



TAPARIA TOOLS LTD.

AN ISO-9001 COMPANY



ANNUAL REPORT 2021-2022

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Company Information

BOARD OF DIRECTORS

H.N. Taparia
Chairman & Managing Director

Shri J.K. Taparia
Non-Executive Director

Shri D.P. Taparia
Non-Executive Director

Shri M.P. Taparia
Non-Executive Director

Shri Virendraa Bangur
Non-Executive Director

Shri G.S. Manasawala
Independent Director
(up to 21-10-2021)

Shri Rajeev J. Mundra
Independent Director

Shri Jugalkishore Ramchandra Jaju
Independent Director

Mrs. Disha Nitin Wadhwani
Independent Director

Mrs. Premlata Narendra Purohit
Independent Director

Shri Devendra Vyas
Independent Director

Shri Sachin Shrinivas Bhattad
Independent Director
(w.e.f. 19-01-2022)

Shri Sivaramakrishnan
Director – Operations

Key Managerial Personnel

Shri V. S. Datey
Company Secretary

Shri S.R. Bagad
Chief Financial Officer

BOARD COMMITTEES

Audit Committee

Shri Rajeev J. Mundra
(Chairman w.e.f. 29-06-2021)

Shri G.S. Manasawala
(Chairman up to 29-06-2021 and
Member up to 21-10-2021)

Shri Jugalkishore Ramchandra Jaju
(w.e.f. 29-06-2021)

Shri D.P. Taparia

Nomination and Remuneration Committee

Shri Rajeev J. Mundra
(Chairman w.e.f. 29-06-2021)

Shri G.S. Manasawala
(Chairman up to 29-06-2021 and
Member up to 21-10-2021)

Shri Jugalkishore Ramchandra Jaju
(w.e.f. 29-06-2021)

Shri D.P. Taparia

Shareholders Grievance Committee

Shri D.P. Taparia (Chairman)
Shri H.N. Taparia
Shri G.S. Manasawala
(up to 21-10-2021)
Shri Rajeev J. Mundra
(w.e.f. 19-01-2022)

Corporate Social Responsibility Committee

Shri H.N. Taparia (Chairman)
Shri D.P. Taparia
Shri Rajeev J. Mundra

BANKERS

HDFC Bank Ltd.
ICICI Bank Ltd.
Central Bank of India

STATUTORY AUDITOR

M/s. Harshil Shah & Company,
Chartered Accountants, Mumbai

SECRETARIAL AUDITOR

CS Sagar Khandelwal, Practicing
Company Secretary, Pune

REGISTRAR & TRANSFER AGENTS

Universal Capital Securities Pvt. Ltd.
C 101, 247 Park,
LBS Road, Vikhroli West,
Mumbai – 400083. Maharashtra
Tel: (022) 2820 7203-05
Email: info@unisec.in
Web Site: www.unisec.in

CORPORATE OFFICE

423/24, (A-2), Shah and Nahar,
Lower Parel (W),
Mumbai – 400 013, (Maharashtra).
Tele.: (91) (22) 24938646-50,
Fax : (91) (22) 24953230
E-Mail: hntaparia@tapariatools.com

PLANTS

1. 52 & 52B, MIDC Area, Satpur,
Nashik – 422 007 (Maharashtra)
2. Plot No.L-29, Cuncolim Industrial
Estate, Cuncolim - 403 703, (Goa)

REGISTERED OFFICE

52 & 52B, MIDC Area, Trimbak
Road, Satpur, Nashik – 422 007,
(Maharashtra).
Tele. : (0253) 2350317/318/418,
CIN: L99999MH1965PLC013392
E-Mail: nashik@tapariatools.com
Web Site: www.tapariatools.com

Notice

NOTICE is hereby given that 56th Annual General Meeting of the Shareholders of TAPARIA TOOLS LIMITED will be held on Friday, the 29th day of July, 2022 at 11.30 A.M. through Video Conferencing ("VC")/ Other Audio- Visual Means ("OAVM"), to transact the following business. The venue of the Meeting shall be deemed to be the Registered Office of the Company at 52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007:

AS ORDINARY BUSINESS:

1. ADOPTION OF FINANCIAL STATEMENTS, BOARD'S REPORT AND INDEPENDENT AUDITOR'S REPORT FOR THE FINANCIAL YEAR 2021-2022

To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022 and the Reports of the Board and Independent Auditor thereon and in this regard, to consider and if thought fit, to pass, with or without modifications(s), the following resolution as an Ordinary resolution:

"RESOLVED THAT the Audited Financial Statement of the Company for the Financial Year ended March 31, 2022 and the Reports of the Board and Auditors thereon laid before this Meeting, be and are hereby considered and adopted."

2. CONFIRMATION OF PAYMENT OF INTERIM DIVIDEND AND DECLARATION OF FINAL DIVIDEND ON EQUITY SHARES

To confirm the payment of Interim Dividends and to declare Final Dividend on the Ordinary Shares for the financial year ended March 31, 2022 and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolutions as an Ordinary Resolution:

"RESOLVED THAT the 1st Interim Dividend @ 700% (i.e. Rs. 70.00 per share) and 2nd Interim Dividend @ 500% (i.e. Rs. 50.00 per share) on 30,35,750 Equity Shares of Rs. 10/- each paid to the shareholders for the financial year ended March 31, 2022, as per the resolutions passed by the Board of Directors, be and are hereby noted and confirmed."

"RESOLVED FURTHER THAT in terms of the recommendation of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby granted for payment of Final Dividend @ 525% (i.e. Rs. 52.50 per share) on 30,35,750 Equity Shares of Rs.10/- each fully paid up for the year ended March 31, 2022."

3. RE-APPOINTMENT OF SHRI M.P. TAPARIA (DIN 00126971) AS A DIRECTOR, WHO RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT

To appoint Shri M.P. Taparia (DIN 00126971), who retires by rotation as a Director and being eligible, offers himself for re-appointment as a Director and in this regard, to consider and pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Shri M.P. Taparia (DIN 00126971), who retires by rotation at this Meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

AS SPECIAL BUSINESS:**4. RE-APPOINTMENT OF SMT. PREMLATA PUROHIT (DIN: 07846020) AS AN INDEPENDENT DIRECTOR:**

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

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, recommendations and approvals of the nomination and remuneration committee, and that of the Board, Smt. Premlata Purohit (DIN: 07846020), who was appointed as an Independent Director and who holds office as an Independent Director till the conclusion of this meeting and being eligible, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation for a second term of 1 (one) consecutive year from the conclusion of this Annual General Meeting till the conclusion of the 57th Annual General Meeting to be held in the calendar year 2023”.

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

5. RE-APPOINTMENT OF SHRI SIVARAMAKRISHNAN (DIN 06436717) AS A WHOLE-TIME DIRECTOR, DESIGNATED AS DIRECTOR - OPERATIONS OF THE COMPANY, FOR A FURTHER PERIOD OF 5 (FIVE) YEARS FROM THE EXPIRY OF HIS PRESENT TERM OF OFFICE, THAT IS, WITH EFFECT FROM 3RD NOVEMBER 2022.

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

“RESOLVED that in accordance with the provisions of Sections 196, 197, and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re-appoint Shri Sivaramakrishnan (DIN 06436717) as a Whole-time Director, designated as Director - Operations of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from 3rd November 2022 on the terms and conditions including remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and /or remuneration as it may deem fit;

“RESOLVED FURTHER THAT the remuneration payable to Shri Sivaramakrishnan shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

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

By order of the Board
For TAPARIA TOOLS LTD.

