 31st March, 2021.

The web address, if any, where annual report referred to in sub-section (3) of Section 92 has been placed: www.salora.com

1. FINANCIAL RESULTS

The financial statement of the company has been prepared in accordance with the Indian Accounting Standards ("Ind AS"). A preview of the financial performance of the Company for the financial year ended 31st March, 2021 along with the performance of the previous financial year have been tabled below:

(Amount Rs.in lacs)

Particulars	2020-21	2019-20
Net Sales /Income from Business Operations	8,868.83	16,789.70
Less: Excise Duty	-	-
Net Sales	8,868.83	16,789.70
Add: Other Income	143.46	105.10
Increase / (Decrease) in stock	(111.32)	(689.37)
Total	8,900.97	16,205.43
Less: Total Expenditure	9,161.67	16,600.27
Operating Profit	(260.70)	(394.84)
Less: Interest	571.58	696.27
Less: Depreciation & Amortization	151.49	200.02
Profit before exceptional item & tax	(983.77)	(1,291.13)
Less: Exceptional Item	570.99	-
Profit before tax	(1,554.76)	(1,291.13)
Less: Provision for taxes		
• Current Tax	-	-
• Deferred Tax	413.65	(62.84)
Earlier Year: Deferred Tax	-	-
Earlier Year: Income Tax	-	-
Profit / (Loss) after tax	(1,141.11)	(1,353.97)
Other comprehensive income	(2.17)	(3.72)
Balance carried to Balance Sheet	(1,143.28)	(1,350.25)

2. DIVIDEND

The Board of Directors of your Company, after considering the relevant circumstances and keeping in view the Company's financial position, has decided that it would not be prudent to recommend any dividend for the year under review.

3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There is no unpaid or unclaimed dividend available with the company due for transfer to the IEPF (Investor Education and Protection Fund).

4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the period under review, the company has achieved revenue from operation of Rs. 8,868.83 lacs in the current financial year 2020-21 as compared to Rs. 16,789.70 lacs in the last financial year.

The Company has operating loss of Rs. 260.70 lakhs against the operating loss of Rs. 394.84 lakhs incurred during the last financial year.

The COVID-19 pandemic which is a once in a lifetime occurrence has brought with it an unimaginable suffering to people and to almost all sections of the economy. The nationwide lockdowns to curtail the transmission of disease, had put the global economy in extreme stress of the level not seen since the great depression and would have a long-lasting impact.

The uncertain nature of the pandemic and its resurgence at the close of the year once again creates uncertainty, including negative economic impact. We are hopeful that the continuous vaccination effort by the government will help in overcoming this testing situation.

In this ever evolving and uncertain environment the company has decided to build a robust risk management framework. In order to do so, the operations are being optimized to:

- Improve liquidity and reduce finance cost
- Increase focus on building an adaptable supply chain to bring more predictability to business
- Focus on increasing digital initiatives across its business lines in line with changing consumer trends.
- Expansion of geographical distribution and infrastructure.

Consumer Electronics:

Our Consumer electronics division has been the backbone of the company and robust growth is expected in the upcoming years.

The COVID 19 induced Work-from-Home culture, has also spurred spending into the house hold items.

In line with the company's philosophy of building a robust framework, following initiatives are being taken to drive sustainable growth:

Expansion of product range within the above mentioned product categories. : Tie up with Google for the CERTIFIED ANDROID TV

Expansion of digital channels, : Tie up with Amazon to promote the Consumer electronics products

Expansion of territory : Deeper reach distribution is being built.

The Consumer Electronics project has played a prime role in the year 2020-21. The Company has continued its efforts to increase efficiency and to expend more state of art products to its lineup. Although the pandemic has led the organization to prioritize its supply chain resilience significantly in order to adapt to the new normal. In order to react and adapt quickly to potential disruption, we made our supply chain more flexible and agile by enhancing our efforts in development of domestic sources and de-risking dependencies on suppliers.

The company has been consolidated its focus in 5 product segments i.e LED TV, Washing machine, Refrigerator, Coolers and Audio.

Audio-Video:

With the advancing technology, there is growing preference for smart offices and smart homes, where LED TV is an important part of it. LED TV serves multi-fold purposes such as entertainment, music player and running internet based applications i.e. transforming it into a computer such as streaming videos from Amazon TV, Netflix and Google play store. Rising disposable income of the people of consumer electronics and their shift in preferences towards smart homes and smart offices environment, up-gradation of existing TVs are driving the growth of the market.

In line with the above, the company has obtained the Google license to market the Certified Android TV in Salora Brand. Additionally, the company has tied up with Amazon to promote the products in the digital domain.

With the increasing innovation and technological improvements in the consumer electronics industry, the cost of LED TVs is expected to see a downward trend in future. The company strongly believes that smart LED TV's will be a pivotal part of our daily lives and there will be a robust increase in demand.

Large Appliances:

Salora's refrigerators are designed keeping the Indian consumer's needs and choices in mind. Apart from the high quality in design and manufacturing, they also carry the signs of innovation that distinguish the company's including increased energy efficiency with up to 5 star rating, a highly durable compressor; humidity Control, active air-flow, toughened glass

and designer patterns for greater aesthetic appeal.

Washing machines have become an essential item in every house making the practice of washing clothes more intelligent and personalized. New technologies allow for reduced water usage. The company has expanded its product portfolio to include fully automatic washing machines with vibrant colours and aesthetically superior looks, water saver function, multiple wash selection option, lesser water consumption and higher performance. In the Semi-Automatic Category, development with vibrant colours and aesthetically superior looks and multiple wash selection option has been done across the range.

Distribution & Trading:

The company continues to focus on building infrastructure to grow its online distribution business. Through its Flex warehouses, the company is able to provide vendors with a just-in time inward solution thereby reducing out-of-stock situations. The active categories are Telecom, IT, Large and small appliances and FMCG.

The pandemic has led a significant increase in the customer use of digital models of purchase and has presented the company with significant opportunity to become a distribution cum supply chain partner for the online players.

The company looks to expand its territorial and infrastructural presence in the segment and hopes for robust growth.

Wind Energy

Being quite different from Company's main line of Core Business Strength of the management, to improve overall financial position of the company, the Company had decided to sell the wind energy asset held in the name of Salora International Limited which was approved by the members in the Extra-Ordinary General Meeting of the Company held on 04th December'2020. The Business of wind energy was requiring further investment & the future revenue stream was uncertain. Given that the business was incurring losses eroding profitability the management felt it is prudent to sell these assets. Moreover the present challenging times, to meet the expectation of the members towards growth of the company, the shareholders gave their assent to sale of these assets. The sale has helped reduce the interest cost and increased liquidity.

Your company's management firmly believes that the product range combined with an expanded and improved sales and service network, will help achieve robust growth in the future.

5. COVID19 PANDEMIC

Due to outbreak of Covid-19 pandemic globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks on account of Covid-19 and the efforts to combat it. The management does not see any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities. The management will continue to monitor performance and take remedial measures as needed to respond to the Covid-19 related risk, if any.

6. MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED DURING THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

There was one material change that has affected the financial position of the Company i.e. sale of wind energy assets held in the name of Salora International Limited which was approved by the shareholder in the Extra Ordinary General Meeting of the Company held on 4th December, 2020.

Further, there were no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operation in future.

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

The information regarding conservation of energy, technology absorption, foreign exchange earnings and outgo as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is provided in Annexure- I to the Board's Report.

8. RESEARCH AND DEVELOPMENT

The information regarding Research & Development as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is provided in Annexure- I to the Board's Report.

9. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT OF THE COMPANY

The Company has put in place a well defined risk management framework to identify, evaluate and assess the potential risk and challenges and determine the process to mitigate and manage the same. The Company has carried out detailed exercise to identify, evaluate, manage and monitor the potential risks to its operations. The Board periodically reviews the risks and suggests steps to mitigate and manage the same.

The Audit Committee of the Company with the help of periodical internal audit reports and management's representations identifying and evaluating all possible risk and inform the Board with their possible recommendations to hedge those risk and minimization procedures. As per opinion of the Board, there is no risk that may threaten the existence of the Company's business.

10. CORPORATE SOCIAL RESPONSIBILITY POLICY UNDER THE PROVISION OF SECTION 135 OF THE COMPANIES ACT, 2013

The Section 135 of the Companies Act, 2013 is not applicable on the Company.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees or investments made by the Company exceeding the limit as specified under Section 186 of the Companies Act, 2013 during the financial year 2020-21 and particulars of loans given, investments made, guarantees given and securities provided under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 along with the purpose for which the loan or guarantee are provided in Note No. 6 & 8 of the financial statement.

12. RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013, and Listing Regulations, 2015, your company has formulated a policy on Related Party Transactions which is also available on the company's website www.salora.com. The policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and related parties.

All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for Related Party Transactions on a quarterly basis for transactions which are of repetitive nature and / or entered in the Ordinary Course of Business and are at Arm's Length. All Related Party Transactions are subject to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Companies Act, 2013 and Listing Regulations.

All Related Party Transaction entered during the year were in Ordinary Course of the Business and at Arm's Length basis. Related Party Transactions disclosure is set out in Note No.45 of the financial statements forming integral part of this Annual Report.

Disclosure as required under Section 134(3)(h) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, in form AOC-2, is not applicable as all the contracts entered by the Company during the year are on arms length basis and there was no material contract or arrangement.

13. AUDITORS

Statutory Auditors

Under Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is mandatory to rotate the statutory auditors on completion of maximum term permitted under the provisions of Companies, 2013. In line with the requirements of Companies Act, 2013 M/s. R. Gopal & Associates, Chartered Accountants, (Firm Registration No.000846C), was appointed as the Statutory Auditors of the Company to hold office for a period of five consecutive years from the conclusion of the 48th AGM held on 13th September, 2017 till the conclusion of the 53rd AGM to be held in 2022. The requirement for the annual ratification of auditors' appointment at the AGM has been omitted pursuant to Companies (Amendment) Act, 2017, notified on May 07, 2018.

Secretarial Auditor

The Board of Directors of the Company at its meeting held on 12th August, 2021, has appointed M/s. SVR & Co., Practicing Company Secretaries to conduct Secretarial Audit for financial year 2021-22, as required under Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report forms part of this Annual Report.

Cost Auditors

M/s. Gurvinder Chopra & Co. Cost Accountants carried out the cost audit for applicable business during the year. The Board of Directors of the Company have appointed M/s. Gurvinder Chopra, Cost Accountants as Cost Auditors for financial year 2021-22 at its meeting held on 12th August, 2021 at a remuneration of Rs.40,000/- plus taxes as applicable and reimbursement of actual travel and out of pocket expenses. The remuneration is subject to the ratification of the members in terms of Section 148 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014.

As required under Section 148(2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, Company have audited its cost accounting records audited by a Cost Auditor.

14. AUDITORS' REPORT

The Auditors' Report for financial year 2020-21 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report. However, the auditors have made following Emphasis of Matters.

For Financial Statements – The point-wise Emphasis of Matters made by the Statutory Auditor and Management's response made is as under:

Emphasis of Matters	Management's Response
i) The Company's has inventories as at 31st March, 2021 of Rs. 4800.52 lakhs at cost. This includes old inventories under the process of identification of slow moving and non-moving by the management against which provision of Rs. 401.08 lakhs has been considered On estimation basis and we have relied upon thereon. The Company has prepared a road map going forward to reduce the old inventory level on priority. The Company has also sold old inventory during the year. The additional provision, if any, on inventories shall be accounted for at the time of disposal / realization.	The Company has made rigorous efforts to reduce the old inventories on priority basis. The goods are in saleable condition and sale of the same has been observed at price above cost continuously. There are positive sign of faster sellout of these inventories in the period coming next. Company expects sale of this inventories during upcoming festive season. The Company is also expecting sale of these products through e-commerce portals.
ii) Contingent liabilities of Rs. 6027.80 lakhs related to Sales Tax, Excise Duty and Income Tax etc. against which amount deposited Rs. 829.17 lakhs which are contested by the Company and pending before various forums. However, Management believes that based on legal advice, the outcome of these contingencies will be favorable and that outflow of economic resources is not probable.	The Management is of the opinion that all the litigation and claim the outcomes are most likely to be in favour of the Company. In respect of said liabilities, the company has filed appeal to the various authorities / forums / tribunals against the liabilities. As per expert's opinion, the company has strong legal opinion in the cases of all the litigation in its favour.
iii) The Company has material statutory dues recoverable of Sales Tax of Rs. 349.21 lakhs and Income tax Rs.114.46 lakhs which has been considered good.	The Management is of the opinion that all the balances are recoverable and considered good and no provision in the financial statements against these at this stage are considered necessary. The Company has strong opinion that in the all cases, realization will be in its favour.
iv) Deferred tax assets (net) Rs. 2184.93 lakhs as at 31st March, 2021, as the management is confident for realization of the same based on the capital gain on disposal of property situated at NOIDA which has been approved by the Board in meeting held on 08th April, 2021 and by the shareholders in Extra Ordinary General Meeting held on 14th May, 2021 and also on the basis of future taxable business income.	The Management is confident that realization of the same will be based on the capital gain on sell of property situated at NOIDA and also on the basis of future taxable business income.

Our conclusion is not modified in respect of these matters stated above.

15. SECRETARIAL AUDIT REPORT

The Secretarial Auditors' Report for Financial Year 2020-21 contains observation –

M/s SVR & co. Company Secretaries was appointed as Secretarial Auditor of the Company for financial year 2020-21. The observation of the secretarial auditor and the management response with respect to it is as follows:

Observation	Management's Response
Observations under the Companies Act, 2013	
1. The issues relating to the previous audit report in respect of transfer of equity shares to IEPF pursuant to section 124(6) of the Companies Act, 2013 and to file Form IEPF 4.	The said compliance has been made on 03.09.2021 vide challan no of IEPF 4: T40504672
Observations under The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015	
1. There was a gap of more than 6 months from the date of resignation and appointment of new Compliance Officer.	Management assured to keep appointed Compliance Officer on Regular Basis in future.
2. Due date for filing details of all related party transaction was 07.12.2020, but it was filed on 19.01.2021.	Management assured to file future disclosures on time.
3. Due date for submitting Annual Report along with the Notice of AGM was 09.09.2020, but it was submitted on 10.09.2020.	Management assured to file future disclosures on time.

16. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The Company has adopted a policy on directors' appointment and remuneration including criteria for determining qualification, positive attributes and independence of the directors and other matters as per requirement of sub-section (3) of Section 178 of the Companies Act, 2013. The policy has been disclosed in the Corporate Governance Report, forming integral part of this report under Nomination and Remuneration Committee section.

17. COMPANY'S POLICY ON PREVENTION OF INSIDER TRADING

In Terms of the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company framed (a) Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and (b) Code of Fair Disclosure (c) Code of Practice & Procedure for fair disclosure of unpublished price sensitive information. The Company's Code, inter alia, prohibits dealing in the shares of the Company by an insider, while in possession of unpublished price sensitive information in relation to the Company and also during certain prohibited periods.

18. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

Following are the meetings of the Board of directors which were held during the financial year under review with a gap of statutory time limit provided under the Companies Act, 2013 and SEBI (Listing Obligations & Listing Requirements) Regulations, 2015.

Members of the Board duly met on following dates;

- 1st Board Meeting 8th July, 2020
- 2nd Board Meeting, 20th August, 2020
- 3rd Board Meeting 7th November, 2020
- 4th Board Meeting 9th February, 2021

19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to clause (c) of sub-section (3) read with sub-section (5) of Section 134 of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a. In preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable accounting standards "IND AS" have been followed along with proper explanation relating to material departures;

- b. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit / (loss) of the company for that period;
- c. They have taken proper and sufficient care towards the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. They have prepared annual accounts on a going concern basis;
- e. They have laid down proper internal financial controls, which are adequate and are operating effectively; and
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

There is no subsidiary of the Company. Also the Company has no joint venture / associate company as at 31st March 2021.

21. DEPOSITS

During the year under review your company has not accepted / received any deposits falling within the meaning of Section 73 of the Companies Act, 2013 read with rules made thereunder.

22. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

There is no change in the Board Members during the financial year 2020-21.

Shri Mahak Agarwal was appointed as Company Secretary & Compliance Officer of the Company on 08.07.2020 and he resigned from the office of Company Secretary w.e.f. 20.02.2021.

23. DECLARATION OF INDEPENDENT DIRECTORS

The Company have received declarations from all Independent Directors confirming that they meet the criteria of independence, as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Independent Directors have also confirmed compliance with the Company's code of conduct during the financial year 2020-21.

24. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE

The Audit Committee consists of the following members:

- 1) Shri Karna Singh Mehta, Chairman
- 2) Shri Sanjeev Kaul Duggal, Member
- 3) Shri Parmartha Saikia, Member
- 4) Shri Tarun Jiwrajka, Member

The above composition of the Audit Committee consists of three independent directors and one executive director (promoter's group).

Shri Parmartha Saikia and Shri Tarun Jiwrajka were appointed as member of the committee w.e.f. 09.02.2021

Smt. Neetu Jiwrajka ceased from membership of the committee w.e.f. 09.02.2021

25. VIGIL / WHISTLE BLOWERS MECHANISM

The Company has in place a Whistle Blower Policy which provides a mechanism for employees / Board Members and others to raise good faith concerns about violation of any applicable laws / Code of Conduct of the Company, gross wastage or misappropriation of funds, substantial or specific danger to public health and safety, abuse of authority or unethical behavior and to protect the individuals who take such action from retaliation or any threat of retaliation and also provides for direct access to the Chairman of the Audit Committee. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time.

The Whistle Blowers are not denied access to the Audit Committee of the Board. The details of the Whistle Blower Policy are given in the Report on Corporate Governance and are also available on the Company's website at: www.salora.com

26. ANNUAL RETURN

Annual Return of the Company as on 31st March, 2021 is available on the company's website and can be accessed at <http://salora.com/pdf/annualreturn31032021.pdf>

27. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 AND PROVIDING VIGIL MECHANISM

The Company is committed to ensuring that all employees work in an environment that not only promotes diversity and equality but also mutual trust, equal opportunity and respect of human rights. The Company has also committed to provide a work environment that ensure every woman employee is treated with dignity, respect and afforded equal treatment.

The Company has formulated a Policy on Prevention of Sexual Harassment in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder which is aimed at providing every woman at the workplace a safe, secure and dignified work environment. During the year, we expanded the scope of our Prevention of Sexual Harassment Committee Policy to make it more inclusive and gender neutral, detailing the governance mechanisms for prevention of sexual harassment issues relating to employee across genders. The Company has re-constituted Internal Committee on 09-02-2021. While maintaining the highest governance norms, the Company has included external independent persons who work in this area and have the requisite experience in handling such matters. The Company has in place an Internal Complaints Committee to inter-alia:

- 1) Prevent sexual harassment of women workers at the workplace; and
- 2) Redress the complaints in this regard.

During the year under review, the Company did not receive any complaint.

28. SHARE CAPITAL

The Equity Shares of the Company are listed at BSE Ltd. (BSE) and listing fees for the Financial Year 2021-22 have been paid to Stock Exchange.

29. DEMATERIALISATION

Trading of Equity Shares of the Company in dematerialized form is compulsory for all shareholders w.e.f. 28.08.2000 in terms of the Notification issued by SEBI. The Company has achieved higher level of dematerialization with 98.9% of the total number of Equity Shares being held in the electronic mode with two depositories (NSDL & CDSL).

30. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in Annexure-‘IV’ forming part of this Report.

31. CORPORATE GOVERNANCE REPORT

Maintaining high standards of Corporate Governance has been fundamental to the business of your Company since its inception. A separate report on Corporate Governance for the year under review is provided as Annexure - V together with a certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under Listing Regulations is annexed as Annexure-VII. A certificate of the CEO and CFO of the Company in terms of Listing Regulations, inter-alia, confirming the correctness of financial statements and cash flow statements, adequacy of the internal control measures and reporting of matters to the Audit Committee is also annexed as Annexure-VI’.

32. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the Listing Regulation, 2015, the Management's Discussion and Analysis is set out in this Annual Report as Annexure-VIII’

33. SECRETARIAL STANDARDS

Your Directors state that the Secretarial Standards i.e. SS-1 and SS-2, relating to ‘Meetings of the Board of Directors’ and ‘General Meetings’, respectively, have been followed by the Company

34. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records, and timely preparation of reliable financial disclosures. The internal control mechanism comprises a well-defined organization, which undertakes time bound audits and reports its findings to the Audit Committee, documents policy guidelines and determines authority level and processes. The Audit Committee regularly reviews the systems and operations to ensure their effectiveness and implementation.