V. S. Datey

Company Secretary

Nashik, 30th May 2022

Registered office:

52 and 52B, MIDC Area,
Trimbak Road, Satpur,
Nashik – 422 007 (Maharashtra)
CIN: L99999MH1965PLC013392
E-mail: secretarial@tapariatools.com

Notes:

1. In view of the continuing restrictions on the movement of persons at several places in the country, due to outbreak of Covid-19, the Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 20/2020 dated 05-05-2020, 02/2021 dated 13-01-2021, 19/2021 dated 08-12-2021, 21/2021 dated 14-12-2021 and 2/2022 dated 05-05-2022 has allowed the Companies to conduct the AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) up to 30th December 2022. In accordance with the said Circulars of MCA, SEBI and applicable provisions of the Act and as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), the Annual General Meeting of the Company shall be conducted through VC/OAVM. Central Depository Services (India) Limited ('CDSL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained in Annexure II to the Notice and is also available on the website of the Company at www.tapariatools.com
2. As the AGM shall be conducted through VC/OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Institutional/Corporate Members are requested to send a scanned copy (PDF/JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Companies Act, 2013, at secretarial@tapariatools.com
4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. In accordance with, the General Circulars dated 5th May, 2020, dated 13th January, 2021 and Circular dated 5th May 2022 issued by MCA, and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CED/CMD2/CIR/P/2022/62 dated 13th May 2022 issued by SEBI, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Board's Report, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice and Annual Report 2021-2022 will also be available on the Company's website www.tapariatools.com and website of BSE Limited at www.bseindia.com.
6. Members holding shares in physical mode and who have not updated their e-mail addresses with the Company are requested to update their e-mail addresses by writing to the Company at secretarial@tapariatools.com along with the copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Driving License, Election Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialised mode are requested to register/ update their e-mail addresses with the relevant Depository Participants. In case of any queries/difficulties in registering the e-mail address, Members may write to secretarial@tapariatools.com
7. In terms of Section 152 of the Act, Shri M.P. Taparia, Director retires by rotation at the Meeting and being eligible, offers himself for re-appointment.

Shri M.P. Taparia, Director is interested in the Special Resolution set out at Item No. 3 of the Notice with regard to his re-appointment. Shri H.N. Taparia, Chairman & Managing Director, Shri J.K. Taparia, Director and Shri D.P. Taparia, Director, being related to Shri M.P. Taparia, may be deemed to be interested in the resolution set out at item No. 3 of the Notice. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under item No. 3 of the Notice.

8. Details of Director/s retiring by rotation / seeking appointment / re-appointment at the ensuing meeting are provided in the "Annexure I" to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at this meeting.
10. Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days, (i.e. except Saturdays and public holidays) during business hours up to the date of the Meeting.
11. The Company has notified closure of Register of Members and Share Transfer Books from Saturday, 23rd day of July, 2022 to Friday, 29th day of July, 2022 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
12. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company / RTA.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / RTA.
14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company in Form SH-13. Members may fill up Form SH-14 for Cancellation or Variation of Nomination. These Forms can be downloaded from the Company's website www.tapariatools.com under the section 'Investor Relations'.
15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
16. The Members whose dividend/shares as transferred to the IEPF Authority can claim their shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority <http://iepf.gov.in/IEPF/refund.html>.
17. Non-Resident Indian Members are requested to inform RTA, immediately of
 - (a) Change in their residential status on return to India for permanent settlement.
 - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
18. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

Statement Pursuant to Section 102(1) of the Companies Act, 2013 ("the Act")

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item No. 4

Re-appointment of Mrs. Premlata Narendra Purohit (DIN: 07846020) as Independent Director

Mrs. Premlata Narendra Purohit (DIN: 07846020) was appointed as an Independent Director of the Company and she holds office as an Independent Director of the Company till the conclusion of this meeting ("first term").

The Board, based on the performance evaluation and as per the recommendation of the Nomination & Remuneration Committee, considers that, given her background and experience and contributions made by during her tenure, the continued association of Mrs. Premlata Narendra Purohit would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, it is proposed to re-appoint Mrs. Premlata Narendra Purohit as an Independent Director of the Company, not liable to retire by rotation, for a term of 1 (one) year on the Board of the Company.

Mrs. Premlata Narendra Purohit is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

The Company has also received declaration from Mrs. Premlata Narendra Purohit that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mrs. Premlata Narendra Purohit is independent of the management.

Details of Mrs. Premlata Narendra Purohit are provided in the "Annexure I" to the Notice. She will be paid remuneration by way of Sitting Fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Meetings.

Copy of the draft letter of appointment of Mrs. Premlata Narendra Purohit setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

Mrs. Premlata Narendra Purohit is interested in the resolution set out at Item No. 4 of the Notice with regard to her re-appointment. Relatives of Mrs. Premlata Narendra Purohit may be deemed to be interested in the resolution to the extent of her shareholding interest, if any, in the Company. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / her relatives is, in any way, concerned or interested, financially or otherwise, in the resolution.

This statement may also be regarded as an appropriate disclosure under the Act and the Listing Regulations.

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

Item No. 5

Re-appointment of Shri Shri Sivaramakrishnan (DIN: 06436717) as a Whole-time Director, designated as Director-Operations.

The Board of Directors of the Company ("the Board") at its meeting held on May 30, 2022 has, subject to approval of members, re-appointed Shri Sivaramakrishnan (DIN: 06436717) as a Whole-time Director, designated as Director-Operations, for a further period of 5 (five) years from the expiry of his present term, that is, November 3, 2022, on terms and conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Shri Sivaramakrishnan as a Whole-time Director, designated as Director-Operations of the Company, in terms of the applicable provisions of the Act.

Broad particulars of the terms of re-appointment of and remuneration payable to Shri Sivaramakrishnan are as under:

A) The Existing ceiling limit of remuneration and perquisites payable to him are as under:

I) REMUNERATION

The ceiling limit of remuneration payable to Shri Shri Sivaramakrishnan Director - Operations be remained same as per existing limit of Rs. 3,00,000/- per month plus existing perquisites as under:

II) PERQUISITES

1) Medical Reimbursement:

Expenses incurred for himself and his family, up to a maximum of Rs. 15,000/- per annum.

2) Leave and Leave Travel Allowance:

Leave as per rules of the Company including encashment of leave. Leave Travel Concession for self and family, once in a year, incurred in accordance with the rules of the Company, restricted to a maximum of Rs. 12,000/- per annum.

3) Other Payments and Provisions will be as under:

a) Contribution towards Provident Fund

Contribution towards Provident Fund will be as per present rules of the Company, which may be modified by discussion. Contribution to Provident Fund will not be included in the computation of the ceiling limit on perquisites to the extent these either singly or put together are not taxable under the Income Tax Act.

b) Gratuity

Gratuity shall be payable as per the Provisions of the Gratuity Act, 1972 and Rules made there under.

c) Encashment of Leave

Encashment of Leave shall be at the time of tenure or at the end of tenure.

d) Car

A car will be provided by the Company. The use of Company's car for business purposes will not be considered as a perquisite.

e) Telephone

Provision of telephone at residence will not be considered as perquisite but personal long distance calls shall not be paid by the Company.

B) General

- i) The whole-time Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and directions given by the Board / Managing Director from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board / Managing Director and the functions of the Whole-time Director will be under the overall authority of the Managing Director.
- ii) The Whole-time Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- iii) The Whole-time Director shall adhere to the Company's Code of Conduct.
- iv) The office of the Whole-time Director may be terminated by the Company or by him by giving the other 3 (three) months' prior notice in writing.

Shri Sivaramakrishnan has attended age of sixty five years on 15-09-2021. Shri Sivaramakrishnan has rich and varied experience in Operations and Management and has been involved in the operations of the

Company. It would be in the interest of the Company to continue to avail of his considerable expertise and to re-appoint Shri Sivaramakrishnan as a Whole-time Director. Accordingly, approval of the members is sought for passing a Special Resolution for re-appointment of Shri Sivaramakrishnan as a Whole-time Director, as set out in Part-I of Schedule V to the Act 2013 as also sub-section (3) of Section 196 of the Act.

Save and except as provided in the foregoing paragraph, Shri Sivaramakrishnan satisfies all the other conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section (3) of Section 196 of the Act for being eligible for his re-appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as written memorandum setting out the terms of re-appointment of Shri Sivaramakrishnan under Section 190 of the Act.

Details of Shri Sivaramakrishnan are provided in the "Annexure I" to the Notice pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

Shri Sivaramakrishnan is interested in the resolution set out at Item No. 5 of the Notice.

The relatives of Shri Sivaramakrishnan may be deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in the aforementioned resolution.

The Board commends the Ordinary Resolution set out at item No. 5 of the Notice for approval by the Members.