The Audit Committee of the Board of Directors regularly reviews execution of Audit Plan, the adequacy and effectiveness of internal audit systems, and monitors implementation of internal audit recommendations including those relating to strengthening of company's risk management policies and systems.

35. BOARD AND INDIVIDUAL DIRECTOR EVALUATION

The Board carried out an annual performance evaluation of its own performance and that of its committees and individual directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of all the Directors was carried out by the Nomination and Remuneration Committee.

The performance evaluation of the Chairman, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

36. ACKNOWLEDGEMENTS

The Directors place on record its appreciation for support and co-operation your company has been receiving from its suppliers, distributors, retailers, business' partners and others associated with it. Your directors also take this opportunity to thanks all shareholders, clients, vendors, Banks, Government and Regulatory Authorities, both at the Central and State level for their continued support.

The Directors also place on record their appreciation to employees at all level for their hard work during this unprecedented year. The Directors look forward to their continued support in future.

For and on behalf of the Board of Directors
Salora International Ltd.

(Gopal Sitaram Jiwrajka)
Chairman & Managing Director
DIN: 00024325

Date: 12.08.2021

Place: New Delhi

STATEMENT CONTAINING PARTICULARS PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. CONSERVATION OF ENERGY

- (a) **THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY** : The Company has taken necessary steps for conservation of energy through use of energy efficient equipments i.e. LED lights in manufacturing unit boundary, Production floor & workshops and growing cognizance within the personnel for conservation of energy.
- (b) **THE STEPS TAKEN BY THE COMPANY FOR UTILIZING ALTERNATE SOURCES OF ENERGY** : The Company is evaluating the deployment of roof solar panels at its factory in NOIDA.
- (c) **THE CAPITAL INVESTMENT ON ENERGY CONSERVATION EQUIPMENTS** : N.A.

B. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

- (a) **THE EFFORTS MADE IN TECHNOLOGY ABSORPTION** Research and Development (R&D)

LED TV:

- (a) Company has developed new high range LED TV with size 55" & 65". The LED TV are equipped with state of the art technology like HDR, (High Dynamic Range) ultra high resolution, 4 K enhance, colour gamut etc.
- (b) Company has developed new 32" Smart with voice search LED TV with internet & Mobile phone connectivity.
- (c) Company has developed new 39" Smart with voice search LED TV with internet & Mobile phone connectivity.
- This will creates job opening for large number of skilled and unskilled workforce and also further reduced the cost and import contents.
- (d) The Company has developed new high range Android LED TV with size 43". The LED TV is equipped with latest OS 9.0. Google play store, Mira cast etc.
- (e) The Company also developed new high range Android LED TV with size 50". The LED TV is equipped with HDR and latest OS 9.0. Google play store, Mira cast etc.

Home appliances:

Company has launched a range of Air Conditioners along with water cooler and new range of washing Machines during the year. It hopes to further develop the product range in line with market requirements

- (b) **THE BENEFITS DERIVED LIKE PRODUCT IMPROVEMENT, COST REDUCTION, PRODUCT DEVELOPMENT OR IMPORT SUBSTITUTION**
- (a) Increased portfolio of Smart LED TV models, for deep penetration into the market.
- (b) Technology at par with the market.
- (c) Better control of quality.
- (d) Cost effectiveness and reduce dependence on the import
- (c) **IN CASE OF IMPORTED TECHNOLOGY (IMPORTED DURING THE LAST THREE YEARS RECKONED FROM THE BEGINNING OF THE FINANCIAL YEAR)** : N.A.

- i) the details of technology imported
 ii) the year of import
 iii) whether the technology been fully absorbed
 iv) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof
 (d) THE EXPENDITURE INCURRED ON RESEARCH & DEVELOPMENT:

	(₹ in lacs)	
	2020-21	2019-20
(a) Capital	--	--
(b) Recurring	0.00	0.11
Total	0.00	0.11

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The foreign exchange earned in terms of actual inflows during the year and the foreign exchange outgo during the year in terms of actual outflows. : Foreign Exchange mainly used during the year for import of goods and visit of Marketing & Engineering staffs to different countries for business purpose and market penetration.

TOTAL FOREIGN EXCHANGE USED AND EARNED :

	(₹ in lacs)	
	2020-21	2019-20
Foreign Exchange used	688.66	394.02
Foreign Exchange earned	--	--

For and on behalf of the Board of Directors
 Salora International Ltd.

(Gopal Sitaram Jiwarajka)
 Chairman & Managing Director
 DIN: 00024325

Date: 12.08.2021
 Place: New Delhi

FORM MR-3
SECRETARIAL AUDIT REPORT

[FOR THE FINANCIAL YEAR ENDED 31.03.2021]

[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,

SALORA INTERNATIONAL LIMITED

(CIN: L74899DL1968PLC004962)

D-13/4 OKHLA INDUSTRIAL AREA,

PHASE-II, NEW DELHI, 110020

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

Based on our verification of the **SALORA INTERNATIONAL LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31.03.2021**, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31.03.2021** according to the provisions of:

- i. The Companies Act, 2013(**the Act**) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **-There are no such transaction was held during the financial year hence the said Act, Rules and Regulations were not applicable to the Company during the audit period.**
- 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, 2009;
 - d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)Regulations,1993 regarding the Companies Act and dealing with client; **Not applicable, as the Company is not engaged in the activities relating to the Registrar to and Issue and Share Transfer Agents.**
 - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - h) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

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

- (i) **Secretarial Standards issued by The Institute of Company Secretaries of India**
- (ii) **The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect listing of securities with BSE Limited;**

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

A. Observations under the Companies Act, 2013

- i. **The issues relating to the previous audit report in respect of transfer of equity shares to IEPF pursuant to section 124(6) of the Companies Act, 2013 and to file Form IEPF 4.**

The said compliance has been made on 03.09.2021 vide challan no of IEPF 4: T40504672

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

Sl. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Comments based on Management Reply
1.	As per Regulation 6 of SEBI LODR, all listed entity shall appoint a qualified Company Secretary as Compliance Officer and should intimate the Stock about the same. There should not be a gap of more than 6 months from the resignation of Compliance Officer and appointment of the New Company Secretary.	There was a gap of more than 6 months from the date of resignation and appointment of new Compliance Officer.	Management assured to keep appointed Compliance Officer on Regular Basis in future.
2.	As per Regulation 23(9) of SEBI LODR, Company shall file its all related party transaction on consolidated basis within 30 days from the date of publication of its half yearly Financial results.	Due date for filing details of all related party transaction was 07.12.2020, But it was filed on 19.01.2021.	Management assured to file future disclosures on time.
3.	As per Regulation 34 of SEBI LODR, Company should send a copy of its Annual Report sent to shareholders along with the notice of the annual general meeting not later than the day of commencement of dispatch to its shareholders.	Due date for submitting Annual Report along with the Notice of AGM was 09.09.2020, But it was submitted on 10.09.2020.	Management assured to file future disclosures on time.

This report is to be read with our letter of even date which is annexed as '**Annexure –A–1**' and form an integral part of this report.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, one director attained the age of 75 years for whom, company is required to pass a special resolution. Company's views are different in terms of compliance that they have passed Board Resolution for their confirmation and will pass special resolution in the ensuing Annual General Meeting to be held in the year 2021.

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

All the decisions were carried unanimously as evident from the minutes of the meeting of the board and other committees recorded and duly signed by the chairman, there were no dissenting member's view during the audit period and therefore dissenting member's views are not required to be captured and recorded as part of the minutes of the Board.

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

FOR SVR & Co.
COMPANY SECRETARIES

CS. SHIVAM RASTOGI
M.NO: F10704
CP. NO: 14600

DATE: 12.08.2021

PLACE: NOIDA

Note:

- i. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report
- ii. 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., provided by way of electronic mode by the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are true and correct.
- iii. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report which have been complied by the Company up to the date of this Report pertaining to Financial Year 2020-21. We are not commenting on the Statutory Compliances whose due dates are extended by Regulators from time to time due to COVID-19 or still there is time line to comply with such compliances.

To,

The Members,

SALORA INTERNATIONAL LIMITED

(CIN: L74899DL1968PLC004962)

D-13/4 OKHLA INDUSTRIAL AREA,

PHASE-II, NEW DELHI, 110020

My Secretarial Audit Report of even date is to be read along with this letter.

Management Responsibility

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.

Auditors Responsibility

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verifications were done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the Provisions of Corporate and other applicable Laws, Rules, Regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.

Disclaimer

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.

**FOR SVR & Co.
COMPANY SECRETARIES**

**CS. SHIVAM RASTOGI
M.NO: F10704
CP. NO: 14600**

DATE: 12.08.2021

PLACE: NOIDA

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

Salora International Limited

Regd. Office: D- 13/4, Okhla Industrial Area

Phase II, New Delhi- 110020

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Salora International Limited, having CIN: L74899DL1968PLC004962 and having registered office at D- 13/4, Okhla Industrial Area, Phase II, New Delhi- 110020, India (herein after 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 the Schedule V Para- C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations 2015.

In our opinion and to the best of my information and according to the verifications (including Director Identification Number (DIN) status at portal (www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers and considering relaxations granted by the Ministry of Corporate Affairs and Securities And Exchange Board Of India warranted due to spread of Covid-19 Pandemic, we certify that none of the directors as stated below on the board of Salora International Limited have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority for the Financial Year ending 31st March 2021.

<u>S No.</u>	<u>Name of Director</u>	<u>DIN</u>	<u>Date of Appointment</u>
1	Gopal Sitaram Jiwarajka	00024325	28-08-1987
2	Neetu Jiwarajka	00025570	30-06-2016
3	Tarun Jiwarajka	00386240	10-11-2011
4	Karna Singh Mehta	00128166	12-11-2016
5	Sanjeev Kaul Duggal	00004977	28-10-2005
6	Paramartha Saikia	07145770	07-10-2019

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 opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR SVR & Co.
COMPANY SECRETARIES

CS. SHIVAM RASTOGI

M.NO: F10704

CP. NO: 14600

DATE: 12.08.2021

PLACE: NOIDA

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies / joint ventures

Part “A”: Subsidiaries

(Information in respect of subsidiary to be presented with amounts in Rs.) - **Company doesn’t have any subsidiary company during the reporting period.**

Sl. No.	Particulars	Details
1	Name of the subsidiary	No subsidiary
2	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	31 st March, 2021
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not Applicable
4	Share capital	-
5	Reserves & surplus	-
6	Total assets	-
7	Total Liabilities	-
8	Investments	-
9	Turnover	-
10	Profit before taxation	-
11	Provision for taxation	-
12	Profit after taxation	-
13	Proposed Dividend	-
14	% of shareholding	-

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures – **Company doesn’t have any Associate or Joint Venture Company during the reporting period.**

For and on behalf of the Board

Regd. Office:
D – 13/4, Okhla Industrial Area,
Phase – II, New Delhi – 110 020
CIN L74899DL1968PLC004962
sect@salora.com

Gopal Sitaram Jiwrajka
Chairman & Managing Director
DIN:00024325

Tarun Jiwrajka
Whole Time Director & CFO
DIN:00386240

Dated: 12.08.2021
Place: New Delhi

Anubhav Nigam
Company Secretary

(THIS REPORT FORMS PART OF DIRECTORS’ REPORT)

DISCLOSURE IN DIRECTORS’ REPORT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Requirements	Disclosure	
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year.	Name of the Director	Ratio
		Shri Gopal Sitaram Jiwarajka, MD	40.44%
		Smt. Neetu Jiwarajka, ED	2.38%
		Shri Tarun Jiwarajka, WTD	8.99%
		1) For the purpose, sitting Fees paid to the directors have not been considered as remuneration. 2) Figures have been rounded off wherever necessary.	
2.	The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year.	Shri Gopal Sitaram Jiwarajka-MD	N.A.
		Smt. Neetu Jiwarajka, ED	N.A.
		Shri Tarun Jiwarajka, WTD & CFO	N.A.
		Shri Mahak Agarwal – CS*	N.A.
		*Appointed on 08.07.2020	
3.	The percentage increase in the median remuneration of employees in the financial year	Nil* *Due to decrease in number of employees in comparison to previous FY, the increase in median remuneration can’t be ascertained.	
4.	The number of permanent employees on the rolls of company	There were 93 employees as on March 31, 2021.	
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	There is no average increase recorded in remuneration for Employees other than Managerial Personnel during the period under review. Further, average managerial remuneration was showing an increment due to resignation and appointment of new Key Managerial Personnel. This revision is in line with factors outlined in Remuneration Policy of the Company. Other than this, there are no any other exceptional circumstances for increase in the managerial remuneration.	
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.	

General Note:

- Profit of the Company is calculated as per Section 198 of the Companies Act, 2013
- Managerial Personnel includes Chairman and Managing Director, Whole Time Director, Executive Director and Key Managerial Personnel.

CORPORATE GOVERNANCE REPORT

The Company believes in best corporate governance practice. This report has been prepared in compliance with requirements of Regulation 34(3) read with Section C of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

COMPANY’S CORPORATE GOVERNANCE PHILOSOPHY

The principles of Corporate Governance are based on transparency, accountability and focus on the sustainable success of the Company over the long-term. At Salora International, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business, as demonstrated in the words above.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At Salora International, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and in compliance with application legislations. Our Code of Business Principles is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code of Business Principles inspires us to set standards which not only meet applicable legislation but go beyond in many areas of our functioning.

We believe it requires highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment on which we have an impact to succeed. This is our road to consistent, competitive, profitable and responsible growth and creating long-term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

BOARD OF DIRECTORS

The Board of Directors has ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board provides strategic guidance and independent views to the Company’s senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder’s aspirations and societal expectations

COMPOSITION

The Company has a balanced board with optimum combination of Executive and Non-Executive. Directors, including independent professionals, who play a crucial role in Board processes and provides independent judgment on issues of strategy and performance. As on date of this report, the Board consists of six (6) Directors one Executive Chairman, three Independent Directors and two Executive Directors (including one woman director). The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013. The Board is as under:

S. No.	Name	Designation/ Category
1.	Shri Gopal Sitaram Jiwarajka (DIN 00024325)	Chairman & Managing Director (Promoter & Executive Director)
2.	Shri Tarun Jiwarajka (DIN 00386240)	Whole Time Director & CFO (Promoter & Executive Director)
3.	Smt. Neetu Jiwarajka (DIN 00025570)	Executive Director (Promoter & Executive Director)
4.	Shri Sanjeev Kaul Duggal (DIN 00004977)	Non Executive & Independent Director (Member Audit Committee)
5.	Shri Karna Singh Mehta (DIN 00128166)	Non Executive & Independent Director (Chairman Audit Committee)
6.	Shri Paramartha Saikia (DIN 07145770)	Non Executive & Independent Director (Member Audit Committee)

The Board as part of its planning, exercise periodically reviews its composition to ensure that the same is closely aligned with the strategy and long-term needs of the Company. Shri Gopal Sitaram Jiwrajka currently holds the dual position of the Chairman & Managing Director and CEO of the Company. Shri Tarun Jiwrajka, also holds dual position of the Whole Time Director and CFO of the Company.

CONFIRMATION

None of the Directors on the Company's Board is a Member of more than 10 (ten) Committees, and Chairman of more than 5 (five) Committees (Committees being, Audit Committee and Stakeholders' Relationship Committee) across all the companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than 10 (ten) public companies as on 31st March, 2021.

All Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act. The maximum tenure of independent directors is in compliance with the Act. All Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act.

At the ensuing AGM, Smt. Neetu Jiwrajka, director is liable to retire by rotation and being eligible, offers herself for re-appointment.

None of directors are related to each other except Shri Gopal Sitaram Jiwrajka, Smt. Neetu Jiwrajka and Shri Tarun Jiwrajka.

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board Business. The Board generally includes consideration of important corporation actions and events including:

- Quarterly and annual results announcements;
- Oversight of the performance of the business;
- Development and approval of overall business strategy; and
- Other strategic, transactional and governance matters, as required under the Act, Listing Regulations and other applicable legislations.

The notice of Board / Committee Meetings is given well in advance to all the Directors. Usually, Meetings of the Board are held in Delhi. Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings. Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format.

All material information is being circulated along with Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda the same is tabled before the meeting with specific reference to this effect in the Agenda.

The Board periodically reviews compliance reports of all laws applicable to the Company as required under Regulation 17(3) of the SEBI Listing Regulations.

During the financial year ended 31st March, 2021, four Board Meetings were held on 8th July, 2020, 20th August, 2020, 7th November, 2020 and 9th February, 2021. The maximum interval between any two meetings was well within maximum allowed gap of 120 days. The directors attending the meeting actively participated in the deliberations at these meetings. The necessary quorum was present for all the meetings.

BOARD SUPPORT

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof the consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the

Board and Committee Meetings. The Company Secretary attends all the Meetings of the Board and its Committees. The Company Secretary advises / assures the Board and its Committees on Compliance and Governance principles and ensures appropriate recording of minutes of the Meeting.

With a view to leverage technology and reducing paper consumption, the Company has adopted practice to send Agenda through e-mail.

DETAILS OF EXECUTIVE DIRECTORS

Shri Gopal Sitaram Jiwrajka is Chairman & Managing Director of the Company. He possesses over 30 years of experience across the fields of manufacturing, marketing and consumer goods. He serves as a director of PHD Chamber of Commerce and Industry, New Delhi. He is having in depth knowledge of Indian market conditions for business of consumer electronics, telecom and IT products.

Shri Tarun Jiwrajka is Whole Time Director & CFO of the Company. He is a graduate from Indiana University, Bloomington and possesses affluent experience of e-commerce business, marketing, finance and administration. According to his term of employment, he is liable to retire by rotation.

Smt. Neetu Jiwrajka is Executive Director. She is associated with the Company since 4th July, 2008. She is looking after products portfolio and business in Life Style product business of the Company. According to her term of employment, she is liable to retire by rotation.

Including business, as of now, she also looking after the philanthropically activities of Company's established trust named "Uttarayan", in Nebsarai, New Delhi to empower and welfare for children and women.

DETAILS OF NON-EXECUTIVE INDEPENDENT DIRECTORS

Shri Sanjeev Kaul Duggal, is Independent & Non Executive Director of the Company. Shri Duggal, is winner of Udyog Rattan Award of Institute of Economic Studies & Award for "Creating Corporate Advantage in Global Economy" of Delhi School of Economics. He is the founder & CEO of Centum Learning Limited, an Indian Multinational Training & Skills Company with operations in over 19 countries.

Shri Karna Singh Mehta, is also Independent & Non Executive Director of the Company. He is a Chartered Accountant by profession and is spearhead of M/s. S.S. Kothari Mehta & Co., Chartered Accountants. He has specialization in Corporate Financial Planning & Corporate Restructuring, Project Financing, Business Valuation, etc. He has been a re-known professional in the recent past and headed important position, like director of SEBI, National Stock Exchange, President of PHD Chamber of Commerce and Industry, Delhi. Shri Mehta has a wide exposure to industry in his capacity as director of some leading companies in the corporate sector.

Shri Paramartha Saikia, is also Independent & Non Executive Director of the Company. Shri Paramartha Saikia holds Master degree in Economics from University of Delhi and has more than 25 years experience in the world of marketing and brand development. He served as Chief Executive Officer (CEO) of J. Walter Thomson Sdn. Bhd., Malaysia. He also served as CEO of IRIS India and CEO of Publicis India and on the management board of McCann Erickson, Grey and EURO RSCG.

BOARD MEETING ATTENDANCE:

S. No.	Name	No. of Board Meeting attended	Attendance at the Last AGM
1.	Shri Gopal Sitaram Jiwrajka	4	Yes
2.	Shri Tarun Jiwrajka	4	Yes
3.	Shri Sanjeev Kaul Duggal	4	Yes
4.	Smt. Neetu Jiwrajka	4	Yes
5.	Shri Karna Singh Mehta	4	Yes
6.	Shri Paramartha Saikia	4	Yes

The details of each Member of the Board along with the number of Directorship(s) / Committee Membership(s) / Chairmanship(s), in other companies are provided herein below:

Name of Director	Category	Number of Directorship in other companies		Number of mandatory Committee Memberships in other Public companies	
		Chairman	Member	Chairman	Member
Shri Gopal Sitaram Jiwrajka	Executive & Promoter	-	4	-	-
Shri Tarun Jiwrajka	Executive & Promoter	-	2	-	-
Smt. Neetu Jiwrajka	Executive & Promoter	-	4	-	-
Shri Sanjeev Kaul Duggal	Non Executive & Independent	-	4	-	-
Shri Karna Singh Mehta	Non Executive & Independent	-	-	-	-
Shri Paramartha Saikia	Non Executive & Independent	-	7	1	3

INDEPENDENT DIRECTORS' SEPARATE MEETING

The Independent Directors, inter-alia, discuss the issues arising out of committee meetings and Board discussion including the quality, quantity and time flow of information between the Company's Management and the Board that is necessary for Board to perform their duties effectively and reasonably. A meeting of Independent Directors was held on 09.02.2021 without the attendance of Non-Independent Directors and members of the Management. The Directors reviewed the following items as required under Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- a) Performance of Non-Independent Directors and the Board as a whole;
- b) Performance of the Chairman & Managing Director taking into account the views of Executive Directors and Non-Executive Directors;
- c) Assessment of the quality, quantity and timeliness of flow of information between the Company's management and Board.

DISCLOSURES / POLICIES

The Company is in compliance of the requirements of regulatory authorities on capital markets and other compliances under the Regulations and Laws applicable on the Company in a timely manner and all the mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015.

The Company has formulated Mandatory Policies and Code of Conducts to provide better means to the existence of corporate governance in its operations. Following policies/ guidelines are available on Company's website: www.salora.com -

- 1) Code of Conduct for the Board of Directors, KMPs and employees of the Company as per provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;
- 2) Code of Conduct and Procedures for fair disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015;
- 3) Nomination & Remuneration Policy
- 4) Related Party Transaction Policy
- 5) Whistle Blower Policy and Vigil Mechanism
- 6) Policy for Determining Material Subsidiary
- 7) Policy for Board Diversity
- 8) Terms and Conditions of appointment of Non-executive & Independent Directors

- 9) Archival Policy under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015
- 10) Familiarization Programme for Independent Directors
- 11) Policy on preservation of Books of Accounts
- 12) Composition of Committees
- 13) Anti Sexual Harassment Policy for protection of women workers at work place.

BOARD COMMITTEES

The Board Committees play a vital role in ensuring sound Corporate Governance practices. The Committees are constituted to handle specific activities and to ensure speedy resolution of diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles that are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. During the year, all recommendations of the Committees of Board which were mandatorily required have been accepted by the Board.

The Board has established the following Statutory Committees –

AUDIT COMMITTEE

The Company's Audit Committee comprises of Shri Karna Singh Mehta as the Chairman and Shri Sanjeev Kaul Duggal and Shri Paramartha Saikia, Independent Directors and Shri Tarun Jiwrajka, Executive Director of the Company. Shri Paramartha Saikia and Shri Tarun Jiwrajka were appointed as members of Committee on 09.02.2021. All the members of the Committee have relevant experience in financial matters. Smt. Neetu Jiwrajka, ceased from the membership of the committee from 09.02.2021.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter-alia, performs the following functions:

To oversee financial reporting process and disclosure of financial information

- To review and to examine with management the quarterly and annual financial results and auditors' report thereon before submission to the Board for approval.
- To review managing discussion and analysis of financial condition and results of operations;
- To review, approving or subsequently modifying any related party transactions in accordance with the Related Party Transaction Policy of the Company.
- To recommend the appointment, remuneration and terms of appointment of Statutory Auditors, Internal Auditor, Secretarial Auditor and Cost Auditor of the company and approval for payment of any other services;
- To approve of policies in relation to the implementation of the Insider Trading Code and to supervise implementation of the same.
- To evaluate internal financial controls and risk management systems.

The Committee is governed by the terms of reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors, Internal Auditors and GM (Finance & Accounts) as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board.

The Audit Committee met four times during the financial year ended 31st March, 2021 on 8th July, 2020, 20th August, 2020, 7th November, 2020 and 9th February, 2021

The details of member's attendance at the Audit Committee Meetings during the financial year are as under:

Names	No. of Meeting attended
Shri Karna Singh Mehta	4
Shri Sanjeev Kaul Duggal	4
Smt. Neetu Jiwaraajka*	3
Shri Paramartha Saikia**	1
Shri Tarun Jiwaraajka**	1

*ceased from the membership of the Committee w.e.f. 09.02.2021

**appointed as a member of the committee w.e.f. 09.02.2021

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee comprises of Shri Sanjeev Kaul Duggal, as the Chairman and Shri Karna Singh Mehta and Shri Gopal Sitaram Jiwaraajka, as members of the Committee.

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointment. The role of Nomination and Remuneration Committee, inter-alia, includes –

- Determine / recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board
- Determine / recommend the criteria for qualifications, positive attributes and independence of Director;
- Review and determine all elements of remuneration package of all the Executive Directors and Key Managerial Personnel i.e. salary, benefits, bonuses, pension etc.;
- Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole;
- Recommend to the Board, all remunerations, in whatever form, payable to Senior Management.

The Nomination and Remuneration Committee met on 08.07.2020.

The member's attendance at the Nomination and Remuneration Committee Meetings during the financial year 2020-21 is as follows:

Names	No. of Meeting attended
Shri Sanjeev Kaul Duggal	1
Shri Karna Singh Mehta	1
Shri Gopal Sitaram Jiwaraajka	1

The Company Secretary acts as the Secretary to the Committee.

NOMINATION & REMUNERATION POLICY & CRITERIA FOR PERFORMANCE EVALUATION

The Board had framed Nomination and Remuneration Policy, which is in line with the existing industry practice and applicable laws. The Remuneration policy of the Company is available on the company's website: www.salora.com

APPOINTMENT CRITERIA AND QUALIFICATIONS

The Board of Directors of the Company is responsible for selection of a member on the Board or KMP of the Company. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidate for appointment as a Director or KMP. The criteria for appointment include:

- Composition of the Board, which is commensurate with the size of the Company, its portfolio, geographical spread and its status as a listing Company;
- Diversity on the Board or in the Company;
- Size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- Professional qualifications, expertise and experience in specific area of relevance to the Company;
- Balance of skills and expertise in view of the objectives and activities of the Company;
- Avoidance of any present or potential conflict of interest;
- Availability of time and other commitments for proper performance of duties;
- Personal characteristics being in line with the company's values, such as integrity, honesty, transparency, pioneering mindset.

APPOINTMENT / TERM / TENURE

The Directors of the Company are appointed / re-appointed by the Board on the recommendations of the Nomination and Remuneration Committee and approval of the Members are taken at the General Meetings. In accordance with the Articles of Association of the Company and provisions of the Act, all Directors, except Managing Director and Independent Directors of the Company, are liable to retire by rotation at the Annual General Meeting (AGM) each year and, if eligible, offer themselves for re-appointment. The Executive Directors on the Board have been appointed as per the provisions of the Act and serve in accordance with the terms of their contract of employment / contract of service with the Company.

None of the Independent Director(s) of the Company resigned before expiry of their tenure.

As regards the appointment and tenure of Executive Directors, following is the policy adopted by the Board:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

As regards the appointment and tenure of Independent Directors, following policy is also adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Act and Listing Regulations.
- The Independent Directors can serve a maximum of two terms of five years each, after the introduction of the Companies Act 2013.
- The Company does not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by the provisions of the Act and the Listing Regulation. The Company shall ensure that the appointment of any Independent Director who has attained the age of 75 years is approved by the Members of the Company by way of a Special Resolution under the provision of regulation 17(1A) of SEBI (LODR) Regulations.

REMOVAL

Committee may recommend removal of any Director, KMP or Senior Management Personnel to the Board for any disqualification mentioned in the Companies Act, 2013 or under any other applicable act, rules and regulations made thereunder, with the reasons recorded in writing, subject to the provisions and compliance of the said Act, rules and regulations.

DETAILS OF FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has adopted familiarization programme for Independent Directors with their roles, rights, responsibility in the Company and nature of business, business model of the Company and related matters are put up on the company's website: http://salora.com/pdf/Familiarisation_Programme_for_Independent_Director.pdf

DETAILS OF REMUNERATION PAID TO DIRECTORS

Shri Gopal Sitaram Jiwrajka, Shri Tarun Jiwrajka and Smt. Neetu Jiwrajka, are executive directors of the Company. The remuneration payable to them is determined by the Board on the recommendation of Nomination & Remuneration Committee and subject to approval of the shareholders at the Annual General Meeting and that of the Central Government and such other authorities as may be necessary. Details of remuneration paid to the executive directors are mentioned below and also provided in Annual Return (MGT-7) *Link to access the same is provided in the Annual Report.*

Remuneration to Managing Director, Whole-time Director, Executive Director and/or Manager:

S. No.	Particulars of Remuneration Shri Gopal Sitaram Jiwrajka (MD)		Name of MD/WTD/ED/Manager			Total Amount
			Shri Tarun Jiwrajka (WTD)	Smt. Neetu Jiwrajka (ED)		
1.	Gross Salary					
	(a)	Salary as per provisions contained in Sec.17(1) of the Income Tax Act, 1961	683218	2396080	700401	3779699
	(b)	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c)	Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	-	-	-	-
2.	Stock Option		0.00	0.00	0.00	0.00
3.	Sweat Equity		0.00	0.00	0.00	0.00
4.	Commission		0.00	0.00	0.00	0.00
	- as % of Profit					
	- others, specify					
5.	Others, please specify		0.00	0.00	0.00	0.00
	Total (A)		683218	2396080	700401	3779699
	Ceiling as per the Act (Pursuant to the Section II Part II of Schedule V of the Companies Act, 2013 and with the consent of Shareholders through Special Resolution)		12000000	2400000	720000	15120000

The Non Executive Directors do not draw any remuneration from the Company except sitting fees for attending the meetings of the Board and Audit Committee.

Details of sitting fees paid to non-executive directors during the financial year 2020-21

Name of the Director	Board Meeting (Rs.)	Audit Committee Meeting (Rs.)	Remuneration Committee Meeting (Rs.)	Stake holder's Relationship Committee Meeting (Rs.)	Total (Rs.)
Shri Karna Singh Mehta	40,000	40,000	-	-	80,000
Shri Sanjeev Kaul Duggal	40,000	40,000	-	-	80,000
Shri Paramartha Saikia*	40,000	10,000	-	-	50,000

*appointed as member of audit committee w.e.f. 09.02.2021

There were no signs of pecuniary relationships or transactions with the non-executive directors' vis-à-vis the Company during the financial year ended 31st March, 2021.

CRITERIA FOR MAKING PAYMENTS TO NON - EXECUTIVE DIRECTORS

The Company has laid down the criteria for making payments to the Non-Executive Directors. The details of such criteria are available in the Remuneration Policy disseminated on the company's website: www.salora.com/Investors/Remuneration_Policy

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee comprises of Shri Karna Singh Mehta, as the Chairman and Shri Sanjeev Kaul Duggal and Shri Tarun Jiwrajka as member of the Committee.

The role of Stakeholders' Relationship Committee includes resolving the grievances of shareholders, ensuring expeditious share transfer process in line with the proceedings of the Share Transfer Committee, evaluating performance and service standards of the Registrar and Share Transfer Agent of the Company.

Terms of reference

- To look into redressal of shareholders'/ investors' complaints related to transfer / transmission of shares, non- receipt of Balance Sheet, non-receipt of declared dividend, etc.
- To oversee the performance of the Registrar and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.
- To monitor implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.
- During the financial year ended 31st March, 2021 the Committee met four times on 8th July, 2020, 20th August, 2020, 7th November, 2020 and 9th February, 2021.

The member's attendance at the Stakeholder Relationship Committee Meetings during the financial year 2020-21 is as follows:

Names	No. of Meeting attended
Shri Karna Singh Mehta	4
Shri Sanjeev Kaul Duggal	4
Shri Tarun Jiwrajka	4

The Company Secretary is the secretary to the committee.

SHARE TRANSFER COMMITTEE

The Share Transfer Committee has been formed to look into share transfer and related applications received from Shareholders, with a view to accelerate the transfer procedures. The Committee comprises two executive directors of the Board i.e. Shri Gopal Sitaram Jiwrajka and Shri Tarun Jiwrajka. The Committee inter-alia considers applications for transfer, transmission, split, consolidation of share certificates and cancellation of any certificate in compliance with the provisions of Listing Regulations in this regard.

The Company Secretary is the secretary to the committee.

CODE OF CONDUCT

Code of conduct formulated in compliance with Regulation 17 of SEBI Listing Regulations, 2015 and Companies Act, 2013. The members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them during the year ended March 31, 2021. The Annual Report of the Company contains a certificate by the Chief Executive Officer and Managing Director, on the compliance declaration received from Independent & Non Executive Directors and senior management. The same is available on the company's website: www.salora.com.

WHISTLE BLOWER POLICY & VIGIL MECHANISM

Pursuant to Regulation 22 of SEBI Listing Regulations, the Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior on e-mail address ks.mehta@sskmin.com.

No person has been denied to access the Chairman of the Audit Committee. The Policy is available on the Company's website at following link: http://salora.com/pdf/whistleblower_policy_salora.pdf

GENERAL BODY MEETING

Location and time, where last three AGMs held -

Venue	Financial Year	Date & Time
India Islamic Cultural Centre, 87-88, Lodhi Road, Lodhi Gardens, Lodhi Estate, New Delhi -110 003	2017-18	27 th September, 2018 11.00 A.M.
India Islamic Cultural Centre, 87-88, Lodhi Road, Lodhi Gardens, Lodhi Estate, New Delhi -110 003	2018-19	28 th September, 2019 11.00 A.M.
Registered office of the company at D-13/4, Okhla Industrial Area, Phase – II, New Delhi – 110 020 through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM"),	2019-20	30 th September, 2020 11.00 A.M.

The details of special resolutions passed in AGM in the last 3 years are as follows:

AGM No.	Subject
49 th AGM	<ol style="list-style-type: none"> 1. Ratification of Cost Auditors' remuneration 2. Revision of remuneration of Shri Gopal Sitaram Jiwarajka, Chairman & Managing Director (DIN: 00024325) 3. Sale of undertaking under Section 180 (1) (a) of the Companies Act, 2013.
50 th AGM	<ol style="list-style-type: none"> 1. Appointment of Shri Sanjeev Kaul Duggal as an Independent Director 2. Appointment of Shri Gopal Sitaram, Jiwarajka, as Managing Director for a term of 3 years. 3. Ratification of Cost Auditors' remuneration
51 st AGM	<ol style="list-style-type: none"> 1. Appointment of Shri Paramartha Saikia, as Independent & Non Executive Director for a term of 5 years. 2. Appointment of Shri Tarun Jiwarajka, as Whole Time Director for a term of 5 years. 3. Ratification of Cost Auditors' remuneration

During the year under review Extra Ordinary General Meeting of members of the Company was held on 4th December, 2020.

Details of Extra Ordinary General Meetings and Special Resolutions Passed therein:

Date	Venue of AGM	Time	Special Resolutions Passed
4 th December, 2020	Through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM"), at Registered Office of the Company	11 A.M.	Authorization to sell the Wind Energy assets held in the name of Salora International Limited pursuant to Section 180 and other applicable provisions if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and corporate governance requirements.

E-Voting/Poll: E-voting and Poll facility provided at AGM / EGM of the Company in compliance of provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations.

OTHER DISCLOSURES

- i. Disclosures on materially significant related party transaction that may have potential conflict with the interest of Company at large.

- ii. Detail of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
- iii. Whistle Blower policy and affirmation that no personnel have been denied access to the Audit Committee.
- iv. Details of compliance with mandatory requirements and adoption of non mandatory requirements of this clause. The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- v. Web link where policy on dealing with related party transactions is disclosed:

The particulars of transactions between the Company and its related parties as per the “IND AS” mentioned in “Note No.45” of the Balance Sheet. These transactions are not likely to have any conflict with the Company’s interest. The Company has complied with all applicable laws and regulations.

At present, Company has not put in place other non-mandatory requirements.

A qualified Practicing Company Secretary carried out Reconciliation of Share Capital Audit to reconcile the total admitted equity capital with National Security Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed equity capital. The Reconciliation of Share Capital Audit Report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialize shares held with NSDL and CDSL.

CREDIT RATING

During the year under review, credit rating agency Brickwork Ratings India Pvt. Ltd. has downgraded the long term rating to BWR BB- (stable).

MEANS OF COMMUNICATION

- 1) The unaudited quarterly results & Audited annual financial results of the Company are published in leading newspapers such as the Financial Express (English) and Jansatta (Hindi). These are not sent individually to the shareholders. These results are also made available on the company’s website: www.salora.com.
- 2) The company’s website address is www.salora.com. The website contains basic information about the Company and such other details as required under the listing regulations. The company ensures periodical updation of its website. The Company has designated the email-id sect@salora.com in order to enable the shareholders to register their grievances.
- 3) Pursuant to the provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, all data related to quarterly financial statements, shareholding pattern, etc., are filed electronically on BSE’s filing portal respectively within the time frame prescribed in this regard.
- 4) No presentations have been made to Institutional Investors or analysts.

GENERAL INFORMATION FOR SHAREHOLDER

ANNUAL GENERAL MEETING

Date and time	29 th September, 2021 Wednesday at 11:00 AM
Venue	D – 13/4, OKHLA INDUSTRIAL AREA, PHASE – II, NEW DELHI – 110 020 through Video Conferencing (“VC”) / Other Audio- Visual Means (“OAVM”)
Book Closure date	23-09-2021 to 29-09-2021 (both days inclusive)
Financial Year	1 st April 2020 to 31 st March 2021

Financial Calendar 2021-22 (Tentative Schedule)	
Results for quarter ending :	
i. 30th June, 2021	On or before 14th day of August, 2021
ii. 30th September, 2021	On or before 14th day of November, 2021
iii. 31st December, 2021	On or before 14th day of February, 2022
iv. 31st March, 2022	On or before 30th day of May, 2022

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. Skyline Financial Services Pvt. Ltd.

Registrars and Transfer Agents

Unit: Salora International Limited

D-153-A, 1st Floor, Okhla Industrial Area,

Phase -I, New Delhi-110020

Tel. No. **011- 40450193-196**

Website: www.skylinerta.com

Email: admin@skylinerta.com

INVESTORS CORRESPONDENCE

In case of any delay in attending to transfer of shares, non receipt of Annual Report or any other related matter, Company may be contacted:

REGISTERED OFFICE

Salora International Limited

D-13/4, Okhla Industrial Area,

Phase-II, New Delhi – 110 020

Website: www.salora.com

Tel. No. 011- 40115817

Email – sect@salora.com

CORPORATE OFFICE & MANUFACTURING PLANT

Salora International Limited

B-50 Sector-80, Noida,

Uttar Pradesh, 201305

Website: www.salora.com

Tel. No. 0120-4885528

Email – sect@salora.com

LISTING ON STOCK EXCHANGE

Name of the Stock Exchange	:	Stock Code
BSE Limited (BSE)	:	500370
Company ID Number (CIN)	:	L74899DL1968PLC004962

LISTING FEES

Annual Listing fee to BSE Limited for the financial year 2021-22 has been paid.