*Annexure I***Details of the directors seeking Appointment / Re-appointment in the forthcoming Annual General Meeting****[In pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015]**

Particulars	Shri M.P. Taparia	Mrs. Premalata Narendra Purohit (DIN: 07846020)	Shri Sivaramakrishnan (DIN: 06436717)
Date of Birth	19.10.1947	15.08.1985	15-09-1956
Qualifications	Graduate in Commerce	Chartered Accountant & Company Secretary	DME (Mechanical Engg.), NFC (Production Engineering and Industrial Engineering)
Experience (including expertise in Specific functional area)	Sales Management	Taxation, Finance and related matters.	Industrial Engineering, Operations, Management
Date of Appointment/ Re- appointment	27-09-2019	27-06-2017	03-11-2017
Relationship with other Directors / Key Managerial Personnel	Relative of Shri H.N. Taparia Relative of Shri J.K. Taparia Relative of Shri D.P. Taparia	N.A.	N.A.
Shareholding in the Company as on March, 31, 2022	1,43,565	Nil	Nil

Annexure 'II'

CDSL e-Voting System – For e-voting and Joining Virtual meetings

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM/EGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the EGM/AGM will be provided by CDSL.
3. The Members can join the EGM/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 EGM/AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/EGM has been uploaded on the website of the Company at www.tapariatools.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM/EGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e. www.evotingindia.com.
7. The AGM/EGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
8. In continuation of this Ministry's **General Circular No. 20/2020**, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA circular no. 02/2021 dated January,13,2021.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- Step 1 :** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

- (i) The voting period begins on 26th July 2022 at 9.00 AM and ends on 28th July 2022 till 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd July 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular **No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular **no. SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin . The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

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

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

For Physical shareholders and other than individual shareholders holding shares in Demat.

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name>(i.e.Taparia Tools Limited) on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address i.e.: secretarial@tapariatools.com (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

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

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

Board's Report

To the Members of Taparia Tools Limited,

Your Directors have pleasure in presenting the 56th Annual Report on the operations of the Company together with the Audited Financial Statements for the year ended March 31, 2022.

FINANCIAL PERFORMANCE (as per Ind AS)

(₹ in Lakh)

	2021-2022	2020-2021
Revenue (Net)	66949.85	53775.00
Profit before interest and depreciation	8926.47	6630.69
Less : Interest	11.34	20.05
Gross Profit	8915.12	6610.64
Less : Depreciation	176.30	166.68
Profit for the year before tax	8738.82	6443.96
Less : Provision for taxation		
Current Tax	2216.60	1661.83
Excess Tax Provision for earlier years written back	0	(53.41)
Deferred Tax	13.21	1.95
Profit after tax	6509.01	4833.59
Other Comprehensive Income		
Defined benefit Gain on Remeasurements of the plans	66.95	40.54
Income Tax effect	(16.85)	(10.20)
Other comprehensive Income, net of tax	50.10	30.34
Total comprehensive Income for the year, net of Tax	6559.11	4863.93
Appropriations		
Less : Transferred to General Reserve	655.91	-
Distributable Profit	5903.20	-
1st Interim Dividend (paid)	2125.02	-
2nd Interim Dividend (paid)	1517.88	-
Final Dividend (proposed)	1593.77	-

DIVIDEND

Your Directors are pleased to recommend a final Dividend of Rs. 52.50 per equity share of face value of Rs. 10/- amounting to Rs. 15,93,76,875/- for the year ended 31st March, 2022. The 1st Interim Dividend of Rs.70.00 per share amounting to Rs. 21,25,02,500/- was paid on 17th January, 2022 and the 2nd Interim Dividend of Rs. 50.00 per share amounting to Rs. 15,17,87,500/- was paid on 10th March, 2022. The total Dividend for the financial year ended 31st March, 2022 will be Rs. 52,36,66,875/- (Rs. 172.50 per share of face value of Rs.10/- each).

REVIEW OF OPERATIONS

The Company's working during the year is satisfactory. The Company's total Revenue was Rs. 66,949.85 Lakh that represents an increase of 24.50% over Rs. 53,775.00 Lakh in the previous year. The Profit earned after tax is Rs. 6509.01 Lakh in the current year represents an increase of 34.66% against Rs. 4833.59 Lakh in the previous year.

Despite of an economic recession gripped global economy following the lockdowns due to COVID-19 pandemic; the current results of the Company are much better than earlier years.

CORPORATE GOVERNANCE

Your Company is committed to follow the best practices of Corporate Governance and the Board is responsible to ensure the same, from time to time.

Your Company has duly complied with the Corporate Governance requirements as set out under Chapter IV of the SEBI Listing Regulations, from time to time and the Secretarial Auditor of the Company, vide his Certificate dated 25th May 2022, has confirmed that the Company is and has been compliant with the conditions stipulated in the Chapter IV of the SEBI Listing Regulations. The said Certificate is annexed as Annexure 'D' to this Report.

It has been the endeavor of your Company to follow and implement best practices in corporate governance, in letter and spirit. A report on Corporate Governance together with a Certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report is attached.

LISTING INFORMATION

The equity shares of the company are listed on the Bombay Stock Exchange. The listing fees for the year 2022-2023 have been paid to BSE.

DEMATERIALIZATION OF SHARES

Since the initiation of the dematerialization of shares of the Promoter and Promoter group, they have dematerialized 75.83% of their shareholding as on date. The Promoters and Promoter Group have finished the dematerialization of their shareholding whatever has been possible.

PUBLIC DEPOSITS

During the financial year 2021-2022, the Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 ("the Act") read together with the Companies (Acceptance of Deposits) Rules, 2014.

There are no unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2022.

LOANS, GUARANTEES AND INVESTMENT

During the financial year 2021-2022, the Company has not given any guarantee for loans taken by others from banks or other financial institutions. The Company has not taken any Term Loan.

During the financial year 2021-2022, the Company invested surplus fund generated from its operating activities in the Plans of HDFC MUTUAL FUND. The balance as on 31st March 2022 was Rs. 3708.37 lakh.

MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis Report for the year under review as stipulated under the Listing Regulations and Master Circular - Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 is presented in a separate section forming part of this Annual Report.

HUMAN RESOURCE DEVELOPMENT

The motivated and engaging workforce which has served the Company for more than five decades lies at the very foundation of the company's major achievements and shall well continue for the years to come.

The Company has been taking honest efforts in training of individuals, providing them new and earnest opportunities in brushing developing and polishing skills that are beneficial for the employees as well as the Organisation as a whole.

The Company's focus on retention through employee engagement initiatives and providing a holistic environment, gathers opportunities for employees to realize their potential. Company's performance driven culture helps and motivates employees to excel in their respective areas and progress within the organization.

The company has always recognized talent and has judiciously followed the principle of rewarding performance.

CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board is sad to inform the Members that Shri G.S. Manasawala, Independent Director, passed away in October 2021. The Board wishes to place on record its appreciation for the valuable contribution made by him during his long tenure as a Director of the Company.

Shri M.P Taparia (DIN: 00126971), Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Brief profile of Shri M.P Taparia is given in the Annexure 'I' to the Notice.

It is proposed to re-appoint Smt. Premalata Purohit (DIN: 07846020), as an Independent Director of the company, to hold office for a term of 1 (one) year till the conclusion of the 57th Annual General Meeting to be held in the calendar year 2023.

Pursuant to the recommendation of the Nomination and Remuneration Committee, Shri Sivaramakrishnan (DIN 06436717) was reappointed by the Board of Directors, subject to the approval of the shareholders, as the as a Whole-time Director, designated as Director - Operations of the Company, on May 30, 2022 for a further period of 5 (five) years with effect from November 3, 2022.

Brief profile of these Directors is given in the Annexure 'I' to the Notice.

During the year, the Independent directors of the Company had no pecuniary relationship or transactions with the Company.

KEY MANAGERIAL PERSONNEL

During the year, there was no change in the Key Managerial Personnel.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and based on the information and representations received from the operating management, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- (a) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- (b) that such accounting policies as mentioned in Notes to the annual accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,

2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) that the annual accounts have been prepared on a going concern basis;
- (e) that proper internal financial controls are in place and that the internal financial controls are adequate and are operating effectively;
- (f) that proper systems to ensure compliance with the provisions of all applicable laws are in place and that such systems are adequate and operating effectively.

INDEPENDENT DIRECTORS' DECLARATION

The Company has received necessary declaration from each of the independent directors, under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

ANNUAL EVALUATION OF THE BOARD AND BOARD COMMITTEES

The Board carried out an annual evaluation of its own performance, of the Independent Directors individually as well as of the working of the Committees of the Board. The evaluation of performance of the Board and its Committees, Independent Directors, Non-Independent Directors and Chairperson carried out by the Board was found to be highly satisfactory. The Board also noted that all the Independent Directors of the Company are fulfilling the criteria of their independence as per the provisions of section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI (LODR) Regulations, 2015.

RELATED PARTY TRANSACTIONS

The company has formulated a policy on Related Party Transactions for purpose of identification and monitoring of such transactions. There were no materially significant Related Party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the company at large.

There were no contracts or arrangements entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013 which require reporting in Form AOC - 2 pursuant to Section 134 (3) (h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. (Annexure 'E').