STOCK MARKET DATA

Month	BSE Ltd.		
	Month's High	Month's Low	Total volume of shares transacted
Apr-20	13.65	10.70	10,006.00
May-20	12.34	11.00	1,553.00
Jun-20	12.25	10.10	7,553.00
Jul-20	13.89	9.50	37,292.00
Aug-20	22.80	14.58	55,794.00
Sep-20	16.45	14.25	14,288.00
Oct-20	20.00	13.65	22,215.00
Nov-20	20.85	16.00	21,748.00
Dec-20	24.75	16.15	52,928.00
Jan-21	30.55	24.75	48,456.00
Feb-21	30.95	25.00	98,926.00
Mar-21	45.25	27.10	99,657.00

SHAREHOLDING PATTERN AS ON 31st MARCH, 2021

Category of Shareholders	No. of Folios	No. Shares held	Percentage
Individuals (up to 2.0 lakhs)	3476	11,17,199	12.68
Individuals (above 2.0 lakhs)	11	4,70,979	5.35
Bodies Corporate	68	8,85,176	10.05
Promoters	5	53,17,237	60.37
Group Company(ies)	1	5,58,929	6.35
Mutual Fund, Banks, FIs	3	600	0.01
NRI	22	3,27,675	3.72
Resident Indian HUF	83	42,369	0.48
Trust	0	0	0
Clearing Members	20	12,614	0.14
Others	0	0	0
IEPF	1	74,522	0.85
Total	3690	88,07,300	100.00

DISTRIBUTION OF SHAREHOLDING AS ON 31st MARCH, 2021

No. of Equity Shares held Nominal Value	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
(1)	(2)	(3)	(4)	(5)
Up To 5,000	3580	90.20	38,81,710	4.41
5001 To 10,000	155	3.91	12,72,780	1.44
10001 To 20,000	92	2.32	13,55,180	1.54
20001 To 30,000	41	1.03	10,47,440	1.19
30001 To 40,000	21	0.53	7,47,950	0.85
40001 To 50,000	19	0.48	8,56,490	0.97
50001 To 1,00,000	24	0.60	17,57,920	2.00
1,00,000 and Above	37	0.93	7,71,53,530	87.60
Total	3969	100.00	8,80,73,000	100.00

DETAILS OF DIRECTORS' SHAREHOLDING AS ON 31st MARCH, 2021

Name	No. of Shares
Shri Gopal Sitaram Jiwarajka	23,39,011
Shri Tarun Jiwarajka	3,72,741
Smt. Neetu Jiwarajka	7,31,410
Shri Sanjeev Kaul Duggal	-
Shri Karna Singh Mehta	-
Shri Paramartha Saikia	

INFORMATION IN RESPECT OF UNCLAIMED DIVIDENDS DUE FOR REMITTANCE INTO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

No amount of unclaimed/unpaid dividend is available with Company.

SUBSIDIARY COMPANY

As at 31st March, 2021 there is no subsidiary of the Company.

The Company has no joint venture / associate company.

POLICY ON DEALING WITH RELATED PARTY TRANSACTIONS

All related party transactions entered during the year are on arms-length basis & in the ordinary course of business and the Company has not entered into any Material Related Party Transaction during the year. In line with requirements of the Act and Listing Regulations, the Company has formulated a Policy on Related Party Transactions which is available on website of the Company at <http://salora.com/pdf/Related%20Party%20TransactionsSalora.pdf> and necessary approval of the Audit Committee and Board of Directors were taken wherever required in accordance with the Policy.

The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

This policy specifically deals with review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interests that may arise because of entering into these transactions. All Related Party Transactions are placed before the Audit Committee for review and approval on quarterly basis.

COMPLIANCES

There have been no instances of non-compliance by the company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the company by the Stock Exchange or SEBI or any other Statutory Authority on such matters.

REQUEST TO INVESTORS

Shareholders are requested to follow the general safeguards/procedures as detailed hereunder in order to avoid risks while dealing in the securities of the company.

Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Shareholders should communicate the change of address, if any, directly to the Registrars and Share Transfer Agent of the company.

The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market.

Shareholders holding shares in physical form and have not availed nomination facility and would like to do so, are requested to avail the same by submitting the nomination in Form No.2B. The form will be made available on request by the Registrars and Share Transfer Agent of the company.

As required by SEBI, shareholders holding shares in dematerialized form are requested to intimate all changes pertaining to their details such as bank account number, name of the bank and branch details, MICR Code and IFSC Code, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact number, etc., to their depository participant (DP).

Members holding shares in physical form, in identical order of names, in more than one folio, are requested to send to the Company or SKYLINE (RTA), the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

RECONCILIATION OF SHARE CAPITAL AUDIT

A quarterly audit was conducted by a Company Secretary in practice to reconcile the total capital of the company admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). The audit confirms that the total issued / paid-up capital is in agreement with the aggregate of the total number of shares in physical form and total number of shares in dematerialized form (held by the depositories). As on 31st March, 2021 there was 87,10,401 equity shares representing 98.90% of the paid up equity capital in dematerialized form.

INFORMATION TO SHAREHOLDERS

Brief particulars of director appointed / re-appointed together with the nature of his experience and other details are given in explanatory statement forming part of Notice convening the Annual General Meeting.

NOMINATION FACILITY

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form can be obtained from Registrar and Share Transfer Agent (SKYLINE) of the Company.

ELECTRONIC CLEARING SERVICE

SEBI vide its Circular No. DCC/FITTCIR-3/2001 dated 15th October, 2001 had advised that all companies should mandatory use ECS facility wherever available. In the absence of ECS facility, Company may use warrants for distributing the dividends and vide its Circular No. D&CC/FUTTCUR-4/2001 dated 13th November, 2001, SEBI had advised companies to mandatory print the Bank Account details furnished by the Depositories on the Dividend Warrants. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrant and ensures safety for the investors. However, members who wish to receive dividend in an account other than the one specified while opening the depository account, may notify their DPs about any change in their bank account details.

BUSINESS / PLANT LOCATIONS

1. Consumer Electronics Business
D-13/4, Okhla Industrial Area, Phase – II, New Delhi – 110 020.
2. Plant
Plot Nos. 31 – 34 & 50 – 53, Block – B, Sector – 80, NOIDA – 201 305 (U.P.)

**For and on behalf of Board of Directors
Salora International Ltd.**

**(Gopal Sitaram Jiwrajka)
Chairman & Managing Director
DIN:00024325**

Date: 12.08.2021

Place: New Delhi

CERTIFICATE ON COMPLIANCE WITH CODE OF CONDUCT

In terms of Regulation 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per “affirmation of compliance” letters received from the directors and the members of senior managerial personnel of the Company, I hereby declare that members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management during the financial year 2020-21.

For Salora International Limited

(Gopal Sitaram Jiwarajka)

Chairman & Managing Director

DIN: 00024325

Date: 12.08.2021

Place: New Delhi

CMD [CEO] / CFO CERTIFICATE

[Regulation 17(8)]

To

The Board of Directors
Salora International Ltd.

New Delhi.

We hereby certify that we have reviewed the financial statements and the Cash Flow Statement for the financial year ended 31st March, 2021 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company’s affairs and are in compliance with existing Accounting Standards, applicable law and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the aforesaid period which are fraudulent, illegal or violative of the Company’s Code of Conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal control systems, if any, of which we are aware, and that we have taken the required steps to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee that:
 - a) There have been no significant changes in internal control over financial reporting during the year.
 - b) There have been no significant changes in accounting policies during the year.
 - c) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

(Gopal Sitaram Jiwarajka)
Chairman & Managing Director
DIN:00024325

(Tarun Jiwarajka)
Whole Time Director & CFO.
DIN:00386240

Date: 12.08.2021

Place: New Delhi

PRACTICING COMPANY SECRETARY’S REPORT ON CORPORATE GOVERNANCE

To,
The Members of
Salora International Limited
Regd. Office: D- 13/4, Okhla Industrial Area
Phase II, New Delhi- 110020

We have examined the compliance of conditions of Corporate Governance by Salora International Limited for the year ended 31st March, 2021 as referred in the Regulation 15(2) and other relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information, based on the records, documents, books, and other information furnished and according to the explanations given to us, we certify that the company has complied in general with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement / applicable guidelines.

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

FOR SVR & Co.
COMPANY SECRETARIES

CS. SHIVAM RASTOGI
M.NO: F10704
CP. NO: 14600

DATE: 12.08.2021
PLACE: NOIDA

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ECONOMY AND INDUSTRY OUTLOOK

Global Economy Outlook:

One year into the Covid-19 pandemic, the accumulating human toll continues to raise concerns, even as growing vaccine coverage lifts sentiment. High uncertainty surrounds the global economic outlook, primarily related to the path of the pandemic. The contraction of activity in 2020 was unprecedented in living memory in its speed and synchronized nature. Even with high uncertainty about the path of the pandemic, a way out of this health and economic crisis is increasingly visible. Now, we have multiple vaccines that can reduce the severity and frequency of infections. In parallel, adaptation to pandemic life has enabled the global economy to do well despite subdued overall mobility, leading to a stronger-than-anticipated rebound, on average, across regions. Additional fiscal support in some economies, on top of an already unprecedented fiscal response last year and continued monetary accommodation further uplift the economic outlook.

Future developments will depend on the path of the health crisis, including whether the new Covid-19 strains prove susceptible to vaccines or they prolong the pandemic; the effectiveness of policy actions to limit persistent economic damage; the evolution of financial conditions and commodity prices; and the adjustment capacity of the economy. The flow of these drivers and their interaction with country-specific characteristics will determine the pace of the recovery and the extent of medium-term persisting economic damage across countries. In many aspects, this crisis is unique. In certain countries, policy support and lack of spending opportunities have led to large increases in savings that could be unleashed very quickly should uncertainty dissipate.

Indian Economy Outlook:

India implemented a strict lockdown in 2020 to curtail spreading of the Covid-19 outbreak and concentrated on expanding the country's infrastructure & health facilities. According to the Economic Survey 2020-21, the lockdown was a critical element in 'flattening the curve' and saving people's lives. As per the report of United Nations, India's growth is projected to grow at 7.5 per cent for calendar year 2021, marking a 0.2 per cent increase from its projection in January 2021, but said the country's outlook for the year remains highly fragile. It also projected India's GDP to grow by 10.1 per cent in 2022. "India has been particularly affected by a brutal second wave which is overwhelming the public health system in large parts of the country."

A significant recovery in investment growth, backed by the Atmanirbhar Bharat Mission (self-reliant India), and a substantial increase in infrastructure and capital expenditure proposed in the Union Budget 2021-22 will be instrumental in this robust recovery. India has been well equipped to tackle any risk exposure raised by the recent increase in Covid-19 reports as the vaccination campaign continues to scale up in India, driven by best practices from the country's effective management of the pandemic in its first wave. With the end of a challenging FY21, India looks forward to a stronger and more self-sufficient FY22.

Industry Outlook:

Major initiatives taken by the Government of India to promote IT and ITeS sector in India:

- India's Ministry of Home Affairs and the National Critical Information Infrastructure Protection Centre are working on a new national strategy to strengthen the country's cyber security amid allegations.
- In Budget 2021, the government has allocated 53,108 crore (US\$ 7.31 billion) to the IT and telecom sector.
- Department of Telecom, Government of India and Ministry of Communications, Government of Japan signed a MoU to enhance cooperation in areas of 5G technologies, telecom security and submarine optical fibre cable system.
- In 2020, the government released simplified the "Other Service Provider" (OSP) guidelines to improve the ease of doing business in the IT Industry, Business Process Outsourcing (BPO) and IT-enabled Services.

Consumer Electronics:

While 2020 was challenged by the pandemic, it also opened doors for opportunities and innovation for the consumer durables industry. The first few months of lockdown were challenging for many, but the latter half of the year proved to be beneficial for those who adapted to the evolving market realities. With the gradual unlocking, new demand trends and subsequent product innovations began to emerge. Consumer centricity took centre stage as the white goods industry came up with new technologies for purification and sanitization that are sought after in the new normal. Despite the temporary interruptions earlier this year, it is safe to say that the consumer durables industry is on the path of growth from a long-term perspective.

The Government of India is influencing the development of the Indian appliance and consumer electronics market by strongly promoting the “Make in India” initiative by increasing the custom duty on imports of washing machines, refrigerators and other appliances. As a result, domestic brands have felt a growing pressure to manufacture products locally and are planning investment in manufacturing and backward integration. The Indian Government has taken various initiatives to promote and develop the Indian appliance and consumer electronics market.

There is a lot of scope for growth from the rural market with consumption expected to grow in these areas as penetration of brands increases. Demand for durables like refrigerators and consumer electronic goods are likely to witness an increased demand in the coming years, especially in the rural areas as the Government plans to invest significantly in rural electrification. Growing awareness, easier access, and changing lifestyle have been the key growth drivers for the consumer market.

Company Overview

Salora International Limited was incorporated in the year 1968 with the vision of spreading happiness in everybody’s life. Salora International Limited today has emerged as a diversified entity with interests in sourcing and procurement, manufacturing, supply chain management, distribution, marketing, retail and after-sales service. Over three decades of enriched experience in electronics helps us serve in diverse realms like Consumer Electronics, Telecom, Information Technology and Lifestyle.

Technology is playing a key role for businesses to work closer with the customer to create better products, services and value proposition. The world is facing fresh challenges every day, and with an eagerness to stay relevant, we continue to meet every challenge with new ideas and solutions, to support our customers as they navigate the shape-shifting world of commerce.

With our legacy of quality, trust and expertise in developing cutting edge technology products and services – we are poised to deliver need-of-the-hour solutions to our customers in B2B and B2C space.

Human Resource

The Company’s current activities do not require engagement of significant human resource. However, requisite qualified and experienced personnel have been engaged to take care of organization need of human resource. With the sign of growth, if and when seen, the Company will engage requisite human resource.

Financial Highlights

A detailed note on the financial part has been recorded in the Directors Report the highlights of the financial performance are given herein below:

(Amount in Lacs)

<u>Particulars</u>	<u>2020-21</u>	<u>2019-20</u>
Net Worth	4351.57	5494.85
Revenue	8929.26	16878.82
Profit before Tax	-1557.66	-1286.16
Net Profit	-1143.28	-1350.25
EBIDTA	-827.88	-383.17
Gross Block	4138.69	7476.91
EPS	-12.96	-15.37

Our Business Verticals

Products & Solutions

Salora International Limited over the years has established an extensive distribution network, we market and sell transaction automation products and support through the wide reach of our before service partner network and thereby cater to the end-to-end needs of our customers. Product Engineering and development is the core of our product solutions vertical and through innovative hardware products we have been able to provide solutions to our customers and retain market share.

Performance

The outbreak of Covid19 pandemic has caused significant disturbance and slow down of economic activity during the year which has impacted the Company's operations of the year. The Company continued to carry out the operation in the limited manner due to ongoing covid pandemic. The Company has conducted an assessment of the possible impact of the ongoing Covid-19 pandemic on its operations, liquidity position and recoverability of its asset balances as at 31st March, 2021 based on the internal and external information up to the date of approval of financial statements. Since the situations are continuously evolving, the impact assessed may be different from the estimates made as at the date of approval of these financial statements and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

Financial and Operational Highlights

The Company has in place a well-defined business continuity plan which permits us to immediately respond to crisis in order to shorten recovery time and mitigate impact. As a result, despite the temporary interruptions earlier this year, the Company has earned revenues of revenue from operation of Rs. 88.69 crore in the current financial year 2020-21.

Further during the Financial Year 2020-21, the Company focused on new business development activities which will materialize and bring in benefits over the coming years. The Company is poised to grow further in the coming years.

Business Opportunities, Threats & Risks:

The Company's key imperative over the medium term will be to grow the revenue streams and sustain the profitability, as we build a strategic framework and drive the businesses, leveraging macro trends and business opportunities as described elsewhere. Key success factors (and therefore risks) are predicated on the timely execution of these plans, building the internal capabilities by attracting and retaining talent and keeping pace with technological and market changes. The Board and management of the Company are confident of proactively managing these risks.

Opportunities: Consumer Electronics Sector

- Rise in working age population is expected to stimulate demand.
- Growing number of High Networth Individuals and women in workforce is boosting demand for high end consumer electronics and home appliances.
- Increase in awareness about smart TV is a significant factor which could be driving the growth in sales of Smart TVs in India.
- Rapid urbanization is helping in the growth of consumer electronics and home appliances industry. There has been a paradigm shift to the Indian population in terms of rural-urban divide. The aspiration of higher income, higher standards of living have drawn more and more people from villages to settle in town and cities. This transition has led to an increase in the demand of goods.
- The growing use of digital payment and easy availability of credit has resulted in the increase in spending inter-alia including on purchases of consumer electronics and home appliances thereby fuelling the demand in the durable sector.

- The growth of mediums such as e-commerce and m-commerce has provided retailers to stay in touch with consumers via various mediums and thus increase on their sales by constant promotion of products. Further, the incentives such as cash back, discounts, freebies offered through e-commerce has huge positive impact on sales of consumer electronics and home appliances and the demand is further expected to boost over the years.
- The growing number of dual income families (both husband and wife earning) has given greater purchasing power and willingness to spend to them which has pushed family's focus towards luxury / semi-luxury products resulting into higher demand for consumer electronics and home appliances.
- With the development of the communication channel and the rise of information, Communication and Technology Industry, a rise in media across the world is seen. Number of people with internet access has increased drastically and it has thus created a new opportunity for companies to position / market their products in a better way using improved and more efficient marketing channels. Social media too is playing vital role in shaping the position of the product.
- Continuous R&D and Innovation, has resulted in development of different products and services and this can be driver for improved sales and growth for the company.
- Recent and upcoming products in the Indian market reiterate the emphasis of product innovation and development to lead the way in future. The companies are increasing their focus on product design and ensuring that consumers get varied features to crease a differentiation in the market and create an impact.

Threats: Consumer Electronics Sector

- Due to the plethora of distributor brands and domestic brands that specialize in import and rebranding, the consumer has a large number of brands to choose from at the low cost end of the price spectrum. Price sensitivity may lead many consumers to overcome their risk aversion. This threat will have to be countered with appropriate marketing communication about the difference in quality of the company's products vis-à-vis such competitors and through highlighting the service reputation of the Company.
- Due to the high marketing spends of multinational companies (MNCs) and new brands entering in India, the Company faces the threat of a preference developing among consumers for foreign brands. The Company intend to mitigate this threat via appropriate corporate marketing communication stressing the high pedigree of the company and its commitment to innovation and quality.
- The rise of modern trade retail chains of various hues leads to the risk of concentration of the company's sales to a few large customers. This is a threat to the margins of the Company. It can be countered by enhancing the pull factors that drive sales through brand building measures at the corporate level.

RISK & CONCERNS

Risk relating to Consumer Electronics Business

- Rising input prices such as the selling, general & administrative expenses along with the cost of goods sold is difficult to control and thus a reduction in profit margin is seen. Despite the fact that the consumer products companies in most cases are able to pass on the cost to the consumers but the same is not likely seen during the downturn when a lag effect of few quarters is seen when the earnings of the companies gets pressurized.
- These days setting up a manufacturing facility or expanding the product line is very capital intensive.
- International manufacturers are now partnering with e-retailers to promote sales and increase penetration in the Indian market.

Covid-19 Readiness and Business Continuity Plan:

The Covid-19 pandemic continues to raise concerns as many countries are reporting the second wave of infections. The actions taken by various governments to contain the pandemic, such as closing of borders and lockdown restrictions, have resulted in significant disruption to people and businesses. While vaccines have been made available, there are delays in vaccinating larger populations, increased instances of variants and infections, and consequential stress on the healthcare sector. In responding to this crisis, our primary objective has been to ensure the safety of our employees, customers, partners and to protect the financial wellbeing of the Company, and protect its long-term prospects.

The Company proactively took care for safety of its employees. The Company arranged a medical insurance policy for covering medical treatment of Covid-19. The Company monitors the health conditions of those who had symptoms / tested Covid positive. The Company provided the facility to “Work from home” policy for its employees wherever needed to ensure the safety and continuity of its routine functions.

The Company took various initiatives to manage and expedite receivables to manage its working capital requirement. The Company will closely monitor the developments and will take all the necessary actions to ensure business continuity and minimize the impact of the outbreak of Covid-19.

Internal Control Systems and adequacy of Internal Financial Controls

The Company has a proper and adequate system of internal controls, commensurate with the size, scale and complexity of its operations. Adequate internal controls ensure transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition. In addition, there are operational controls and fraud risk controls, covering the entire spectrum of internal financial controls. An extensive program of internal audits and management reviews supplements the process of internal financial control framework. Documented policies, guidelines and procedures are in place for effective management of internal financial controls. To maintain its objectivity and independence, the internal auditor reports to the Chairperson of the Audit Committee of the Board. The internal auditor monitors and evaluates the efficacy and adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Any significant audit observations and corrective actions proposed are presented to the Audit Committee of the Board. The internal financial control framework design ensures that the financial and other records are reliable for preparing financial and other statements. As far as possible, emphasis is placed on automation of controls within the process to minimize deviations and exceptions. Investment in advanced IT tools on an ongoing basis is one of the keys means to achieve the automation. In addition, the Company has identified and documented the key risks and controls for each process that has a relationship to the financial operations and reporting. At regular intervals, internal teams test identified key controls. The internal auditors also perform an independent check of effectiveness of key controls in identified areas of internal financial control reporting.

Cautionary Statement:

Statements in the Management Discussion and Analysis Report describing the Company’s objectives, projections, estimates and expectations may be “forward looking statements” within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company’s operations, include, among others, economic conditions affecting demand/supply and price conditions in the domestic and overseas markets, changes in Government regulations, tax laws and other statutes and incidental factors.