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has in place Internal Control Systems, commensurate with the size and complexity of its operations to ensure proper recording of financial and operational information, compliance of various internal controls and other regulatory and statutory compliance. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

On the basis of good internal control company ensures:

- Orderly and efficient conduct of operations
- Security of its assets
- Prevention of frauds and errors
- Reliable and accurate of financial records

PARTICULARS OF EMPLOYEES

The Information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed herewith as Annexure 'A'.

MEETINGS OF THE BOARD

Six meetings of the Board of Directors were held during the year. For further details of the meetings, please refer to the Corporate Governance Report, which forms part of this report.

AUDIT COMMITTEE

The composition, terms of reference, meetings held, etc. of the Audit Committee is provided in Corporate Governance Report which forms part of this Annual Report.

There have been no instances of non-acceptance of any recommendations of the Audit Committee by the Board during the financial year under review.

NOMINATION AND REMUNERATION COMMITTEE

The composition, terms of reference etc. of the Nomination and Remuneration Committee is provided in the Corporate Governance Report which forms part of this Annual Report.

AUDITORS AND AUDITORS' REPORT

Statutory Auditor

M/s. Harshil Shah & Company, Chartered Accountants, Mumbai (Reg. No. 141179W) were appointed as Statutory Auditors of the Company, for a term of 5 (five) consecutive

years, at the annual General Meeting held on 27th September 2019.

The Company has received the confirmation from Statutory Auditor stating that they are not disqualified from continuing as auditors of the Company.

Auditor's Report

There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditor in their Report for the year under review.

Also, no frauds in terms of the provisions of Section 143(12) of the Companies Act, 2013, have been reported by the Statutory Auditor in their report for the year under review.

The Notes to the Financial Statements are self-explanatory and do not call for any further comments.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed CS Sagar R. Khandelwal, Practicing Company Secretary, to conduct Secretarial Audit for the F.Y. 2021-2022.

Secretarial Auditor's Report

The Secretarial Audit Report for the Financial Year ended March 31, 2022 is annexed as Annexure 'D' to the Report.

Cost Audit

The maintenance of cost records is not applicable to the Company as per the amended Companies (Cost Records and Audit) Rules, 2014, prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.

Internal Financial Controls Audit

The Board has laid down Internal Financial Controls within the meaning of the explanation to Section 134 (5) (e) ("IFC") of the Companies Act, 2013. The Board believes the Company has sound IFC commensurate with the nature and size of its business. Business is however dynamic. The Board is seized of the fact that IFC are not static and are in fact a fluid set of tools which evolve over time as the business, technology and fraud environment changes in response to competition, industry practices, legislation, regulation and current economic conditions. There will therefore be gaps in the IFC as Business evolves. The Company has a process in

place to continuously identify such gaps and implement newer and or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

Details of Internal Financial Control and its adequacy are included as an Annexure 'B' to the Independent Auditor's Report.

RISK MANAGEMENT

The Board of the Company has framed a risk management policy and monitors the risk management plan for the Company. The Board reviews the risk management plan and ensuring its effectiveness.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of the Company has constituted a CSR Committee. CSR Committee of the Board has developed a CSR Policy which is enclosed as part of this report Annexure 'B'. Additionally, the CSR Policy has been uploaded on the website of the Company at www.tapariatools.com. In terms of section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of the Company has constituted a CSR Committee. CSR Committee of the Board has developed a CSR Policy which is enclosed as part of this report Annexure 'B'. Additionally, the CSR Policy has been uploaded on the website of the Company at www.tapariatools.com.

ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed under section 134(3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given in the Annexure 'C' and forms part of this Report.

VIGIL MECHANISM

In pursuance to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.tapariatools.com

DISCLOSURES UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL)

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules

made there under, the Company formulated an internal policy on Sexual Harassment at Workplace (Prevention, Prohibition and Redressal) during the year under review.

The policy aims at educating employees on conduct that constitutes sexual harassment, ways and means to prevent occurrence of any such incident, and the mechanism for dealing with such incident in the unlikely event of its occurrence. A Sexual Harassment Committee has been constituted in accordance with the Act.

The Sexual Harassment Committee is responsible for redressal of complaints related to sexual harassment of women at the workplace in accordance with procedures, regulations and guidelines provided in the Policy.

During the year, as per the Report received from the Chairperson of the Sexual Harassment Committee, One complaint was received on 16th September 2021 and the Committee has taken necessary action on it.

ANNUAL RETURN

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at the web site of the Company at www.tapariatools.com.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There are no significant or material orders passed by the Regulators/ Courts/ Tribunals which could impact the going concern status of the Company and its future operations.

RESULT ON THE APPEAL FILED AT SECURITIES APPELLATE TRIBUNAL, MUMBAI, AGAINST THE ORDER DATED 26TH JUNE 2019 RECEIVED FROM SEBI

The Company had filed an Appeal on 13th August 2019 at Securities Appellate Tribunal (SAT) Mumbai against the Order dated 26th June 2019 received from SEBI confirming the directions issued by SEBI vide Interim Order dated 20th May 2015, regarding the matter of not comply with the Minimum Public Shareholding requirement (i.e. MPS requirement). However, the Company contended that 30.28% shares were held by public which was much above the requirement of 25%

of public shareholding as stipulated under rules 19(2)(b) and 19A of the SCRR.

On 09.11.2021 decision on appeal filed by Company was given by Hon. SECURITIES APPELLATE TRIBUNAL, Mumbai after hearing both the sides. Accordingly, the impugned order passed by the WTM dated 26th June, 2019 as well as the interim order dated 20th May, 2015 could not be sustained and were quashed and the appeals were allowed. Misc. application no. 432 of 2019 was also disposed of.

OTHER DISCLOSURES

- There were no material changes and commitments affecting the financial position of your Company between end of the financial year and the date of this report.
- Your Company has not issued any equity shares or shares with differential voting rights during the financial year.
- Your Company did not issue any sweat equity shares, debentures or bonds during the year.
- For expansion of business, company has initiated and started plant at Valvada Gujarat State) which is under construction.

ACKNOWLEDGEMENT

We take this opportunity to express sincere appreciation for the cooperation and assistance of Central and State Government authorities, bankers, customers, suppliers and business associates. We also wish to place on record our sincere appreciation for the committed services by each and every employee of the Company in driving the growth of the Company. We acknowledge with gratitude the encouragement and support extended by our valued shareholders.

For and on behalf of the Board of Directors

H.N. Taparia

Chairman & Managing Director
(DIN: 00126774)

Nashik, 30th May 2022

Annexure 'A' to the Board's Report

Information required pursuant to Section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Name	Ratio
Shri H.N. Taparia	N.A.
Shri Sivaramakrishnan	5.38 times

Note: Median remuneration of the Company for all its employees is Rs.4,48,580/- p.a. for the financial year 2021-2022.

- B. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year:

Name	Percentage
Shri H.N. Taparia (Chairman and Managing Director)	No remuneration was paid
Shri Sivaramakrishnan (Director - Operations)	9.69
Shri S.R. Bagad (Chief Financial Officer)	11.41
Shri V. S. Datey (Company Secretary)	1.92

- C. Percentage increase in the median remuneration of all employees in the financial year 2021-2022:

	2021-2022	2020-2021	Increase (%)
Median remuneration of all employees per annum	Rs.4,48,580	Rs.4,34,262	3.30

- D. Number of permanent employees on the role of the Company as on 31st March, 2022: 313 Nos.

- E. Explanation on the relationship between average increase in remuneration and Company Performance:

The remuneration is based on the Company's performance and also includes various other factors like individual performance, experience, skill sets, academic background, industry trend, economic situation and future growth prospects etc. All these factors are considered appropriately for revision of remuneration.

- F. Comparison of the remuneration of the Key Managerial Personnel against the performance of your Company:

- G. Details of Share price and market capitalization:

Year	Market Price Per Share (₹)	Earnings Per Share (₹)	P/E Ratio	Market Capitalization (₹ in Lakh)	Percent Change
2022	11.02	214.41	-	3345	21.68
2021	90.55	159.22	0.57	2749	15.70

- H. Comparison of average percentage increase in salary of employees other than the key managerial personnel and the percentage increase in the key managerial remuneration:

There has been an increase in the remuneration payable to Executive Director, Chief Financial Officer and Company Secretary and other employees (Refer Note B & C)

I. Key parameters for the variable component of remuneration paid to the Directors:

During the year, no variable remuneration was paid to the Director during the year, except variable dearness allowance.

J. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company

K. Affirmation:

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Annexure 'B' to the Board's Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-2022

Annexure II

1. Brief outline on CSR policy of the Company :

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Companies (Corporate Social Responsibility) Rules, 2014 and the various notifications/circulars issued by the Ministry of Corporate Affairs. In the F.Y. year 2021-2022 the Company has contributed an amount of Rs. 91.02 Lakh towards the corpus of various trusts (which are the implementing agency engaged in activities specified in Schedule VII of the Companies Act 2013). The CSR policy in compliance with the aforesaid provisions is placed on the Company's website at www.tapariatools.com.

2. Composition of the CSR Committee:

Sl. No.	Name of the Director	Designation / Role in Committee	Designation / Nature of Directorship	Number of meetings of CSR Committee held	Number of meetings of CSR Committee attended during the year
1	Shri H.N.Taparia	Chairman	Chairman & Managing Director	1	1
2	Shri D.P.Taparia	Member	Non-Executive Director	1	1
3	Shri Rajeev J. Mundra	Member	Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company : **www.tapariatools.com**
4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) : **Not applicable**
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any : **Not applicable**
6. Average net profit of the Company as per section 135(5) : **Rs.4,731.76 Lakh.**
7. (a) Two per cent of average net profit of the company as per section 135(5) : **Rs.94.64 Lakh.**
- (b) Surplus arising out of the CSR projects/Programmes or activities of the previous financial years : **Rs. 4.96 lakh.**
- (c) Amount required to be set off for the financial year: **Rs. 3.62 Lakh.**
- (d) Total CSR obligation for the financial year : **Rs.94.64 Lakh.**
8. (a) CSR amount spent for the financial year: **Rs.91.02 Lakh.**
- (b) Details of CSR amount spent against ongoing projects for the financial year : **Not Applicable**

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

Sr. No.	Name of the Project	Items from the List of Activities in Schedule VII to the Act	Local Area (Yes /No.)	Location of the Projects- State / District	Amount Spent for the Project (in Rupees)	Mode of Implementation on Direct (Yes / No)	Mode of Implementation through Implementing Agency Name	CSR Regn. No.
1.	Medical Relief and Education	Medical Relief and Education	No	Rajasthan	15,25,000	No	JAGANNATH TAPARIA MEMORIAL TRUST	CSR00026108
2	Computer training for urban and rural Deaf for employment	Computer training for urban and rural Deaf for employment	No	Indore, M.P.	25,000	No	DEAF ENABLED FOUNDATION, 2nd Floor, 209, City Plaza, 564, M.G. Road, Indore - 452001 (M.P.)	CSR00003268
3	Animal Welfare	Animal Welfare	No	Nagour, Rajasthan	2,00,000	No	SHREE KRISHAN GOPAL GAU SADAN SAMITI, Dabri Road, Jaswantgarh - 341 304, Dist. Nagour, Rajasthan	CSR00006959
4	Upliftment of the underprivileged rural and tribal masses in India	Upliftment of the underprivileged rural and tribal masses in India	No.	Kolkata	50,000	No	FRIENDS OF TRIBAL SOCIETY, Ekal Bhawan, 123/A, Harish Mukherjee Road, Kolkata - 700 026	CSR00001898
5	Education	Education	No	Pune	36,00,000	No	MAHARSHI VEDAVYAS PRATISHTAN, Dharmashri Manasar Apts. Pune Vidyapeet Marg, Pune	CSR00002814
6	Animal Welfare	Animal Welfare	No.	Nagour, Rajasthan	1,02,000	No	SHREE KRISHAN GOPAL GAU SADAN SAMITI, Dabri Road, Jaswantgarh - 341 304, Dist. Nagour, Rajasthan	CSR00006959
7	Animal welfare, education, Food	Animal welfare, education, Food	No	Mathura, U.P.	25,00,000	No	ANAND VRINDABAN CHARITABLE TRUST, Moti Jheel, Vrindaban, Mathura 281121 UP.	CSR00018850
8	School Building in the Tribal Area	School Building in the Tribal Area	Yes	Nashik, Maharashtra	2,00,000	No	LIONS CLUB OF NASIK STAR, 164, Smruti Kamathwade, Ambad Link Road, DGP Nagar, Nashik - 422 010	CSR00012221
9	Promoting Education	Promoting Education	Yes	Nashik, Maharashtra	2,00,000	No	KALYANKARI PRATISHTHAN, Maherghar Mangal Karyalaya, Khutvad Nagar, Behind ITI-Satpur, Nashik - 422008	CSR00012609
10	infrastructure Development for School in Rural Area	infrastructure Development for School in Rural Area	Yes	Nashik, Maharashtra	2,00,000	No	NASIK ROTARY CHARITABLE TRUST, Rotary Community Hall, Off. Ganjamal Bus Stop, Nashik - 422 001	CSR00008686
11	Rural Development	Rural Development	No.	Dist. Nagour, Rajasthan	3,00,000	No	SURJUDEVI LADURAM TAPARIA CHARITABLE TRUST, Vastushilp, Near Ganga Jamuna Cinema, 1st Floor, Gamadia Colony, Road, Tardeo, Mumbai - 400 007	CSR00011707

12	Promoting Education	Promoting Education	Yes	Nashik, Maharashtra	2,00,000	No	UNNATI EDUCATION SOCIETY, 4514, Peth Road, Panchvati, Nashik - 422 003	CSR00026383
		TOTAL			91,02,000			

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment: **Impact Assessment - Not applicable**

(f) Total amount spent for the Financial Year: ₹ **91.02 Lakh**

(g) Excess amount set off , if any

SL. No.	Particulars	Amount
(i)	Two per cent of average net profit of the company as per section 135(5)	Rs 94.64 Lakh
(ii)	Total amount spent for the Financial Year 2021-2022	Rs. 91.02 Lakh
(iii)	Short fall at the end of the Year	Rs. 3.62 Lakh
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial years, if any	Rs. 4.94 Lakh
(v)	Amount available for set off in succeeding Financial years [(iv)-(iii)]	Rs. 1.02 Lakh

9. Details of Unspent CSR amount for the preceding three financial year: **Not applicable**

10. Creation or acquisition of capital asset: **Not applicable**

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

Annexure 'C' to the Board's Report

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 and forming part of Board's Report for the year ended March 31, 2022

A) CONSERVATION OF ENERGY

i) The steps taken or impact on conservation of energy

Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques like:

- a) By scheduling of working hours and adjusting the paid holidays, the Company has managed to save electrical unit consumption and electricity bill. This helps for continuous working of plants and reduces wastage of energy.
- b) In broaching machines, hydraulic system is replaced by servo based electrical actuator system to reduce electrical power consumption by 80%.

ii) The steps taken by the company for utilizing alternate sources of energy

The company has brought pollution free 200 KW Induction Heating Machines for blank heating in Forging as a replacement of Oil fired Furnaces. It will help Company to maintain the clean environment.

3. Low Cost automations-

Company has retrofitted existing manual feed drilling machines of Adjustable handle manufacturing line with servo controlled feed.

The following new products have been introduced during the year 2020-2022

- Plumber Tool Kit
- Hexagonal Screw Driver (2 In 1) (Professional Range)
- Vde Combination, Long Nose, Side Cutting and End Wire Stripping Pliers
- Torque Wrenches Ratchet Type
- Pipe Wrench (Stillson Type)
- Bucket Grease Pump With or Without Trolley
- Masonry Drill Sets
- Allen Keys - Black Finish
- Smoothing Plane, Jack Plane, Fore Plane
- Velcro Disc - Gold Series 125 mm
- Cup Wheel - Segmented Cut 80mm, Turbo Cut80 mm and Continuous Cut 80mm

B) TECHNOLOGY ABSORPTION

i) The efforts made towards technology absorption

1. Company has introduced a new technology in Broaching process of Pliers as well as Adjustable Spanners. Instead of traditional hydraulic presses used for broaching, company has implemented servo actuators, which are highly energy efficient and noiseless process.
2. Company has brought following machines during 2020-2022:
 - a. Induction blank heating machine for forging (As a replacement of Oil fired furnace)
 - b. High speed hydraulic broaching press for Pliers profile broaching.
 - c. Automatic strapping machines to reduce manpower.
 - d. Wire cutting machine for broach manufacturing to reduce skill manpower.
 - e. Mechanical Power Press for Forge Shop

The company has not continued participation in National & International exhibitions to understand the modernization taking place in hand tools market and to explore the modern manufacturing processes Due to Covid-19 pandemic situation during the year.

ii) Benefits Derived as a results of above efforts

- Better & efficient manufacturing process.
- Turnover of the Company has increased because of increase in the product range & variety.
- Above activities have helped the organization to improve quality, reduce cost & reduce rejection, which has helped in sustained business.
- Improve overall product quality.
- Increase efficiency & effectiveness.
- Maintained market leadership in domestic market.

iii) Information regarding Technology imported during last 3 years -

Indigenous CNC Technology for Screw Driver Tip Manufacturing.