Independent Auditor's Report

To the Members of Salora International Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Salora International 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 the 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, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matters

We draw attention to the following matters

- i) In assessing the recoverability of assets such as inventories, trade receivables, property, plant & equipments and other financial assets based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets. The impact of the global health pandemic COVID-19, may be different from the presently estimated and would be recognized in the financial statements when material changes to economic conditions arise as stated in note no. 50 of the financial statements.
- ii) Physical verification of inventories could not be done at year end due to conditions/restrictions of Covid 19. However as explained by the management, Physical verification of inventories has been done internally of selected items during the year and no material discrepancies were observed. Management has considered the inventories as per the stock records maintained for the purpose of valuation of stock as stated in note no. 51 of the financial statements.
- iii) The Company's has inventories as at 31st March, 2021 of Rs. 4800.52 lakhs at cost. This includes old inventories under the process of identification of slow moving and non- moving by the management against which provision of Rs.401.08 lakhs has been considered on estimation basis and we have relied upon thereon. The company has prepared a road map going forward to reduce the old inventory level on priority. The company has also sold old inventory during the year. The additional provision if any on inventories shall be accounted for at the time of disposal / realization as stated in note no. 52 of the financial statements..
- iv) Contingent liabilities of Rs.6027.80 lakhs related to Sales tax, Excise duty, Service tax and Income tax etc. against which amount deposited Rs.829.17 lakhs which are contested by the company and pending before various forums. However management believes that based on legal advice, the outcome of these contingencies will be favorable and that outflow of economic resources is not probable as stated in note no. 53 of the financial statements.

- v) The Company has material statutory dues recoverable of Sales tax of Rs. 349.21 lakhs and Income tax Rs.114.46 lakhs which has been considered good as stated in note no. 54 of the financial statements.
- vi) Deferred tax assets (net) Rs.2184.93 lakhs as at 31st March, 2021, as the management is confident for realization of the same based on the capital gain on disposal of property situated at Noida which has been approved by the Board in meeting held on 08th April 2021 and by the shareholders in Extra Ordinary General Meeting held on 14th May 2021 and also on the basis of future taxable business income as stated in note no. 55 of the financial statements.

Our conclusion is not modified in respect of these matters stated above.

Key Audit Matter

Key audit matter is 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 our opinion there is no any such matter to be reported by us.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance 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, total 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 are 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure-A, a statement on the matters specified in the paragraph 3 and 4 of the order.

- 2 As required by Section 143(3) of the Act, based on our audit we report that:
- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 197(16) of the Act, as amended:

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

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- I. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note no. 42 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, and
- III. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company.

For R Gopal & Associates

Chartered Accountants

Firm Registration No.: 000846C

S.K. Agarwal

Partner

Membership No.: 093209

UDIN:21093209AAAAAZ6716

Place: New Delhi

Date:- 29th June 2021

Annexure A to the Independent Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) Fixed assets have been physically verified by the management during the year. As explained to us, no major discrepancies were noticed on such verification.
- c) According to the information and explanation 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, except Lease hold land at D-13/4 Okhla Industrial Area Phase II is in the Company's old name i.e Electronics Consortium Private Limited and necessary steps are being taken for transfer in the company name as explained by the management.
- (ii) The Management was not able to perform year end physical verification of Inventories due to conditions /restrictions of COVID 19. However as explained by the management, Physical verification of inventories has been done internally of selected items during the year and no material discrepancies were observed.
- (iii) According to the information and explanation given to us, the Company's has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties listed in the register maintained under section 189 of the Companies Act 2013 and hence sub clause (a) (b) (c) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has neither given any loans u/s 185 of the companies Act 2013 to its directors and nor has given any loans and guarantee or provided any security in connection with a loan by a company to any person or other body corporate and acquiring securities of any other body corporate by the company, hence clause (iv) is not applicable to the company.
- (v) The company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the Rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government of India, maintenance of cost records has been prescribed under sub section (1) of section 148 of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records are being made and maintained. We have not, however, made a detailed examination of the same.
- (vii)
 - a) According to the records of the Company and information and explanations given to us, Provident Fund, Employees State Insurance, Income Tax, Duty of Customs, Goods & Service Tax, Cess, and other material statutory dues have been deposited regularly during the year with the appropriate authorities except some delays which are not material in nature. According to the records of the Company and information and explanations given to us there were no arrears of outstanding statutory dues as at 31st March, 2021 for a period of more than six months from the date they became payable except of Goods & Service Tax Rs. 0.86 lacs.
 - b) According to the information and explanations given to us, there are no dues of Income Tax, Goods and Service Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess which have been not deposited on account of any dispute except the following:

Name of the Statute	Nature of the dues	Demand (Rs in Lacs)	Deposited under dispute (Rs in Lacs)	Amount not Deposited (Rs in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	37.88	37.88	-	2002-2003	Appellate Authority - High Court
Sales Tax Law	Sales Tax	42.21	16.18	26.03	2001-2004	Supreme Court
	Sales Tax	0.34	0.15	0.19	2001-2002	High Court
	Sales Tax	36.49	16.39	20.10	2006-2009	High Court
	Sales Tax	87.64	45.53	42.11	2011-2013	Tribunal
	Sales Tax	885.59	82.87	802.72	2000-2018	Sales Tax Commissioner
	Sales Tax	25.92	-	25.92	1999-2000	High Court
	Sales Tax	2.99	-	2.99	1995-1996	Tribunal
	Sales Tax	7.56	7.56	-	2000-2001	High Court
	Sales Tax	1.40	0.62	0.78	2000-2001	Tribunal
Finance Act, 1994	Service Tax on Royalty	1.97	-	1.97	2002-2003	Excise Commissioner
Custom Act, 1962	Custom Duty	*20.00	20.00	-	1994-1995	Tribunal
Central Excise Act, 1944	Excise Duty	2,435.21	600.00	1,835.21	1993-1994 to 2003-2004	Supreme Court
	Penalty	2435.21	-	2435.21	1993-1994 to 2003-2004	Supreme Court
	Excise Duty	3.75	-	3.75	2000-2003	Remand back to Assessing officer
	Excise Duty	1.86	-	1.86	2000-2003	CESTAT
	Excise Duty	1.78	2.00	-	1995-1996	Commissioner

* Amount is not ascertained

- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayments of dues to any banks and financial institution. The Company does not have any loan and borrowings from government or dues to debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, term loans have been applied for the purpose for which they were raised. The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanation given to us and to best of our knowledge, we are of the opinion that the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies 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 to the company.
- (xiii) According to the information and explanation given to us and based on our examination of the records, all the transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 and all the details have been disclosed in the financial statements as per applicable Indian Accounting Standard.
- (xiv) According to the information and explanation given to us and to the best of our knowledge, 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 to the company.

- (xv) According to the information and explanation given to us and to the best of our knowledge, the Company has not entered into any non-cash transactions during the year with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For R Gopal & Associates

Chartered Accountants

Firm Registration No.: 000846C

S.K. Agarwal

Partner

Membership No.: 093209

UDIN:21093209AAAAAZ6716

Place: New Delhi

Date:- 29th June 2021

Report on the Internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to financial statements of Salora International Limited (“the Company”) as of 31st March 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 Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act..

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal

financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2021, 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, which needs to be strengthened.

For R Gopal & Associates

Chartered Accountants

Firm Registration No.: 000846C

S.K. Agarwal

Partner

Membership No.: 093209

UDIN:21093209AAAAAZ6716

Place: New Delhi

Date: 29th June 2021

BALANCE SHEET AS AT 31st MARCH, 2021

(₹ in lakhs)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
ASSETS			
1. Non-current assets			
(a) Property, Plant and Equipment	3	494.02	1,694.87
(b) Intangible Assets	5	5.08	5.08
(c) Right to use - Lease	4	291.15	336.40
(d) Financial Assets			
(i) Investments	6	4.34	4.34
(ii) Trade Receivables	7	2,243.42	2,071.46
(iii) Loans	8	-	-
(iv) Other Financial Assets	9	34.52	30.52
(e) Deferred Tax Assets (Net)	10	2,184.93	1,770.55
(f) Non-current Tax Assets (Net)	11	114.46	-
(g) Other Non-Current Assets	12	1,187.39	868.70
Total Non-current assets		6,559.31	6,781.92
2. Current assets			
(a) Inventories	13	4,800.52	4,912.00
(b) Financial Assets			
(i) Trade Receivables	14	2,186.16	2,204.86
(ii) Cash and cash equivalents	15	6.08	4.50
(iii) Bank Balances other than (ii) above	16	26.72	45.33
(iv) Other Financial Assets	17	2.94	45.66
(c) Current Tax Assets (Net)	18	-	114.73
(c) Other Current Assets	19	189.40	618.76
Total current assets		7,211.82	7,945.84
TOTAL ASSETS		13,771.13	14,727.76
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share capital	20	881.45	881.45
(b) Other Equity	21	3,470.12	4,613.40
Total Equity		4,351.57	5,494.85
Liabilities			
1. Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	22	2,187.77	1,281.72
(ii) Other Financial Liabilities	23	16.42	52.61
(iii) Lease liabilities	24	62.43	62.44
(b) Provisions	25	9.73	16.94
Total non-current liabilities		2,276.35	1,413.71
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	4,271.28	5,221.29
(ii) Trade payables	27		
Micro, Small and Medium Enterprises		53.45	83.37
Others		2,205.22	1,995.48
(iii) Other Financial Liabilities	28	530.40	235.50
(iv) Lease liabilities		-	-
(b) Other current liabilities	29	57.19	236.00
(c) Provisions	30	25.67	47.56
Total Current liabilities		7,143.21	7,819.20
TOTAL EQUITY AND LIABILITIES		13,771.13	14,727.76
Singnificant Accounting Policies	2		

The accompanying notes (1-58) form an integral part of the financial statements.

For and on behalf of the Board

As per our separate report of even date annexed.

 For **R Gopal & Associates**

Chartered Accountants

Firm Reg No. 000846C

S K Agarwal

Partner

M.No: 093209

Place :New Delhi

Date: 29.06.2021

Tarun Jiwarajka
 Whole Time Director & CFO
 DIN No. 00386240

Anubhav Nigam
 Company Secretary

Gopal Sitaram Jiwarajka
 Chairman & Managing Director
 DIN: 00024325

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2021

(₹ in lakhs)

Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
I. Revenue from Operations	31	8,929.26	16,878.82
II. Other Income	32	83.03	15.98
III. Total Income (I+II)		9,012.29	16,894.80
IV. EXPENSES			
Cost of materials consumed		945.03	422.20
Purchases of Stock-in-trade		7,420.60	15,094.72
Changes in Inventories of finished goods, stock-in-trade and work in progress	33	111.32	689.37
Employee benefits expenses	34	315.79	421.58
Finance costs	35	612.73	745.23
Depreciation and amortization expense	36	151.49	200.02
Other expenses	37	439.10	612.81
Total expenses (IV)		9,996.06	18,185.93
V. Profit/(Loss) before exceptional items and tax (III-IV)		-983.77	-1,291.13
VI. Exceptional Items	38	570.99	-
VII. Profit/(loss) before tax (V-VI)		-1,554.76	-1,291.13
VIII. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax	39	413.65	-62.84
IX. Profit/(loss) for the year (VII-VIII)		-1,141.11	-1,353.97
X. Other Comprehensive Income			
(i) Items that will not be reclassified subsequently to profit or loss		-	-
Re-measurement gains (losses) on defined benefit plans		-2.90	4.97
Income Tax effect (Deferred Tax)		0.73	-1.25
		-2.17	3.72
XI. Total Comprehensive Income		-1,143.28	-1,350.25
XII. Earnings Per Equity Share of Face Value of Rs. 10 each	40		
Basic & diluted earning per share before exceptional items		-6.47	-15.37
Basic & diluted earning per share after exceptional items		-12.96	-15.37
Significant accounting policies	2		

The accompanying notes (1-58) form an integral part of the financial statements.

For and on behalf of the Board

As per our separate report of even date annexed.

For R Gopal & Associates

Chartered Accountants

Firm Reg No. 000846C

S K Agarwal

Partner

M.No: 093209

Tarun Jiwrajka

Whole Time Director & CFO

DIN No. 00386240

Gopal Sitaram Jiwrajka

Chairman & Managing Director

DIN: 00024325

Place : New Delhi

Date: 29.06.2021

Anubhav Nigam

Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

A. Equity Share Capital

(₹ in lakhs)

	As at March 31, 2020	Changes during the year	As at March 31, 2021
	881.45	-	881.45

B. Other Equity

(₹ in lakhs)

Particulars	Reserves & Surplus			Items of Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings		
Balance as at 1st April, 2019	3,247.29	4,045.58	-1,319.90	-9.32	5,963.65
For the Year	-	-	-1,353.97	3.72	-1,350.25
Balance as at 31st March, 2020	3,247.29	4,045.58	-2,673.87	-5.60	4,613.40
Balance as at 1st April, 2020	3,247.29	4,045.58	-2,673.87	-5.60	4,613.40
For the Year	-	-	-1,141.11	-2.17	-1,143.28
Balance as at 31st March, 2021	3,247.29	4,045.58	-3,814.98	-7.77	3,470.12

The accompanying notes (1-58) form an integral part of the financial statements.

For and on behalf of the Board

As per our separate report of even date annexed.

For **R Gopal & Associates**

Chartered Accountants

Firm Reg No. 000846C

S K Agarwal

Partner

M.No: 093209

Tarun Jiwrajka

Whole Time Director & CFO

DIN No. 00386240

Gopal Sitaram Jiwrajka

Chairman & Managing Director

DIN: 00024325

Place :New Delhi

Date: 29.06.2021

Anubhav Nigam

Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH,2021

(₹ in lakhs)

Particulars	Year Ended 31.03.2021	Year Ended 31.03.2020
CASH FLOWS FROM OPERATING ACTIVITIES :		
Profit/(Loss) before tax	-1,554.76	-1,291.13
Adjustment for :		
Depreciation and amortization expense	151.49	200.02
Interest Paid	578.29	702.98
Interest Income	-3.38	-4.13
Allowance for doubtful receivables/advance	4.82	-10.17
Provision for Irrecoverable Loans & Advances	37.55	30.00
Bad Debts	14.03	10.28
Loss/(Profit) on sale of Property, Plant and Equipment	-18.13	25.06
Liability no longer required written back	-41.42	-88.98
Interest payable written back	-54.12	-
Exceptional Items-Loss on sale of assets of Wind division	570.99	-
Operating Profit before Working Capital changes	-314.64	-426.07
Adjustment for :		
(Increase) /Decrease in Inventories	111.48	533.51
(Increase)/Decrease in Trade and other receivables	(59.51)	1,914.10
Increase/(Decrease) in Trade and other payables	(53.01)	(1,604.79)
Cash Generated from Operating Activities	-315.68	416.75
Adjustment for :		
Direct taxes (paid) / Refund Received (net)	0.26	(1.91)
Net cash from Operating Activities	-315.42	414.84
CASH FLOWS FROM INVESTING ACTIVITIES :		
Purchase of Property, Plant & Equipment	(1.26)	(13.10)
Right of Use-Lease-Land		(62.44)
Proceeds from sale of Property, Plant & Equipment	543.02	15.30
Margin Money (given)/realised	18.61	(29.74)
Proceeds from sale of Investment	-	341.48
Interest received	2.62	3.85
Net cash from / (used in) Investing Activities	562.99	255.35
CASH FLOWS FROM FINANCING ACTIVITIES :		
Proceeds/(Repayments) of secured Borrowings (Net)	439.90	(374.55)
Unsecured Loan Received/(Repayment) (net)	(93.38)	328.32
Interest Paid	(592.50)	(686.81)
(Repayment)/addition to lease liabilities	(0.01)	62.44
Net cash from/(used in) Financing Activities	-245.99	-670.60
Net Increase/ (Decrease) in cash and cash equivalents :	1.58	-0.41
Cash and cash equivalents at beginning of the year	4.50	4.91
Cash and cash equivalents at end of the year	6.08	4.50

The accompanying notes (1-58) form an integral part of the financial statements.

Note: 1. The above cash flow statement has been prepared under the “Indirect Method” as set out in IND AS-7 notified under Section 133 of the Companies Act 2013.

2. Components of Cash and Cash equivalents

Particulars	2020-21	2019-20
Balances with banks		
Current accounts	2.68	2.82
Cash in hand	3.40	1.68
Total (refer Note-15)	6.08	4.50

3. Figures in minus indicate cash outflows.

For and on behalf of the Board

As per our separate report of even date annexed.

For **R Gopal & Associates**

Chartered Accountants

Firm Reg No. 000846C

S K Agarwal

Partner

M.No: 093209

Tarun Jiwrajka

Whole Time Director & CFO

DIN No. 00386240

Gopal Sitaram Jiwrajka

Chairman & Managing Director

DIN: 00024325

Place :New Delhi

Date: 29.06.2021

Anubhav Nigam

Company Secretary

Significant accounting policies:

1 Corporate information

Salora International Limited is a public limited company incorporated and domiciled in India, listed at Bombay Stock Exchange (BSE Ltd.). The address of its registered office is D-13/4 Okhla Industrial Area Phase-II New Delhi 110020. The principal activity of Company is manufacturing and assembly of LED TVs, CRT TVs, TV Components, Home Theatres, Mobile Phone and also distribution of large variety of Telecom Products, Home Appliances, whole selling of consumer items, Gift Cards and generation of electricity (Wind Power).

2 Significant accounting policies

A Statement of Compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") prescribed under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

B Basis of preparation

These financial statements have been prepared to comply in all material respects with the Notified accounting standard under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments there after. The financial statements have been prepared in accordance with Indian Accounting Standards (referred to as "Ind AS") under the historical cost convention on an accrual basis except for certain financial instruments which are required to be measured at fair values at the end of each reporting period as explained in the accounting policies below.

The financial statements are presented in Indian rupees and all values are rounded to the nearest lakhs and two decimals thereof, except otherwise stated.

The Financial statements were approved by the Board of Directors on 29th June,2021

C Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

D Property plant and equipment (PPE):

Property, plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase net of input of taxes price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of Property, Plant and Equipment which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Improvement to Property, Plant and Equipment which has the effect of increasing the future benefits from the existing assets beyond their previously assessed standard of performance is included in the Gross Block.

Property, plant and Equipment assets not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".

Depreciation

Depreciation on Property, Plant and Equipment is provided as per Straight Line Method on the basis of useful life of assets specified and in the manner specified in the Schedule II of the Companies Act, 2013.

Category	Useful Life
Buildings (including roads)	30- 60 Years
Plant & Equipment	15 Years
Mould & Dies	8 Years
Furniture & Fixture	10 years
Office Equipment	5 Years
Vehicles	8 - 10 Years
Computer	3 Years

Assets costing up to Rs. 5,000 each are depreciated fully in the year of purchase.

Depreciation on assets added/sold/disposed 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. Leasehold Land is amortized over the period of lease.

The management believes that the useful life as given above the best represent the period over which the management expects to use these assets. The Company reviews the useful lives and residual value at each reporting date.

E Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably.

Intangible assets are stated at original cost less accumulated amortisation and impairment losses, if any.

Intangible assets are amortised over the useful life of such assets.

F Leases-(Right to use)

The Company account for the leases in accordance with Ind AS 116 Leases. The Company has adopted Ind AS 116 with effect from 1st April 2019 and followed Appendix C to the Ind AS 116 for the purpose of transition. Accordingly as a practical expedient, company have not reassessed whether a contract is, or contains, a lease at the date of initial application. Instead, the company has

(a) applied this Standard to contracts that were previously identified as leases applying Ind AS 17, Leases.

(b) not to applied this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17.

The Company enters into hiring/service arrangements for various assets. The Company evaluates whether a contract contains a lease or not, in accordance with the principles of Ind AS 116. This requires significant judgements including but not limited to, whether asset is implicitly identified, substantive substitution rights available with the supplier, decision making rights with respect to how the underlying asset will be used, economic substance of the arrangement, etc.

As a lessee the Company has measured lease liability at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. After the commencement date / transition date, The Company measures the right-of-use asset applying a cost model, whereas the Company measures the right-of-use asset at cost:

(a) less any accumulated depreciation and any accumulated impairment losses; and

(b) adjusted for any remeasurement of the lease liability

The Company recognises the finance charges on lease expense on reducing balance of lease liability. The Lease asset is depreciated over the lease term on straight line basis.