Imported CNC Technology for Pliers Grinding Operation.

iv) *The expenditure incurred on Research and Development-*

a) Capital	:	-
b) Recurring	:	₹ 171.83 Lakh
c) Total	:	₹ 171.83 Lakh
d) Total R and D Expenditure as a % of total turnover	:	0.26%

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange earnings : ₹ 679.47 Lakh

Foreign exchange outgo : ₹ 2.29 Lakh

Annexure 'D' to the Board's Report

FORM NO. MR- 3
SECRETARIAL AUDIT REPORT
FOR THE YEAR ENDED MARCH 31, 2022

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

To,
The Members,
Taparia Tools Limited
CIN: L99999MH1965PLC013392
52 & 52B, MIDC Area,
Nashik- 422 007.

I am appointed by Board of Director of Taparia Tools Limited (hereinafter called the Company) to conduct an annual Secretarial Audit on a voluntary basis for the period ended March 31, 2022.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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 ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder.
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder.
- III. The Depositories Act, 1996 and the Regulations and Bye- laws framed thereunder.
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, overseas Direct Investment and External Commercial Borrowings; (**Not Applicable** to the Company during the Audit Period since no foreign exchange transactions for foreign/overseas direct investment for inward remittance were reported during the Audit Period)
- V. Orders of Central Government under Section 6 of the Disaster Management Act-2005 were found to be complied by the company from time to time to stop the spread of Covid-19.
- VI. 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, 2015.
 - 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: - **(Not Applicable)** to the Company during the Audit period as the Company has not issued Share Capital during the period under review ;)
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: - **(Not Applicable)** to the Company during the Audit Period as the Company has not issued Employee Stock Option Scheme and Employee Stock Purchase Scheme during the period under review ;)
- e) The Securities and Exchange Board of India (Issue and Listing of debt Securities) Regulations, 2008: - **(Not Applicable)** to the Company during the Audit Period as the Company has not issued and listed any debt securities during the period under review ;)
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients.
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009:
- **(Not Applicable)** to the Company during the Audit Period as the Company has not delisted/ proposed to delist its equity shares from the Stock Exchange during the period under review ;)
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: - **(Not Applicable)** to the Company during the Audit Period as the Company has not bought back any of its securities during the period under review

VII. Other laws applicable specifically to the Company namely

A) Labour Laws

1. Factories Act, 1948
2. The Payment of Wages Act, 1936
3. Employees' State Insurance Act, 1948
4. The Maternity Benefit Act, 1961
5. Employees' Compensation Act, 1923

B) Environment Laws

1. Water (Prevention and Control of Pollution) Act, 1974.
2. Water (Prevention and Control of Pollution) Cess Act, 1977.
3. Air (Prevention and Control of Pollution) Act, 1981.
4. Environment (Protection) Act, 1986.
5. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

The Secretarial Audit for the period mentioned above was carried out by examining the records maintained by the Company physically. Physical records maintained by the Company for the period 01st April, 2021 to 31st March, 2022 have been verified by visiting the Company premises. The Audit has been conducted to the best of my abilities and information represented by the Management of the Company was to the extent possible examined and verified.

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

- i) Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI)

- ii) The Listing Agreements entered by the Company with the Bombay Stock Exchange (BSE) Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, and Listing Agreements etc. mentioned above. Following is our observations on specific matters of the Company:

Sr.No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Observations/ Remarks
1)	Regulation 31(2) of SEBI (Listing Obligation and Disclosure Requirement) Regulations 2015	<p>75.83% of the shares are in Dematerialised Form compared to 100% as required under the regulation.</p> <p>The Management has represented that there were restriction on transfer of Promoters and Promoters group shareholding by SEBI via its Interim Order No: WTM/PS/09/CFD/May/2015 dated 20th May 2015 but the said restriction was removed by SAT by its order dated 9th November 2021.</p> <p>The Management has further represented that process of conversion of physical shares of the promoters into dematerialization form has been initiated.</p>
2	Rule 19A and Rule 19(2) (b) of Securities Contract (Regulation) Rules 1957	<p>SEBI in its Interim Order No. WTM/PS/09/CFD/May/2015 dated 20th May 2015 had mentioned that the reclassification of Promoters and Promoters Group Shareholding to Public as per Filings of December 2010 quarters were in contravention with the requirement of dilution of Promoters and Promoters group Shareholding and increasing the Public Shareholding to 25% as required under the rules</p> <p>The Company went in appeal against the SEBI final order with Securities Appellate Tribunal (SAT). SAT in its order dated 9th November 2021 ordered that "the order passed by the WTM dated 26th June 2019 as well as the interim order dated 20th May 2015 were unsustainable and hence were quashed."</p> <p>As on the date of issue of this report it was unknown if the SEBI has preferred any appeal against SAT order. Management has represented that considering the Final order from SAT the stand of the company about its compliance with the provisions of Rule 19(2)(b) and Rule 19A of the Securities Contracts (Regulation) Rules, 1957 is corroborated and hence they are in compliance with the said provisions.</p>

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Mr. Govindlal Samdani Manasawala, Non-executive Independent Director of the Company passed away on 21st October, 2021. His cessation was filed in Form DIR-12 with MCA. Mr. Sachin Srinivas Bhattad was appointed to fill the vacancy of Independent Director on 19th January, 2022.

- There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers other than mentioned above;

- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel other than mentioned above.
- The FEMA, 1999 is not applicable on Company under the review of audit.

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

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

Sagar R Khandelwal

Company Secretary

(ACS 25781)

(C.P. No. 13778)

UDIN: A025781000389298

Place: Pune

Date: 30th May 2022

To,
The Members,
TAPARIA TOOLS LIMITED
CIN: L99999MH1965PLC013392
52 & 52B, MIDC Area, Nashik-422 007

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we 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 are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

Sagar R Khandelwal

Company Secretary

(ACS 25781)

(C.P. No. 13778)

UDIN: A025781000389298

Place: Pune
Date: 30th May 2022

*Annexure 'E' to the Board's Report***Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) Date(s) of approval by the Board	
(g) Amount paid as advances, if any	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	N.A.
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Date(s) of approval by the Board, if any	
(f) Amount paid as advances, if any	

For and on behalf of the Board of Directors

Nashik, 30th May 2022

H.N. Taparia
Chairman & Managing Director
(DIN: 00126774)

Management Discussion and Analysis

GLOBAL ECONOMY OVERVIEW

The global economy enters 2022 in a weaker position than previously expected. After rebounding to an estimated 5.5 percent in 2021, global growth is expected to decelerate markedly to 4.1 percent in 2022, reflecting continued COVID-19 flare-ups, diminished fiscal support, and lingering supply bottlenecks. The near-term outlook for global growth is somewhat weaker, and for global inflation notably higher, than previously envisioned, owing to pandemic resurgence, higher food and energy prices, and more pernicious supply disruptions.

Among major economies, U.S. economic growth will exceed 3% in 2022, reflecting large-scale fiscal support and the easing of pandemic restrictions. Growth in other advanced economies is also firming, but to a lesser extent. Among emerging markets and developing economies, China is anticipated to rebound to 8.5% this year, reflecting the release of pent-up demand.

Other among low-income economies is growing slowly by rate around 3.5 %.

The recovery in global trade has reflected a rotation of global demand toward highly trade intensive manufactured goods—especially durable goods.

INDIAN ECONOMY OVERVIEW

Indian Economy is to grow by 9.2% in real terms in 2021-2022. As per the IMF's latest World Economic Outlook (WEO) growth projections released on 25th January, 2022, India's real GDP is projected to grow at 9 per cent in both 2021-2022 and 2022-23 and at 7.1 per cent in 2023-24. This projects India as the fastest growing major economy in the world in all these three years.

The government fiscal deficit for 2021-2022 was 6.8% of GDP. India recorded a Government Budget deficit equal to 9.40% of the country's GDP in 2020-21. This was primarily due to higher spending, and lower revenue collection on account of Covid-19.

India's merchandise exports and imports rebounded strongly and surpassed pre-COVID levels during the financial year 2021-2022. Exports are estimated to grow by 16.5 percent in 2021-2022. Imports are expected to grow by 29.4 per cent in 2021-2022.