The Company applies the above policy to all leases except:

(a) leases for which the lease term (as defined in Ind AS 116) ends within 12 months of the acquisition date

(b) leases for which the underlying asset is of low value (lease having monthly rental less than ₹ 5000)

As a lessor the Company identifies leases as operating and finance lease. A lease is classified as a finance lease if the Company transfers substantially all the risks and rewards incidental to ownership of an underlying asset.

At the commencement date, the Company recognises assets held under a finance lease in its balance sheet and present them as a receivable at an amount equal to the net investment in the lease. After the initial recognition the Company recognises finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease.

For Operating leases as a lessor the Company recognises lease payments from operating leases as income straight-line basis.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified in financing activities in cash flows.

G Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds.

H Current versus non-current

An asset is current when it is:

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

All other assets are classified as non-current.”

A liability is current when:

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

All other liabilities are classified as non-current. Current liabilities include current portion of non-current financial liabilities.

I Financial instruments

(i) Initial recognition

The company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss, are added to the fair value on initial recognition.

(ii) Subsequent measurement

a) Financial assets carried at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets carried at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payment of principal and interest on the principal amount outstanding. Further, in cases where the company has made an irrevocable selection based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognised in other comprehensive income.

c) Financial assets carried at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

d) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance sheet date, the carrying amount approximate fair value due to the short maturity of these instruments.

e) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

(iii) Derecognition of financial instruments

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

(iv) Fair value of financial instruments

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

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

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, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

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

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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

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

J Impairment:

Financial assets

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing components is measured at an amount equal to lifetime ECL. For all other financial assets, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust loss allowance at the reporting date to the amount that is required to be recognized is recognized as an impairment gain or loss in profit or loss.

Non-financial assets

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

K Inventories

- a) Inventories are valued at cost or net realisable value whichever is lower.
- b) Cost of manufactured finished goods and work in progress includes cost of material, labour and manufacturing overheads.
- c) Cost is calculated on FIFO basis in respect of mainly trading goods and on weighted average basis in respect of manufactured goods.

L Revenue from contracts with customers

The Company recognizes revenue, whenever control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the Company considers effects of variable consideration, the existence of significant financing contracts, non cash consideration and consideration payable to the customer, if any. The Company considers whether there are other promises in the contract that are separate performance obligations to which the transaction price needs to be allocated (e.g. warranties etc.).

Variable consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled to in exchange for transferring goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant reversal of revenue will not occur once associated uncertainties are resolved. Some contracts with the customers provide them with a right to return and volume rebates. The right to return and volume rebates gives rise to variable consideration.

The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration. Consideration is also adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the Company. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices. If stand-alone selling prices are not observable, the Company reasonably estimates those.

Revenue is recognized for each performance obligation either at a point in time or over time.

Sale of products

The Company recognizes revenues on the sale of products, net of returns and trade discounts, when substantial risks and rewards of ownership are transferred to the buyer usually on delivery of goods. Sales of goods is net of taxes.

Sale of service

Service income is recognised as and when service is complete.

Sale of power

Revenue from the sale of power generated from wind is recognised on the basis of the number of units of power sold on monthly basis to MSEDCL and other parties at rates agreed upon.

Other operating revenue

Other operational revenue represents income earned from activities incidental to the business and is recognised when right to receive the income is established.

Other Income

Interest income from a financial asset is recognized using the effective interest rate.

Other income is recognized on accrual basis.

M Foreign exchange transactions

Functional currency

The functional currency of the Company is the Indian Rupee. These financial statements are presented in Indian rupees.

Transactions and translations

Foreign-currency-denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit/loss in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gain or losses realized upon settlement of foreign currency transactions are included in determining net profit/loss for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currency are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

N Employee benefits

Short term employee benefits :

All employee benefits due wholly within twelve months of rendering of services are classified as short term employee benefits. Benefits like salaries, wages, leave salary, contribution to Provident Fund/ Employee State Insurance contributions etc. paid or payable during the reporting period and the expected bonus expense are recognised as an expense on an undiscounted basis in the period in which the employee renders the related service.

Long term employee benefits :

Compensated absence:

The liability for leave encashment and other compensated absences is recognized on the basis of actuarial valuation made at the end of the year.

Post -employment benefits

a) Defined contribution plan

Defined Contribution Plans for Provident Fund, Family Pension benefits are recognised by contribution at specified rate or percentage on salary. No actuarial assumptions are required to measure the obligations or expenses and there is no possibility of any actuarial gain or loss. Moreover the obligations are measured on an undiscounted basis. The contribution paid /payable under the schemes is recognised during the period in which employee renders the related service.

b) Defined benefit plan

The Company's Gratuity is Defined Benefit Retirement Plan. The Company's liability towards Gratuity is determined using the Projected Unit Credit Method which recognises each period of service as giving rise to additional unit of employee benefit entitlement.

The liability is provided based on actuarial valuation certified by consulting actuary. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurements comprising of actuarial gains and losses, the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) relating to retirement benefit plans are recognised in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

O Income taxes

The accounting treatment followed for taxes on income is to provide for Current Income Tax and Deferred Income Tax. Income tax expense is recognized in the net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income. Current income tax for current and prior period is the aggregate amount of income tax determined as payable in respect of taxable income for the period, using the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Income Tax asset and liability are recognized for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction. Deferred Income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is recognised based on the balance sheet approach, on temporary differences arising between the tax bases of assets and liabilities and their carrying values in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is determined using tax rates that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

P Provisions and contingencies

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure.

Q Earnings per share (EPS)

Basic EPS are computed by dividing the net profit or loss for the period attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earning per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

R 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.

S Exceptional Items

When an item of income or expense within Statement of profit or loss from any activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

T Statement of Cash flows

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

U Operating segment

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

V Standards issued but not yet effective

Ministry of Corporate affairs (MCA) notifies new standards or amendment to the existing standards. There are no such standards issued but not yet effective.

2.1 Recent pronouncements that are not yet effective:

(A) Amendments to Schedule III

On 24 March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 01 April, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

Specified format for disclosure of shareholding of promoters.

Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

Disclosure of specified ratios along with explanation for items included in numerator and denominator and explanation for change in any ratio is excess of 25% compared to preceding year.

Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency.

In case of borrowings from banks or financial institutions on the basis of security of current assets, following shall be disclosed:-

- a) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- b) If not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed

These amendments are applicable from 01 April, 2021. The Company is currently evaluating the impact of these amendment on the financial statements.

(B) Other amendments made to existing standards

The Company is currently evaluating the impact of other amendments to existing standards that would have been effective from 01 April, 2021.

NOTES TO FINANCIAL STATEMENTS

3 Property, Plant and Equipment

(₹ in lakhs)

Particulars	Leasehold Land	Building	Furniture & Fixtures	Plant & Machinery	Dies & Moulds	Vehicles	Office Equipment	Total Assets
Gross Carrying Amount*								
Balance as at 1st April, 2019	315.29	594.72	462.93	6,260.52	530.30	240.06	57.74	8,461.56
Additions	-	-	-	1.88	-	10.76	0.46	13.10
Deductions/ Adjustment	-	-	-	671.90	-	10.56	-	682.46
Reclassified on account of adoption of Ind AS 116 (Right to Use- Land)	315.29	-	-	-	-	-	-	315.29
Balance as at 31st March, 2020	-	594.72	462.93	5,590.50	530.30	240.26	58.20	7,476.91
Accumulated Depreciation/Amortization								
Balance as at 1st April, 2019	77.73	342.31	429.73	4,779.75	483.78	143.03	52.45	6,308.78
For the year	-	16.17	2.08	142.48	5.25	26.42	0.70	193.10
Reclassified on account of adoption of Ind AS 116 (Right to Use- Land)	77.73	-	-	-	-	-	-	77.73
Deduction/ Adjustment	-	-	-	638.73	-	3.38	-	642.11
Balance as at 31st March, 2020	-	358.48	431.81	4,283.50	489.03	166.07	53.15	5,782.04
Net carrying amount as at 31st March, 2020	-	236.24	31.12	1,307.00	41.27	74.19	5.05	1,694.87
Net carrying amount as at 31st March, 2019	237.56	252.41	33.20	1,480.77	46.52	97.03	5.29	2,152.78
Gross Carrying Amount*								
Balance as at 1st April, 2020	-	594.72	462.93	5,590.50	530.30	240.26	58.20	7,476.91
Additions	-	-	-	0.58	-	-	0.68	1.26
Disposal/Deduction/ Adjustment	-	-	-	3,167.64	-	171.84	-	3,339.48
Balance as at 31st March, 2021	-	594.72	462.93	2,423.44	530.30	68.42	58.88	4,138.69
Accumulated Depreciation								
Balance as at 1st April, 2020	-	358.48	431.81	4,283.50	489.03	166.07	53.15	5,782.04
For the year	-	16.16	1.96	101.89	5.25	19.40	0.52	145.18
Disposal/Deduction/ Adjustment	-	-	-	2,136.72	-	145.83	-	2,282.55
Balance as at 31st March, 2021	-	374.64	433.77	2,248.67	494.28	39.64	53.67	3,644.67
Net carrying amount as at 31st March, 2021	-	220.08	29.16	1,747.77	36.02	28.78	5.21	494.02
Net carrying amount as at 31st March, 2020	-	236.24	31.12	1,307.00	41.27	74.19	5.05	1,694.87

* On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1 April, 2016 measured as per the previous GAAP and use that carrying value as the cost/deemed cost of the property, plant and equipment.

Note :

- For assets provided as security refer note no. 22 and 26.
- Pursuant to the Inventory Purchase Agreement entered by Suzlon Energy Limited for the purchase of WOE (Wind Mills) on 22 December, 2020 from the company which has been approved by the Board in meeting held on 07.11.2020 and by Shareholders in Extra Ordinary General Meeting on dated 04.12.2020. Plant & Machineries having Gross block Rs.3016.83 lakhs & written down value Rs.1024.54 lakhs has been sold at Rs.492.50 lakhs and loss Rs.532.04 lakhs has been shown as an Exceptional Items.

NOTES TO FINANCIAL STATEMENTS

4 Right to use assets-Lease

Particulars	(₹ in lakhs)
Land	
Opening gross carrying value as at April 1, 2019	-
Additions during the year	
Reclassified on account of adoption of Ind As 116	
Of leasehold rent	315.29
Prepayment of Leasehold Land	43.33
Additions	62.44
Deductions/ Adjustment	
Closing gross carrying value as at March 31, 2020	421.06
Opening gross carrying value as at April 1, 2020	421.06
Additions during the year	-
Deletions during the year	75.00
Closing gross carrying value as at March 31, 2021	346.06
Opening accumulated amortisation as at April 1, 2019	
Reclassified on account of adoption of Ind As 116	77.73
amortisation for the year	6.93
Accumulated amortisation on deletions	-
Closing accumulated amortisation as at March 31, 2020	84.66
Opening accumulated amortisation as at April 1, 2020	84.66
amortisation for the year	6.31
Accumulated amortisation on deletions	36.06
Closing accumulated amortisation as at March 31, 2021	54.91
Carrying value as at March 31, 2020	336.40
Carrying value as at March 31, 2021	291.15

Note:

- i) Leasehold Land of Delhi and of Noida are under lease for 99 years and 90 years respectively
- ii) Lease hold land Gross block Rs.4.37 lakhs having carrying value as at 31.03.2021 Rs.2.52 lakhs at D-13/4, Okhla Industrial Area, Phase-II is in the company's old name i.e. Electronics Consortium Private Limited.
- iii) For assets provided as security refer note no. 22 and 26
- iv) Effective April 01, 2019, the company has adopted Ind-AS 116 - Leases and applied to all lease contracts existing on April 01, 2019, using the modified retrospective method. The Company measured that lease liability at the present value of the remaining lease payments, discounted using incremental borrowing rate of 10.75% p.a.
- v) Pursuant to the Inventory Purchase Agreement entered by Suzlon Energy Limited for the purchase of WOEG (Wind Mills) on 22 December, 2020 from the company which has been approved by the Board in meeting held on 07.11.2020 and by Shareholders in Extra Ordinary General Meeting on dated 04.12.2020. Right to use-Land having Gross block Rs.75 lakhs & written down value Rs.38.95 lakhs has been discarded and loss Rs.38.95 lakhs has been shown as an Exceptional Items.

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Note No.	Particulars	As at 31st March 2021	As at 31st March 2020
5	Intangible Assets		
	Trade Mark		
	Gross Carrying Amount at beginning of the year*	106.21	106.21
	Cost at the end of the year	106.21	106.21
	Opening Accumulated Amortisation	101.13	101.13
	Amortisation for the year	-	-
	Total Amortisation at the end of the year	101.13	101.13
	Net Carrying amount as at the end of the year	5.08	5.08
	*On transition to Ind AS, the Company has elected to continue with the carrying value of its Intangible Assets recognised as at 1 April, 2016 measured as per the previous GAAP and use that carrying value as the cost/deemed cost of the Intangible Assets.		
6	Non-Current Investments		
	Investments in Unquoted Equity Instruments:		
	Investment carried at fair value through other comprehensive income		
	In Other Company :		
	355000 (P.Y. 355000) Equity Shares of Encompass Software & Systems Pvt.Ltd.of Rs.10/- each.	35.50	35.50
	Less: Provision for diminution in value of Investments	-31.18	-31.18
	Other Investments in Unquoted Bond (Fully paid)		
	Investments carried at amortized cost		
	2 (P.Y. 2) Unsecured Redeemable Money Multiplier Bond of ICICI Ltd of Rs.1000/-each	0.02	0.02
	Total	4.34	4.34
	Aggregate amount of Unquoted Investments:	35.52	35.52
	Aggregate amount of impairment in value of investments:	31.18	31.18
7	Trade Receivables-Non current (Unsecured)		
	- Considered Good	2,243.42	2,071.46
	- Credit impaired	2,082.89	2,079.59
	Less : Impairment for doubtful receivables	-2,082.89	-2,079.59
	Total	2,243.42	2,071.46
	(Includes Rs.2.49 lakhs (P.Y. Rs. Nil) of Related Party on which Allowance for ECL Rs. 0. 50 lakh (P.Y. Rs. Nil))		
8	Loans- Non current (Unsecured, Considered Good unless Otherwise Stated)		
	Inter Corporate Loan Given		
	- Considered Good	-	-
	- Credit impaired	255.00	255.00
	Less: Impairment for doubtful loan	-255.00	-255.00
	Total	-	-

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Note No.	Particulars	As at 31st March 2021	As at 31st March 2020
9	Other Financial Assets-Non Current (Unsecured, considered doubtful unless otherwise stated)		
	Interest Receivable-Credit impaired	94.40	94.40
	Less: Impairment for Interest receivable	-94.40	-94.40
	Security Deposits (considered good)	34.52	30.52
	Total	34.52	30.52
10	Deferred tax Assets (Net)		
	Deferred tax liability:		
	On account of depreciation on property, plant & equipment, Intangible assets and ROU	33.99	313.19
	Sub Total	33.99	313.19
	Deferred tax assets:-		
	On account of timing differences in recognition of expenditure	15.79	22.88
	On account of unabsorbed business losses under the Income Tax Act, 1961	734.52	652.93
	On account of unabsorbed depreciation under the Income Tax Act, 1961	281.89	267.20
	On account of ECL & Impairment losses	969.94	959.27
	On account of capital loss	216.80	181.46
	Total	2,218.92	2,083.74
	Deferred tax assets (net)	2,184.93	1,770.55
11	Non Current Tax Assets (Net)		
	Income Tax Refund Receivable	114.46	-
	Total	114.46	-
12	Other Non-Current Assets (Unsecured, considered doubtful unless otherwise stated)		
	Advances recoverable in cash or in kind or for value to be received		
	- Considered Good	-	-
	- Credit impaired	1,401.73	1,364.18
	Less: : Impairment for Advances recoverable	-1,401.73	-1,364.18
	Deposits with Statutory Authorities against disputed demands	829.18	868.70
	Refunds due from Government Authorities	349.21	-
	Capital advance to related party	9.00	-
	Total	1,187.39	868.70
13	Inventories *:		
	(At cost or net realizable value whichever is lower)		
	(As certified by the Management)		
	Raw materials	614.57	576.42
	Work in progress	83.36	75.04
	Finished goods	610.18	660.22
	Stock in Trade	3,375.61	3,445.21
	Goods in transit, Bond, and under clearance:		
	Raw materials	116.80	155.11
	Total	4,800.52	4,912.00
	* Refer note no. 51 & 52		

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Note No.	Particulars	As at 31st March 2021	As at 31st March 2020
14	Trade Receivables (Unsecured)		
	- Considered Good	2,186.16	2,204.86
	- Credit impaired	9.30	7.77
	Less : Impairment for doubtful receivables	-9.30	-7.77
	Total	2,186.16	2,204.86
	(Includes Rs.3.91 lakhs (P.Y Rs. 6.74 lakhs) of Related Party on which Allowance for ECL Rs. 0.20 lakh (P.Y. Rs. Nil)		
15	Cash and Cash Equivalents		
	Cash balance in hand	3.40	1.68
	Balances with banks		
	- in current accounts	2.68	2.82
	Total	6.08	4.50
16	Bank Balances other than above		
	Fixed Deposits - Margin Money with Banks	22.78	41.39
	In current accounts (seized by Sales Tax Department)	3.94	3.94
	Total	26.72	45.33
17	Other Financial Assets (Unsecured, considered good unless otherwise stated)		
	Interest Receivable	2.94	2.18
	Receivable from related party	-	43.48
	Total	2.94	45.66
18	Current Tax Assets (Net)		
	Income Tax Refund Receivable	-	114.73
	Total	-	114.73
19	Other Current Assets (Unsecured, considered good unless otherwise stated)		
	Advance to Suppliers	93.12	165.62
	Advances recoverable in cash or in kind for value to be received*		
	-Considered Good	58.91	41.13
	-Credit impaired	10.53	10.53
	Less: : Impairment for Advances recoverable	-10.53	-10.53
	Refunds due from Government Authorities	-	310.80
	Balances with government authorities	27.87	58.84
	Prepaid expenses	9.50	42.37
	Total	189.40	618.76
	Note :- * Includes from related parties Rs.25.39 lakhs (In P.Y. Rs.28.52 lakhs)		

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Note No.	Particulars	As at 31st March, 2021		As at 31st March, 2020	
		Number	Rs.	Number	Rs.
20	(a) Equity Share Capital:				
	Authorised:				
	Equity Shares of Rs. 10/- each	20,000,000	2,000.00	20,000,000	2,000.00
	Issued and Subscribed :				
	Equity Shares of Rs. 10/- each	8,820,000	882.00	8,820,000	882.00
	Issued, Subscribed and Paid--up :				
	Equity Shares of Rs.10/- each	8,807,300	880.73	8,807,300	880.73
	Share Capital forfeited Equity Shares @ 5.65/- each	12,700	0.72	12,700	0.72
	Total		881.45		881.45

(b) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number	Rs.	Number	Rs.
Equity shares outstanding at the beginning of the Year	8,807,300	880.73	8,807,300	880.73
Add: Issued during the year	-	-	-	-
Less: Shares bought back	-	-	-	-
Equity shares outstanding at the end of the year	8,807,300	880.73	8,807,300	880.73

(c) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of Capital are as under:

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

(d) Particulars of equity share holders holding more than 5% of the total number of equity share capital:

Name of shareholders:	As at 31st March, 2021		As at 31st March, 2020	
	No.of Shares	% of holding	No.of Shares	% of holding
Gopal Kumar Jiwrajka	2,339,011	26.56	2,339,011	26.56
Gopal Kumar Jiwrajka HUF	1,498,988	17.02	1,498,988	17.02
Neetu Jiwrajka	731,410	8.30	731,410	8.30
Manori Properties Pvt Ltd.	558,929	6.35	558,929	6.35

(₹ in lakhs)

		As at 31st March, 2021	As at 31st March 2020
21	Other Equity		
a.	Securities Premium Reserve		
	At the beginning and end of the Year		
	Share Premium Account	3,244.42	3,244.42
	Share Premium Forfeited	2.87	2.87
	Sub Total	3,247.29	3,247.29

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

b. General Reserve		
At the beginning and end of the Year	4,045.58	4,045.58
Sub Total	4,045.58	4,045.58
c. Surplus/Deficit in Statement of Profit and Loss		
At the beginning of the Year	-2,673.87	-1,319.89
Add : Profit/(Loss) Transferred from Statement of Profit & Loss	-1,141.11	-1,353.97
Sub Total	-3,814.98	-2,673.87
d. Other Comprehensive Income		
At the beginning of the Year	-5.60	-9.32
Add : Re-measurements of Defined Employee Benefits plans (Net of Tax)	-2.17	3.72
Sub Total	-7.77	-5.60
Total	3,470.12	4,613.40

Nature and purpose of Reserves:

(i) Securities Premium

Securities premium reserves represents the premium on issue of equity shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

(ii) General Reserve

This represents appropriation of profit after tax by the company.

(iii) Surplus/Deficit

This comprise company's undistributed profit/(loss) after tax.

(₹ in lakhs)

Note No.	Particulars	As at 31st March 2021	As at 31st March 2020
22	Borrowings- Non Current		
	(a) Secured		
	Term Loan:		
	Working capital loans from Banks (Under Guaranteed Emergency Credit Line (GECL))	1,244.68	-
	Less : Current maturities of working capital loans (Refer Note No. 28)	394.82	-
	Sub Total	849.86	-
	Vehicle loans from Banks	6.94	13.26
	Less : Current maturities of vehicle loans(Refer Note No. 28)	1.97	6.32
	Sub Total	4.97	6.94
	(b) Unsecured Loans:		
	Loans from related parties	1,332.94	1,274.78
	Sub Total	1,332.94	1,274.78
	Total	2,187.77	1,281.72

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Note No.	Particulars	As at 31st March 2021	As at 31st March 2020
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Additional Information:

Working capital term loans are secured by hypothecation of inventories, receivables and other moveable assets and first pari-passu charge on immovable properties of Noida units as collateral security.

Working capital term loans from Banks repayable on monthly instalment basis after moratorium period of 1 year from date of loan.

Various term loans against GECL have been availed with a tenure ranging from 2 to 5 year and bearing interest ranging from 6.95% to 8.20 % p.a.

Vehicle loans are secured against hypothecation of cars and bearing interest ranging from 9.50% to 10.00% p.a.

Vehicle loans from Banks, repayment on monthly instalment basis.

Unsecured Loans repayable after 1/2 years.

Repayment terms of borrowings (Working capital loans)-(Under Guaranteed Emergency Credit Line (GECL)) ₹ in Lakhs

Due in next	As at March 31, 2021	As at March 31, 2020
One year	394.82	-
Second year	381.83	-
Third to fifth year	468.03	-
Total	1,244.68	-

Repayment terms of borrowings (Vehicle loans)

Due in next	₹ in Lakhs	
	As at March 31, 2021	As at March 31, 2020
One year	1.97	6.32
Second year	2.17	1.97
Third to fifth year	2.80	4.97
Total	6.94	13.26

Disclosure as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013

Loans from related parties for the year ended March 31, 2021:

Name of the Party	Interest rate	As at March 31, 2021 (₹ in lakhs)	Maximum balance outstanding during the year (₹ in lakhs)
Mr. Gopal Sitaram Jiwarajka	6.00%	1118.59	1118.59
Mrs. Neetu Jiwarajka	6.00%	214.35	222.60
Total		1332.94	

23 Other Financial Liabilities-Non Current

Trade Deposit	16.42	52.61
Total	16.42	52.61

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Note No.	Particulars	As at 31st March 2021	As at 31st March 2020
24	Lease liabilities		
	Opening Balance	62.44	-
	Addition during the year		62.44
	Finance Charges on lease	6.71	6.71
	Repayment during the year	-6.72	-6.71
	Closing Balance	62.43	62.44

Effective April 01, 2019, the company has adopted Ind-AS 116 - Leases and applied to all lease contracts existing on April 01, 2019, using the modified retrospective method. The Company measured that lease liability at the present value of the remaining lease payments, discounted using incremental borrowing rate of 10.75% p.a.

Maturity analysis of the future lease payments

(₹ in lakhs)

Future Minimum lease payable	As at March 31, 2021	As at March 31, 2020
Within one year	0.01	0.01
Later one year and not later than 5 years	0.05	0.04
Later than 5 Years	62.37	62.39
Total	62.43	62.44

25	Provisions-Non Current		
	Employees benefits:		
	Provision for Leave	9.73	16.94
	Total	9.73	16.94
26	Borrowings-Current		
	Secured Loans:		
	Working capital From Banks	3,982.28	4,780.74
	Sub Total	3,982.28	4,780.74
	(b) Unsecured Loans:		
	Loans from related parties	89.00	127.00
	Loan from Other	200.00	313.55
	Sub Total	289.00	440.55
	Total	4,271.28	5,221.29

Additional Information:

Working capital term loans are secured by hypothecation of inventories, receivables and other moveable assets and first pari-passu charge on immovable properties of Noida units as collateral security.

In previous year unsecured loan from a NBFC Rs.123.55 lakhs secured by pledged of shares of other listed company held by promoters and their relatives.

Disclosure as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186(4) of the Companies Act, 2013

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Note No.	Particulars	As at 31st March 2021	As at 31st March 2020
	Loans from related parties for the year ended March 31, 2021:		
	Name of the Party	Interest rate	As at March 31, (₹ in lakhs)
			Maximum balance outstanding during the year (₹ in lakhs)
	Devi Electronics Pvt. Ltd.	10.50%	89.00
	Total		127.00
27	Trade Payables		
	Dues to Micro, Small and Medium Enterprises*	53.45	83.37
	Others	2,205.22	1,995.48
	Total	2,258.67	2,078.85
	Additional Information:		
	*The Company has declared the dues to Micro, Small and Medium Enterprises on the basis of confirmations received from parties (Refer note no. 47).		
28	Other Financial liabilities- Current		
	Current maturities of long term debt : working capital term loan	394.82	-
	Current maturities of long term debt : vehicle loans	1.97	6.32
	Interest accrued & due	40.24	95.75
	Interest accrued but not due on borrowings	8.79	21.62
	Payable to Employees	84.58	111.81
	Total	530.40	235.50
	Additional Information:		
	Working capital term loans are secured by hypothecation of inventories, receivables and other moveable assets and first pari-passu charge on immovable properties of Noida units as collateral security.		
	Vehicle loans are secured against hypothecation of cars.		
29	Other Current liabilities		
	Statutory Liabilities	29.09	39.97
	Others	28.10	196.03
	Total	57.19	236.00
30	Provisions-Current		
	Employees benefits:		
	Provision for Leave	13.82	8.95
	Provision for Gratuity	11.85	38.61
	Total	25.67	47.56

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Note No.	Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
31	Revenue from Operations:		
	Sales of Goods		
	Domestic	8,736.43	16,445.23
	Total	8,736.43	16,445.23
	Sale of Services		
	Wind Energy (Refer note no.49)	132.40	344.47
	Total	132.40	344.47
	Gross Sales	8,868.83	16,789.70
	Other Operating Income		
	Liability no Longer required written back	41.41	88.98
	Other Income	19.02	0.14
	Total	60.43	89.12
	Total Revenue from Operations	8,929.26	16,878.82
32	Other Income:		
	Interest	3.37	4.13
	Rent received	7.41	11.85
	Interest payable written back	54.12	-
	Profit on sale of property, plant & equipment (net)	18.13	-
	Total	83.03	15.98
33	Changes in Inventories of finished goods, Stock-in-trade and work in progress		
	Stock at the end of the year		
	Work in progress	83.36	75.04
	Stock in trade:	3,375.61	3,445.21
	Finished goods	610.18	660.22
	Sub Total :	4,069.15	4,180.47
	Less : Stock at the beginning of the year		
	Work in progress	75.04	54.85
	Stock in trade:	3,445.21	3,770.44
	Finished goods	660.22	1,044.55
	Sub Total :	4,180.47	4,869.84
	(Increase) / Decrease in Stock :	111.32	689.37
34	Employee benefits expenses:		
	Salaries and wages	283.68	374.32
	Contribution to provident and other funds	29.86	38.46
	Staff Welfare & Other Benefits	2.25	8.80
	Total	315.79	421.58
35	Finance Costs:		
	Interest	571.58	696.26
	Interest on lease liabilities	6.71	6.71
	Bank charges and Others	34.44	42.26
	Total	612.73	745.23

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Note No.	Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
36	Depreciation and amortization:		
	Depreciation on Property, Plant and Equipment	145.18	193.09
	Amortization of Land (ROU)	6.31	6.93
	Amortisation of intangible assets	-	-
	Total	151.49	200.02
37	Other expenses:		
	Assembly Charges	0.09	0.78
	Stores & Spares Consumed	0.30	2.24
	Power and fuel	29.13	49.24
	Rent	0.17	16.02
	Repair & Maintenance :-		
	Building	-	-
	Plant & Machinery	49.32	88.84
	Others	6.16	7.14
	Insurance	12.77	11.98
	Rates and taxes	3.87	6.16
	Legal and professional fees	52.21	63.23
	Payment to Auditors		
	Statutory Audit Fees (including Limited review)	7.84	11.20
	Tax Audit Fees	1.05	1.50
	Certification	-	0.03
	Expenses reimbursed	0.70	1.00
	In Other capacity	1.05	1.50
	Travelling & Conveyance	25.36	43.69
	Freight and Forwarding	32.63	69.92
	Discount, Commission & Incentives	63.09	113.13
	Advertisement & Publicity	3.70	2.62
	After Sale Service Charges	17.44	14.63
	Sales Tax/GST/Excise/Service Tax etc. (net)	23.99	-4.33
	Bad Debts	14.03	10.28
	Provision for Irrecoverable Loans & Advances	37.55	30.00
	Loss on sale of property, plant & equipment (net)	-	25.06
	Short / (Excess) Claims	1.60	-3.74
	Miscellaneous expenses	29.61	36.70
	Security services	19.20	26.44
	Net (gain)/loss on foreign currency transaction	1.41	-2.28
	Allowance for doubtful receivables	4.83	-10.17
	Total	439.10	612.81
38	Exceptional Items		
	Loss on sale of assets of Wind division (Refer note no. 49)	570.99	-
	Total	570.99	-

NOTES TO FINANCIAL STATEMENTS

39 Income tax:
(a) Income Tax Expense

i) Income tax recognised in Statement of Profit and Loss

(₹ in lakhs)

Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Current tax expense		
Current year	-	-
Total	-	-
Deferred tax Income/(expense)	413.65	-62.84
Total income tax expense	413.65	-62.84

ii) Income tax recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Net actuarial gains/(losses) on defined benefit plans		
Before tax	-2.90	4.97
Tax expense/ (benefit)	0.73	-1.25
Net of tax	-2.17	3.72

iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(₹ in lakhs)

Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
Profit before tax	-1,554.76	-1,291.13
Tax using the Company's domestic tax rate of 25.168% (previous year 25.168%)	-391.30	-324.95
Tax effect of:		
Income exempt from Income Taxes	-	-
Business Loss Expired	-	175.74
Capital Loss Expired	7.00	-
Adjustment in respect of Deferred tax related to earlier years (As exercise section 115BAA)	-	302.70
Others	-29.35	-90.65
Income Tax Expenses/ (Income) recognised in the statement of profit and loss account	-413.65	62.84

Income tax recognised in other comprehensive income Rs.0.73 lakhs (In PY -1.25 lakhs)

b) The movement in deferred tax assets and liabilities during the year ended March 31, 2021:

(₹ in lakhs)

Deferred tax assets/ (liabilities)	As at 1st April, 2019	Credit/ (charge) in statement of Profit and Loss	As at 31st March, 2020	Credit/ (charge) in statement of Profit and Loss	As at 31st March, 2021
On account of Depreciation	-433.88	120.69	-313.19	279.20	-33.99
On account of amount allowable on payment basis & others	31.00	-8.12	22.88	-7.09	15.79
On account of brought forwarded business losses	663.91	-10.99	652.93	81.59	734.52
On account of brought forwarded Unabsorbed depreciation	313.21	-46.01	267.20	14.69	281.89
On account of ECL & Impairment losses	1,182.99	-223.72	959.27	10.67	969.94
On account of Capital losses	77.40	104.06	181.46	35.34	216.80
Total	1,834.63	-64.09	1,770.55	414.38	2,184.93

NOTES TO FINANCIAL STATEMENTS

40 Earnings per Share

(₹ in lakhs)

Particulars	For the Year ended 31.03.2021	For the Year ended 31.03.2020
a) Net profit / (loss) as per Statement of Profit and Loss attributable to Equity Shareholders		
– Before Exceptional Item	-570.12	-1,353.97
– After Exceptional Item	-1,141.11	-1,353.97
b) Number of weighted average equity shares outstanding during the year for the purpose of calculation of earnings per share	8,807,300	8,807,300
c) Nominal value of equity share (in Rs.)	10	10
d) Basic & diluted earning per share before exceptional items	(6.47)	(15.37)
e) Basic & diluted earning per share after exceptional items	(12.96)	(15.37)

41 Employee benefits

A. Defined benefit plan

Gratuity

The Company provides to the eligible employees, defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service.

The following table sets out the details of the defined benefit retirement plans and the amounts recognised in the financial statements based on actuarial valuation report:

i) Change in Present Benefit Obligation

(₹ in lakhs)

	2020-21	2019-2020
Present value of obligations at the beginning of the period	123.95	123.21
Current Service Cost	3.98	5.27
Interest Cost	7.12	8.70
Re-measurement(or actuarial)(gain)/loss arising from:		
a) change in demographic assumptions	-	-0.02
b) change in financial assumptions	-0.88	5.56
c) experience variance(i.e actual experience vs assumptions)	5.05	-10.53
Past Service Cost	-	-
Benefits Paid	-35.86	-8.24
Present value of obligations at the end of the period	103.36	123.95

ii) Change in fair value of plan assets

(₹ in lakhs)

	2020-2021	2019-2020
Fair value of plan assets at the beginning of the period	85.34	79.72
Investment Income	4.90	5.63
Benefits Paid	-	-
Return on plan assets ,excluding amount recognised in net interest expense	1.27	-0.01
Fair value of plan assets at the end of the period	91.51	85.34

NOTES TO FINANCIAL STATEMENTS

iii) Expenses recognised in Income statement

(₹ in lakhs)

	2020-2021	2019-2020
Current Service Cost	3.98	5.27
Past Service Cost	-	-
Net Interest Cost/(Income) on the Net Defined Benefit Liability/(Asset)	2.22	3.07
Expense recognised in Statement of Profit and Loss	6.20	8.34

iv) Other Comprehensive Income (OCI)

(₹ in lakhs)

	2020-2021	2019-2020
Actuarial Gain/Losses		
a) Change in Demographic assumptions	-	-0.02
b) Change in Financial Assumptions	-0.88	5.56
c) Experience Variance(i.e Actual experience Vs Assumptions)	5.05	-10.53
Return on Plan Assets,excluding amount recognised in net Interest expense	-1.27	0.01
Components Of Defined Benefit costs recognised in other Comprehensive Income	2.90	-4.97

v) Sensitivity Analysis of the defined benefit obligation

(₹ in lakhs)

	2020-2021	2019-2020
a) Impact of the change in discount rate		
Impact due to increase of 1 %	-100.02	-119.66
Impact due to decrease of 1 %	106.95	128.58
b) Impact of the change in salary increase		
Impact due to increase of 1 %	106.84	128.48
Impact due to decrease of 1 %	-100.07	-119.69
c) Impact of change in Attrition Rate		
Impact due to increase of 0.5 %	104.96	125.78
Impact due to decrease of 0.5 %	-101.07	-121.30
d) Impact of change in Mortality Rate		
Impact due to increase of 10 %	103.38	123.97
Impact due to decrease of 10 %	103.34	123.93

vi) Expected maturity analysis of the undiscounted gratuity benefits is as follows

(Rs. in lakhs)

	2020-2021	2019-2020
1 year	39.22	43.32
2 to 5 years	50.95	63.21
6 to 10 years	27.22	34.08
More than 10 years	10.78	14.20

Expected contributions to post-employment benefit plans for the year ending 31 March 2022 are Rs.17.17 lakhs. The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 3 years.

NOTES TO FINANCIAL STATEMENTS

vii) The assumptions used in accounting for the defined benefit plan are set out below:

Particulars	As at 31st March 2021	As at 31st March 2020
Discount Rate	6.00%	5.75%
Future Salary Increase	3.00%	3.00%
Retirement Age	58 years	58 years
Mortality rates	100%	100%
	(IALM 2012-14)	(IALM 2012-14)
Withdrawal rate	10%	10%

B. Long term employee benefit plans

Compensated Absence

The liability for leave encashment is recognized on the basis of actuarial valuation made at the end of the year. A provision of Rs. 1.19 lakhs (31 March 2020: Rs. 5.32 lakhs) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit and Loss.

C Defined contribution plans

The company's contribution to provident fund, pension fund and ESI scheme recognised as expense for the year are as under:

(₹ in lakhs)

	2020-2021	2019-2020
- Contribution to Provident fund	18.89	23.14
- Contribution to ESI	2.25	3.35

42 A. Contingent Liabilities not provided for in respect of :

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Letter of credit pending for shipment	124.70	Nil.
Bank Guarantees (net of margin)	78.66	214.58
Custom Duty demand	Not Ascertainable	Not Ascertainable
Income Tax Matters	37.88	37.88
Sales Tax Matters	1,090.14	953.91
Service Tax Matters	1.97	1.97
Excise Matters	4,877.81	4,877.81

Note:

- Bank Guarantees issued by Bankers Rs.80.50 lacs (Previous year Rs. 221.21 lacs) including for Sales Tax and Excise demand Rs.30.50 lacs (Previous Year Rs.21.21lacs), against which margin kept by bank Rs. 1.84 lacs (Previous year Rs. 6.63 lacs)
- Advance Licence utilised for Import of CPT worth Rs. 87.50 lacs during the period from January, 1995 to May 1995 , DGFT issued Show Cause Notice to pay duty and penalty thereof on all above imports and included the company's name in the defaulters list. Company challenged the said Notice in Delhi High Court and after admitting the petition and taking into consideration all the facts, the Delhi High Court directed the Company to deposit a sum of Rs. 20.00 lacs with the Collector of Customs and ordered DGFT to remove Company's name from the defaulters list. Accordingly Company has deposited the sum of Rs.20.00 lacs within the time stipulated by the Court. Duty and penalty amount is not ascertainable at this stage. Petition has been refiled against appeal order of DGFT.
- (a) The demand amounting to Rs.1113.78 lacs (previous year Rs. 1113.78 lacs) and penalty Rs. 1113.78 lacs (previous year Rs.1113.78 lacs) for the period April 2002 to April 2003 and demand of Rs.28.99 lacs (previous year Rs.28.99 lacs) and penalty of Rs.28.99 lacs (previous year Rs.28.99 lacs) for the period July 1993 to February 1994 are on the basis of differential duty on Chassis, Sub assembly parts of T.V.considered as T.V. The Honorable Supreme Court has decided on

NOTES TO FINANCIAL STATEMENTS

(Rs. in lakhs)

the classification issue for the period 1989-90 and the facts of these cases are different from the case decided by the Supreme Court. The company had gone in appeal before CESTAT. The appeal before CESTAT were remanded back to the Commissioner Adjudication to decide a fresh while considering the differential facts of the case. The Commissioner has decided the cases against the company without considering the differential facts as per directions given by the CESTAT in remand order. The company has again filed appeal against Commissioner's order before the CESTAT. CESTAT has decided the case against the company. The company has filed the SLP against the order of CESTAT before the Supreme Court.

(b) The demand for Rs.1292.44 lacs (previous year Rs. 1292.44 lacs) and penalty Rs.1292.44 lacs (previous year Rs. 1292.44 lacs) for the period June 1998 to March 2002 raised on the same basis by the department is time barred and case had been decided in favour of the company. The department had gone in appeal before CESTAT. The CESTAT had remanded this matter to Commissioner Adjudication who has decided the case against the company without considering direction / differential facts of the CESTAT. The company has again filed appeal on the matter before CESTAT. CESTAT has decided the case against the company. The company has filed the SLP against the order of CESTAT before the Supreme Court. Therefore considering directions / differential facts given by CESTAT in remand order not considered in Commissioner's orders, the company has good case on merits. Demand deposited amounting to Rs.600.00 lacs(previous year Rs. 600.00 lacs). Miscellaneous Excise duty demand amounting to Rs.7.39 lacs(previous year Rs. 7.39 lacs) against amount deposited Rs.2.00 lacs (previous year Rs.2.00 lacs) and Service Tax demand Rs.1.97 lacs(previous year Rs. 1.97 lacs) has been raised by the department against which company has filed appeals.