There was significant pickup in net services with both receipts and payments crossing the pre-pandemic levels, despite weak tourism revenues.

44 Indian start-ups have achieved unicorn status in 2021-2022 taking overall tally of unicorns to 83, most of which are in services sector.

Consistently proactive, graded and measured policy support is anticipated to boost the Indian economy.

HAND TOOLS MARKET

COVID waves in the year 2021 - 2022 have had a massive impact on the global economy. A reduction in demand in a number of end-use industries, as well as supply chain problems, had damaged the global industry.

Furthermore, due to extensive lockdowns and movement restrictions, economic activity had come to a halt. The global hand tools market has been significantly hit by a drop in sales as a result of a number of constraints, but it will undoubtedly rebound over time.

The global economy is projected to contract sharply due to COVID-19 crisis. As a result of the pandemic, the production facilities and supply chain networks were at complete halt. The recovery after the plunge is only partial as the level of economic activity is projected to remain below the level having resulting in negative impact on the hand tools market.

However, the rising practice of DIY for interior designing, home furnishing among consumers from developed and developing countries has positively influenced the market. Easy access and availability on e-commerce platforms also paves the way for increasing demand from DIY end users.

Professional market contributes the larger share of power & hand tools. Professional market comprises of individuals who work in industries such as construction, manufacturing, and other. Increase in technical jobs and employment is a great opportunity for the hand tools market to expand in terms of quality and pricing, as professionals use high-end tools and are willing to pay more for such products. Over the last few years, manufacturers have been focusing on the development of innovative products with high durability and improved efficiency, which in turn has led to an increase in R&D spending.

This will further create market for new and innovative products and cater to the growing demand from customers. The global hand tools market is significantly fragmented and manufacturers are witnessing strong competition from fellow players.

The leading market players are striving to achieve better channel reach and gain higher market share. Moreover, the small sized players are focusing on providing cost-effective and high efficiency products in order to increase their market penetration. This is consequently increasing the degree of competitiveness in the market.

As against the developed countries, developing countries based in Africa, Latin America, and South East Asia, where industries have relatively less established, power infrastructure and with low per capita investments in equipment and machinery. MSME industries, aftermarket repair and service providers are more reliant on hand based tools over power tools. Hence the demand will be generated at a continued healthy rate.

The materials traditionally used for manufacture of Hand Tools such as metal and wood will have significant bearing on the end product price. With prices of metals and wood witnessing a continuous escalation in recent times will result in higher prices of Hand Tools.

BUSINESS REVIEW

The current market conditions remain uncertain although there are hopes of an economic recovery from post pandemic situation. The Company will continue to pursue growth based on its philosophy of generating profits through creation of the "Greatest Value" for its customers and stakeholders.

The Company has contributed in social security with its contribution of Rs. 126.35 lakh to the Employee Provident Fund and Gratuity during the financial year 2021-2022.

SWOT ANALYSIS

Strengths-

- Superior Quality of product
- Powerful dealer and service Network
- Strong leadership of Top Level Management.
- Skilful and qualified employees
- Emerging New markets

Weakness-

- Increasing production and Operation Cost
- Increasing demand and the requirement to increase capacity.

Opportunities-

- Global Market Demand
- Technology improvement
- Digitization of business processes.

Threats-

Global Crisis
Rising cost of raw materials and operations
Competition from domestic and international imports.

OPERATIONAL AND FINANCIAL PERFORMANCE

The Company's working during the year is better than previous year. The Company's total Revenue during the year was Rs. 66949.85 Lakh that represents an increase of 24.50 % over the sales of Rs. 53775.00 Lakh in the previous year. The Profit earned after tax is Rs. 6509.01 Lakh in the current year represents an increase of 34.66 % against Rs. 4833.59 Lakh in the previous year.

All the efforts put in by the Management have led to a very stable and conducive work environment in the Company and paves way for the future growth. The Board acknowledges strong commitment and on-the-ground efforts of all the employees towards the growth of the organization.

Established in 1969 in India with collaboration with Swedish Company, Taparia Tools Limited are one stop and most reliable solution to hand tools requirements. The Company is committed to providing quality products to increase customer satisfaction and provides a life time guarantee on its products. The Company is continuously expanding its product line with new innovative products to address the needs of market along with offering ease of use maintaining the aesthetic look.

Sr. no.	RATIO	2021-2022	2020-2021	Variation (%)
1.	Current Ratio (Times)	3.22	4.93	(1.71)
2.	Debt-Equity Ratio (Times)	0.43	0.24	(0.19)
4.	Return on Equity Ratio (%)	214.41	159.22	(55.19)
5.	Inventory Turnover Ratio (Times)	95.95	79.76	(16.19)
6.	Trade receivable turnover Ratio (Times)	11.89	13.37	1.48
7.	Trade Payable Turnover Ratio (Times)	12.97	15.15	2.18
8.	Net Capital Turnover Ratio (Times)	3.29	2.90	(0.39)
9.	Net Profit Ratio (%)	9.80	9.04	0.75
10.	Return on Capital employed (%)	27.57	24.88	(2.70)

RESEARCH AND DEVELOPMENT

Taparia Tools Limited has a dedicated Research and development team of professionals continuously looking for ways to increase their products' effectiveness and come up with new ideas that will shape the market.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The company has established internal control system which provides reasonable assurance with regards to safeguarding the company's assets, promoting operational efficiency and ensuing compliance with various legal and regulatory provisions. The internal control systems are designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets.

The company has created an effective internal control system, by establishing the following:

- Policies and procedures including, among others, organizational structure, job descriptions, authorization matrix;
- Segregation of duties and responsibilities;
- Authorization and approval process;
- Performance monitoring and control procedures;
- Safeguarding assets, completeness and accuracy;
- Manpower management;
- Independent internal audit function;
- Regulatory compliance and risk management.

Company has documented Standard Operating Procedures (SOPs) for procurement, human resources, sales and marketing, logistics, finance and treasury, financial reporting, compliances and other areas of its operations.

The compliance to these controls and systems including SOPs is periodically reviewed by the Internal Audit function and exceptions are reported. All material audit observations and follow up actions thereon are reported to the Audit Committee. The Committee holds regular discussions with the auditors to ensure adequacy and effectiveness of the internal control systems and monitors implementation of audit recommendations.

ENVIRONMENT, OCCUPATIONAL HEALTH AND SAFETY:

Healthy communities can drive better economic development and a feeling of wellbeing. Taparia Tools Limited recognizes the importance of health and wellness and promotes it among its employees as well as at the Factory and Offices. The Safety, Occupational Health & Environmental Policy (SH&E Policy), inter alia, covers and ensures safety of public, employees, plant and equipment, ensures compliance on a monthly basis by developing compliance systems and imparts training on Safety, Sustainability & Prevention of Sexual Harassment to all its employees.

Due to Company's commitment to improve the wellbeing of its employees and contract workmen, it organizes physical fitness activities like Yoga, Occupational Health Examination Camps, medical checkups, consultation and counseling.

HUMAN RESOURCES:

HR is a key pillar to the success of manufacturing industries, because to ensure your business can overcome the challenges threatening the industry, you need to make sure you have a skilled workforce.

"HR can also help to ensure that staff is retained and create value and performance-based reward systems. Another important role that HR plays in manufacturing businesses is that they are able to create better recruitment processes, on-boarding training and training which can help to eliminate the skills shortage gap altogether.

The Company has strongly embedded core values and all employees are trained and encouraged to use these values in their daily operations and the bases for making decisions. Taparia Tools Limited have a favorable work environment that encourages innovation and meritocracy.

The Company continued the welfare activities for the employees, which include Medical Care, Group Insurance, Canteen facility, etc. To enrich the skills of employees and enrich their experience, the Company arranges, Practical Training Courses by Internal and External Faculty. The Company has good cordial relation with trade union and employees representatives and views these relationships as contributing positively to the success of the business.

STATUTORY COMPLIANCE:

All declarations and compliances with respect to the applicable statutes, enactments and guidelines are submitted at every meeting of the Board of Directors of the Company. The Company Secretary who is also the Compliance Officer gives a declaration of compliance to the Board with respect to the applicable provisions of Companies Act, 2013 and Securities and Exchange Board of India (SEBI) Regulations.

CONCLUSION

The Company has posted better results in the year 2021-2022 despite of the existing pandemic situation, lock down, economic and financial crises. The Company is concentrating to achieve higher position in the Hand Tools Market and multiply its turnover on launching new products with superior quality by use of advance technology.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations and predictions may be "forward-looking statements" within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied, important factors that could make difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in the Government regulations, tax regimes, economic developments within India and countries in which the Company conducts business and other incidental factors.