- iv) The Central Sales Tax and VAT/ State Sales Tax Authorities has raised demand of Rs. 1090.14 lacs (Previous Year Rs. 953.91 lacs) primarily pertains to expartie order and/or some interpretation related issues, which is under appeal and an amount of Rs. 169.29 lacs (previous year Rs.208.81 lacs) deposited under protest, which has been disputed by the company. However in most of the cases, required documents are being filed. The Company's appeal against the said demands are pending before various appellate authorities forums.
- vi) Income Tax Assessments of the Company have been completed upto Assessment Year 2018-19 (in previous year upto 2016-17). Demand has been raised of Rs.37.88 lacs (previous year Rs. 37.88 lacs) for earlier assessment year 2002-03 against which company has filed appeal before applete authorities and amount Rs. 37.88 lacs (previous year Rs.37.88 lacs) has been deposited against demands.
- vii) Appeal of Income Tax department against the ITAT order for the Assessment Year 1997-98 is lying pending before Hon'ble Supreme Court against refund of Rs.1151.57 lacs (previous year Rs. 1151.57 lacs) received by the Company in the Financial Year 2002-2003. There is final demand of Rs. 382.99 lacs on Rs. 17.64 crores direct benefit to share holders is only in SLP as High Court relieved depreciation part of Rs. 32.48 crores.

Pending completion of the legal process the impact of liability, if any, cannot be ascertained at this stage, however, management believes that, based on legal advice, the outcome of these contingencies will be favorable and that outflow of economic resources is not probable.

- B. Estimated amount of contracts remaining to be executed on capital account & not provided for (net of advances) is Rs. Nil (previous year Rs. Nil.).

43 Capital Management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, and
- maintain an appropriate capital structure of debt and equity.

The Company monitors capital using gearing ratio which is net debt to total equity which is net debt to total equity.

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Total borrowings	6,855.84	6,509.33
Less : Cash and cash equivalent	6.08	4.50
Net debt	6,849.76	6,504.83
Total equity	4,351.57	5,494.85
Net debt to equity ratio	1.57	1.18

NOTES TO FINANCIAL STATEMENTS

44 Financial Risk Management

The principal financial assets of the Company include loans, trade and other receivables, and cash and bank balances that derive directly from its operations. The principal financial liabilities of the company include loans and borrowings, trade and other payables and the main purpose of these financial liabilities is to finance the day to day operations of the company.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks and advises on financial risks and the appropriate financial risk governance framework for the Company.

The risks which the company is exposed to and policies and framework adopted by the company to manage these risks are explained as under:

A 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. Company is exposed to interest rate risk as its Market risk.

B Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates, which are included in interest bearing loans and borrowings in these financial statements. The company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Particulars	Carrying Amount (₹ in lakhs)	
	As at 31st March 2021	As at 31st March 2020
Fixed rate instruments		
Long term borrowings	854.83	6.94
Current maturities of long term debt	396.79	6.32
Unsecured loans	1,621.94	1,715.33
Variable rate instruments		
Short term borrowings	3,982.28	4,780.74

A change of 50 bps in interest rate would have following impact on profit and loss:

(₹ in lakhs)

Particulars	2020-2021	2019-2020
Increase in 50 basis point	19.91	23.90
Decrease in 50 basis point	-19.91	-23.90

C Liquidity Risk

The financial liabilities of the company include loans and borrowings, trade and other payables. The company's principal sources of liquidity are cash and cash equivalents and the cash flow that is generated from operations.

NOTES TO FINANCIAL STATEMENTS

The below is the detail of contractual maturities of the financial liabilities of the company at the end of each reporting period:

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Borrowings:		
0-1 year	4,668.07	5,227.61
More than 1 year	2,187.77	1,281.72
Trade Payables:		
0-1 year	2,258.67	2,078.85
More than 1 year	-	-
Lease Liability:		
0-1 year	0.01	0.01
More than 1 year	62.42	62.43
Other Financial liabilities:		
0-1 year	124.82	229.18
More than 1 year	16.42	52.61

D Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The exposure to the credit risk at the reporting date is primarily from trade receivables which are typically unsecured and other financial assets. Majority of the company's transactions are earned in cash or cash equivalents.

The company assesses the creditworthiness of the customers internally to whom services are rendered on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

(i) Exposure to Credit Risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Financial assets for which loss allowance is measured using:		
-Lifetime expected credit losses		
Trade receivables	4,429.58	4,276.32
-12 months expected credit losses		
Investments	4.34	4.34
Cash and cash equivalent	6.08	4.50
Other bank balances	26.72	45.33
Other financial assets	37.46	76.18
Total	4,504.18	4,406.67

NOTES TO FINANCIAL STATEMENTS

(ii) Provision for expected credit losses

Financial assets for which loss allowance is measured using life time expected credit losses

The Company uses a provision matrix to determine expected loss on portfolio of its trade receivable which is measured using lifetime expected credit loss model. The provision matrix is based on its historically observed default data over the expected life of the trade receivable and is adjusted for forward- looking estimates.

The following table summarises the change in the loss allowances measured using life time expected credit loss model (ECL):

ECL on Trade Rceivable

(₹ in lakhs)

Particulars	2020-21	2019-20
At the beginning of the Year	2,087.36	2,097.53
Provided/(Reversal) during the year	4.83	-10.17
As at March 31, 2021	2,092.19	2,087.36

Financial assets for which loss allowance is measured using 12 month expected credit losses

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, loss allowance for impairment on certain financial assets has been recognised as disclosed in this Note under 'Reconciliation of impairment loss provisions'.

Reconciliation of impairment loss provisions

(₹ in lakhs)

Particulars	As at 31st March 2021	As at 31st March 2020
Opening Provision	1,755.29	1,725.29
Add: Provided during the year	37.55	30.00
Less: Reversal of loss allowance*	-	-
Closing Provision	1,792.84	1,755.29

E Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company operates internationally and the Group has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

The carrying amounts of the company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period as follows:

(₹ in lakhs)

Foreign currency exposure	Currency	As at 31st March 2021	As at 31st March 2020
Trade Receivables	USD	0.36	0.36
Trade payables	USD	2.97	0.44
Net Exposure to foreign currency risk	USD	-2.61	-0.08

Foreign Currency Risk Sensitivity

A change in 1% in foreign currency would have following impact on profit before tax:

(US\$ in Lakhs)

Particulars	2020-2021		2019-2020	
	1% Appreciation in USD	1% Depreciation in USD	1% Appreciation in USD	1% Depreciation in USD
Increase/(Decrease) in Profit or Loss (in Rs.)	-1.92	1.92	-0.06	0.06

F. Fair Value Measurement:

Financial Instruments by category

NOTES TO FINANCIAL STATEMENTS

The carrying value and fair value of financial instruments by categories as of 31st March, 2021

(₹ in lakhs)

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
Financial Assets:				
Non current Investment-others	-	4.32	0.02	4.34
Trade Receivables	-	-	4,429.58	4,429.58
Other Financial Assets-Non Current	-	-	34.52	34.52
Cash and Cash Equivalents	-	-	6.08	6.08
Other Bank Balances	-	-	26.72	26.72
Other financial asset -Current	-	-	2.94	2.94
Financial Liabilities:				
Non - Current Borrowings	-	-	2,187.77	2,187.77
Trade Deposits	-	-	16.42	16.42
Lease Liability	-	-	62.43	62.43
Current Borrowings	-	-	4,271.28	4,271.28
Trade Payables	-	-	2,258.67	2,258.67
Other Financial liabilities	-	-	530.40	530.40

The carrying value and fair value of financial instruments by categories as of 31st March, 2020

(₹ in lakhs)

Particulars	FVTPL	FVTOCI	Amortised Cost	Carrying Cost
Financial Assets:				
Non current Investment-others	-	4.32	2,000.00	2,004.32
Trade Receivables	-	-	4,276.32	4,276.32
Other Financial Assets-Non Current	-	-	30.52	30.52
Cash and Cash Equivalents	-	-	4.50	4.50
Other Bank Balances	-	-	45.33	45.33
Other financial asset -Current	-	-	45.66	45.66
Financial Liabilities:				
Non - Current Borrowings	-	-	1,281.72	1,281.72
Trade Deposits	-	-	52.61	52.61
Lease Liability	-	-	62.44	62.44
Current Borrowings	-	-	5,221.29	5,221.29
Trade Payables	-	-	2,078.85	2,078.85
Other Financial liabilities	-	-	235.50	235.50

* FVTPL - Fair value through profit and loss, FVTOCI - Fair value through other comprehensive income.

45 RELATED PARTIES DISCLOSURES :

1. Relationship :

(a) Other related parties in which key managerial Personnel are able to exercise significant influence :

Salora Components Ltd

Manori Properties Private Limited

Devi Electronics Private Limited

Quick Load 24X7 Private Limited

Tiss Technologies LLP

PJTJ Technologies Private Limited

NOTES TO FINANCIAL STATEMENTS

- (b) Key Managerial Personnel: Mr. Gopal Sitaram Jiwaraajka (Chairman & Managing Director)
Mr. Tarun Jiwaraajka (Whole Time Director & CFO)
Mrs. Neetu Jiwaraajka (Director)
Ms. Deepika (Company Secretary, w.e.f. 25.02.2020 to 30.06.2020)
Mr. Mahak Agarwal (Company Secretary, w.e.f. 08.07.2020 to 20.02.2021)
- (c) Relative of key managerial personnel where transactions have taken place: Mr. Ayush Jiwaraajka
Mrs. Savitri Devi Jiwaraajka (demised on 30.07.2020)
- (d) Other Related Parties Mr. K.S. Mehta (Chairman Audit Committee & Independent Director)
Mr. Sanjeev Kaul Duggal (Independent Director)
Mr. Paramartha Saika (Independent Director w.e.f. 07.10.2019)

Note: Related party relationship is as identified by the Company and relied upon by the Auditors.

2. Transactions carried out with related parties as above , in ordinary course of business:

(₹ in lakhs)

Nature of Transactions	Related Parties					
	Referred in 1 (a) above		Referred in 1 (b) & (c) above		Referred in 1 (d) above	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Purchases						
Goods and Materials	0.23	16.91				
Capital Assets						
Maintenace item						
Sales						
Goods and Materials	3.91	84.35				
Investments		341.48				
Expenses						
Interest	11.60	3.18	34.77	6.79		
Directors Remuneration & Perquisite			37.80	37.14		
Director Sitting Fee					2.10	1.90
Salary of Others			9.76	10.61		
Income						
Rental & Other Incomes	3.54	10.16				
Interest Payable written back			54.12			
Finance						
Purchase of Keyman Insurance						
Loans received	7.00	127.00	258.10	821.15		
Loans repaid	45.00	70.00	199.93	528.38		
Others						
Advance Received for sale of shares						
Advance Paid for Capital goods			9.00			
Expenses/Payment on their behalf	1.76	0.75				

NOTES TO FINANCIAL STATEMENTS

(₹ in lakhs)

Nature of Transactions	Related Parties					
	Referred in 1 (a) above		Referred in 1 (b) & (c) above		Referred in 1 (d) above	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Outstandings						
Payables	-	0.28	3.58	4.54	3.11	1.17
Receivables	31.79	78.75	9.00			
Loan Payable	89.00	127.00	1,332.94	1,274.78		
Interest Payable	2.85	2.28	10.28	83.97		

46 Segment reporting :

The Company's Chief Operational Decision Makers examines the company's performance both from product and geographic perspective and has identified two segments, i.e., Consumer Electronic Division & Wind Energy .The business segments are monitored separately for the purpose of making decisions about resource allocation and performance assessment.

The reporting segments of the company and the type of product and services in each segment are as follows:

Business Segment

a) Consumer Electronics Division

Type of Products

Mobile Phones,IT Products,Telecom products, Home Appliances, Gift Cards and Other items etc.

Fly Back Transformer(EHT), Loudspeaker,Deflection Yoke.

LED TVs,CRT TVs and Home Theatres

b) Wind Energy

Wind Energy Generation

Summary of Segment information are as follows:

(₹ in lakhs)

	Year Ended 31.03.2021	Year Ended 31.03.2020
Information about Primary Business Segments :		
(I) Segment Revenue : (Rs. In lakhs)		
a) Consumer Electronics Division	8,777.92	16,534.35
b) Wind Energy	151.34	344.47
Total	8,929.26	16,878.82
Less : Inter Segment Revenue	-	-
Total Segment Revenue as per Financial Statements	8,929.26	16,878.82

(₹ in lakhs)

	Year Ended 31.03.2021	Year Ended 31.03.2020
(II) Segment Results (Rs. In lakhs) :		
a) Consumer Electronics Division	-225.15	-402.40
b) Wind Energy	4.28	119.52
Total Segment profit before interest and tax & before Exceptional Item	-220.87	-282.88
Less : i) Interest	578.29	702.98
ii) Other un-allocable expenditure net of un-allocable income	184.61	305.27
Total profit before exceptional Item and tax	-983.77	-1,291.13
Add : Exceptional Item	570.99	
Total profit before tax	-1,554.76	-1,291.13
Add:-Deferred Tax Income/(Expense)	413.65	-62.84
Net Profit/(Loss) as per Financial Statements	-1,141.11	-1,353.97

NOTES TO FINANCIAL STATEMENTS

(III) Other Informations (Rs.) :

(₹ in lakhs)

Particulars	Segment Assets	Segment Liabilities	Capital Expenditure	Depreciation & Amortisation
a) Consumer Electronics Division				
As at 31st March 2021	11,195.16	2,357.55	0.58	37.63
As at 31st March 2020	11,086.96	2,277.24	1.12	49.70
b) Wind Energy				
As at 31st March 2021	35.99	0.62	-	88.78
As at 31st March 2020	1,399.78	101.94	-	117.83
c) Unallocated Amounts				
As at 31st March 2021	2,539.98	7,061.39	0.68	25.08
As at 31st March 2020	2,241.02	6,853.73	11.98	32.49
Total as per Financial Statements				
As at 31st March 2021	13,771.13	9,419.56	1.26	151.49
As at 31st March 2020	14,727.76	9,232.91	13.10	200.02

GEOGRAPHICAL SEGMENTS:	Year Ended 31.03.2021 (₹ in lakhs)	Year Ended 31.03.2020 (₹ in lakhs)
Revenue from Operations :		
Domestic	8,868.83	16,789.70
Export	-	-
Total	8,868.83	16,789.70

Segments have been identified in line with the Ind AS 108 taking into account the organisation structure as well as the differential risks and return of these segments.

The Segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and allocated on a reasonable basis.

47 Disclosure under The Micro, Small and Medium Enterprises Development Act, 2006

The Company has sent letters to vendors to confirm whether they are covered under Micro, Small and Medium Enterprise Development Act 2006 as well as they have filed required memorandum with prescribed authority. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year end are furnished below:

Particulars	As at	
	(₹ in lakhs) March 31, 2021	(₹ in lakhs) March 31, 2020
The Principal amount remaining unpaid at the year end	53.45	83.37
The Interest amount remaining unpaid at the year end	16.01	4.73
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the year (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	-

NOTES TO FINANCIAL STATEMENTS

Particulars	As at	
	(₹ in lakhs) March 31, 2021	(₹ in lakhs) March 31, 2020
The amount of interest accrued and remaining unpaid at the year end	16.01	4.73
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act, 2006	16.01	4.73

- 48** In the opinion of the board, any of the assets other than property ,plant and equipment and non current investments have a value on realisation in the ordinary course of the business at least equal to the amount at which they are stated.
- 49** Pursuant to the Inventory Purchase Agreement entered by Suzlon Energy Limited for the purchase of WOEK (Wind Mills) on 22 December, 2020 from the company which has been approved by the Board in meeting held on 07.11.2020 and by Shareholders in Extra Ordinary General Meeting on dated 04.12.2020.The fixed assets of Wind Division of written down value Rs.1063.49 lakhs has been sold at Rs.492.50 lakhs and loss Rs.570.99 lakhs has been shown as an Exceptional Items.
- 50** The outbreak of Covid19 pandemic has caused significant disturbance and slow down of economic activity during the year which has impacted the Company's operations of the year. The Company continued to carry out the operation in the limited manner due to on going covid pandemic. The Company has conducted an assessment of the possible impact of the ongoing Covid-19 pandemic on its operations, liquidity position and recoverability of its asset balances as at 31st March, 2021 based on the internal and external information upto the date of approval of these financial statements. Since the situations are continuously evolving, the impact assessed may be different from the estimates made as at the date of approval of these financial statements and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.
- 51** Physical verification of inventories could not be done at year end due to conditions/restrictions of Covid 19. Physical verification of inventories has been done internally of selected items during the year and no material discrepancies were observed. Management has considered the inventories as per the stock records maintained by the Company.
- 52** The Company has inventories as at 31st March, 2021 of Rs. 4800.52 lakhs at cost. This includes old inventories under the process of identification of slow moving and non- moving against which provision of Rs.401.08 lakhs has been considered on estimation basis. The company has prepared a road map going forward to reduce the old inventory level on priority. The company has also sold old inventory during the year. The additional provision if any on inventories shall be accounted for at the time of disposal / realization.
- 53** Contingent liabilities of Rs.6027.80 lakhs related to Sales tax, Excise duty, Service tax and Income tax etc. against which amount deposited Rs.829.17 lakhs which are contested by the company and pending before various forums. However management believes that based on legal advice, the outcome of these contingencies will be favorable and that outflow of economic resources is not probable
- 54** The Company has material statutory dues recoverable of Sales tax of Rs. 349.21 lakhs and Income tax Rs.114.46 lakhs which have been considered good.
- 55** Deferred tax assets (net) Rs.2184.93 lakhs as at 31st March, 2021, as the management is confident for realization of the same based on the capital gain on disposal of property situated at Noida which has been approved by the Board in meeting held on 08th April 2021 and by the shareholders in Extra Ordinary General Meeting held on 14th May 2021 and also on the basis of future taxable business income.
- 56** The Code on Social Security 2020 has been notified in the Official Gazette on 29th September, 2020. The effective date is yet to be notified and the rules are yet to be framed. Impact if any, of the change will be assessed and accounted in the period in which said Code becomes effective and the rules framed thereunder are notified.

NOTES TO FINANCIAL STATEMENTS

57 Debtors , creditors,loans and advances are subject to confirmations except received of some parties.

58 Previous year figures have been re-grouped / re-arranged wherever considered necessary.

The accompanying notes (1-58) form an integral part of the financial statements.

For and on behalf of the Board

As per our seperate report of even date annexed.

For R Gopal & Associates

Chartered Accountants

Firm Reg No. 000846C

S K Agarwal

Partner

M.No: 093209

Tarun Jiwarajka

Whole Time Director & CFO

DIN No. 00386240

Gopal Sitaram Jiwarajka

Chairman & Managing Director

DIN: 00024325

Place : New Delhi

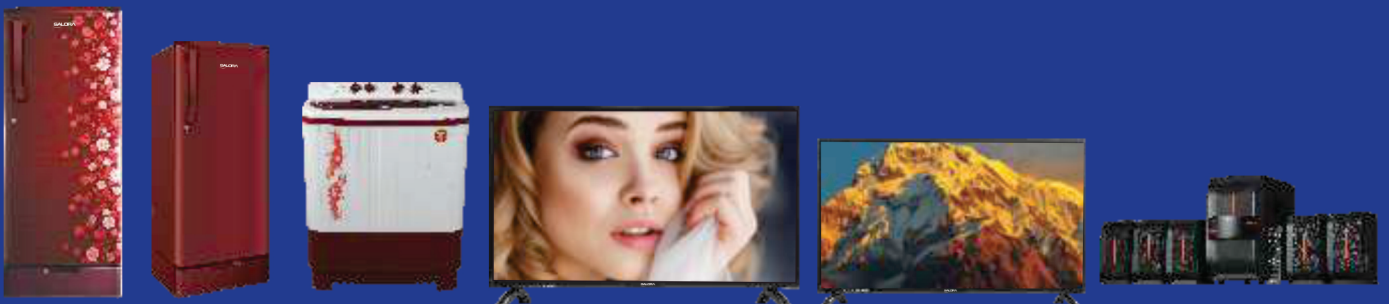
Date: 29.06.2021

Anubhav Nigam

Company Secretary

SALORA

Technology for Happiness



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