Report on Corporate Governance for the Financial Year 2021-2022

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

Good Corporate Governance is not an end in itself, it is the means to create confidence with stakeholders and establish business integrity for an organization. Taparia Tools has come a long way in adopting some of the key principles of Corporate Governance like transparency, fairness, disclosures and accountability and these principles have been strongly cemented in the pillars, it has been founded upon. The business strategies and operations of the Company are governed by these principles to ensure fiscal accountability, ethical corporate behavior and fairness to all stakeholders.

Company's Corporate Governance policy is the ideology of transparency and openness in the effective working of the management and Board. It is believed that the imperative for good Corporate Governance lies not merely in drafting a code of Corporate Governance but in practicing it.

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") is given below:

2. BOARD OF DIRECTORS

Board Composition

As on 31st March, 2022, the Company had 12 Directors of which 2 are Executive Directors, 4 are Non-Executive and 6 are Independent Directors including two woman directors. The composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors on the Board holds directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he/she is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2022 have been made by the directors.

Independent Directors are Non-executive Directors as defined under Regulation 16 (1b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Act.

Board Meetings

Six Board Meetings were held during the year ended on 31st March 2022. These were held on June 29, 2021; August 12, 2021; November 01, 2021, December 20, 2021, January 19, 2022 and February 14, 2022. Maximum time gap between two Board Meetings did not exceed the limits as stipulated in the Companies Act, 2013 and as per the MCA Circular No. 08/2021 dated 03-05-2021 due to the impact of the COVID-19 pandemic.

Attendance of Directors at the Board Meeting and the last Annual General Meeting

Name of the Director	Category	Meetings		Directorship in other Public Companies
		Board	AGM	
Shri H. N. Taparia	Chairman and MD, Promoter Director	6	Yes	1
Shri G. S. Manasawala (up to 21-10-2021)	Independent Director	-	-	-
Shri Rajeev J. Mundra	Independent Director	6	Yes	2
Mrs. Disha Nitin Wadhvani	Independent Director	6	-	-
Mrs. Premlata Narendra Purohit	Independent Director	6	Yes	1

Shri Devendra Vyas	Independent Director	6	-	-
Shri Sachin Shrinivas Bhattad	Independent Director	1	-	-
Shri Jugal Kishore Ramchandra Jaju	Independent Director	6	Yes	-
Shri Virendraa Bangur	Non-Executive Director	5	Yes	9
Shri J.K. Taparia	Non-Executive, Promoter Director	6	Yes	-
Shri M.P. Taparia	Non-Executive, Promoter Director	6	Yes	1
Shri D.P. Taparia	Non-Executive, Promoter Director	6	Yes	2
Shri Sivaramakrishnan	Director – Operations	5	Yes	-

3. INDEPENDENT DIRECTORS SEPARATE MEETING

The Independent Directors met on 14th February 2022 without the presence of non-independent directors and members of the management. At this meeting, the Independent Directors inter-alia discussed the following details:

- Reviewed the performance of the non-independent directors and the board of directors as a whole.
- Reviewed the performance of the chairman of the board.
- Assessed the quality, quantity and timeliness of flow of information between the management and the board of directors.

Familiarization Programme for Independent Directors

The Executive Director of the Company provides a brief of the industry and business of the Company to the new Independent Directors and also has a discussion to familiarize the Independent Directors with the Company's operations. At the time of regularization of the appointment of an independent Director, the appointment is formalized by issuing a letter to the director, which inter-alia explains the role, function, duties and responsibilities expected of him/her as a director of the Company. The Company also from time to time familiarizes the Independent Directors about the Company, its products, business and the on-going events relating to the Company.

AUDIT COMMITTEE

Composition of the Committee

The Audit Committee of the Company comprises of two Independent Directors, namely, a) Shri Rajeev J. Mundra, Independent Director, as a Chairman (w.e.f. 29-06-2021), b) Shri Jugalkishore R. Jaju, Independent Director as a Member (w.e.f. 29-06-2021) and one Non-Executive Director - Shri D.P. Taparia as a Member. Shri G. S. Manasawala was Chairman up to 29-06-2021 and thereafter he was a Member up to 21-10-2021.

The Members of the Committee have good exposure to Law, Financial Management, Taxation, Company Law matters, Internal/External Audit as well as in the areas of general management.

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 as well as those mentioned in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Members of the Audit Committee possess financial / accounting expertise / exposure.

Scope of Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18(1) of the Listing Regulations read with Section 177 of the Companies Act, 2013 and its terms of reference include the following:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

2. Recommending to the Board, the appointment, and if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approving payments to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing with the management, the quarterly and annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Matters required to be included in the Directors' Responsibility Statement be included in the Board's report in terms of Section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments to financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Approval or any subsequent modification of transactions of the Company with related parties;
 - g) Scrutiny of inter-corporate loans and investments.
 - h) Qualifications in the draft audit report.
5. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
6. Reviewing and monitoring auditors' independence and performance of statutory and internal auditors and effectiveness of adequacy of audit process.
7. Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Carrying discussions with internal auditors on any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Carrying discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, shareholders (in case of non-payment of declared dividends) and creditors.
12. To monitor the use of proceeds received in the initial public offering.
13. To approve the appointment of CFO (i.e. the Whole-time Financial Director or any other person heading the finance function or discharging that function) after assessing the qualification and background etc. of the candidate.
14. To review the functioning of the Whistle Blower mechanism.

Powers of Audit Committee:

1. To investigate any activity within its terms of reference
2. To seek information from any employee
3. Major accounting entries involving estimates based on the exercise of judgment by the management;
4. Significant adjustments made in financial statements arising out of audit findings; Compliance with listing and other legal requirements relating to financial statements;
5. Approval or any subsequent modification of transactions of the Company with related parties;
6. Scrutiny of inter-corporate loans and investments.

Meetings Details

Five Meetings were held during the year – on June 29, 2021; August 12, 2021; November 01, 2021, December 20, 2021 and February 14, 2022.

Attendance of Directors at the Audit Committee Meetings

Name of the Director	Designation	No. of meetings Attended
Shri Rajeev J. Mundra	Chairman	5
Shri G. S. Manasawala (up to 21-10-2021)	Member	–
Shri Jugal Kishore Ramchandra Jaju	Member	4
Shri D.P. Taparia	Member	5

Shri Harnarayan Taparia, Executive Chairman and Managing Director, Shri Sivaramakrishnan, Director – Operations, Shri V.S. Datey, Company Secretary and Shri S.R. Bagad, Chief Financial Officer are permanent invitees to the Audit Committee Meetings. In addition, the heads of the Finance and Accounts, representatives of Internal and Statutory auditors generally attended these meetings. The Company Secretary acted as the Secretary to the Audit Committee.

5. NOMINATION AND REMUNERATION COMMITTEE**Terms of Reference of the Committee, inter alia, includes the following:**

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointments and removals.
2. To devise a policy on Board diversity;
3. To formulate the criteria for evaluation of Independent Directors and the Board;
4. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.

Composition of the Committee

The Nomination and Remuneration Committee consists of two Independent Directors, namely, a) Shri Rajeev J. Mundra as a Chairman (w.e.f. 29-06-2021) and b) Shri Jugalkishore R. Jaju as a Member (w.e.f. 29-06-2021) and one Non-Executive Director - Shri D.P. Taparia as a Member. Shri G. S. Manasawala was Chairman up to 29-06-2021 and thereafter he was a Member up to 21-10-2021.

Meetings Details

Nomination and Remuneration Committee Meetings were held in the year under review on November 01, 2021 and January 19, 2022.

Attendance of Directors at the Nomination and Remuneration Committee Meetings

Name of the Director	Designation	No. of meeting Attended
Shri Rajeev J. Mundra	Chairman	2
Shri G. S. Manasawala (up to 21-10-2021)	Member	-
Shri Jugal Kishore Ramchandra Jaju	Member	2
Shri D.P. Taparia	Member	2

Remuneration Policy

The Nomination and Remuneration Committee is fully empowered to determine/approve and revise, subject to necessary approvals, the remuneration of managerial personnel including Managing Director after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc.

The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Committees attended by them.

Details of Sitting Fees paid to Non-Executive Directors and Independent Directors

Name of the Director	Amount (Rs.)	Name of the Director	Amount (Rs.)
Shri G. S. Manasawala (up to 21-10-2021)	-	Shri Sachin S. Bhattad	27,500
Shri Rajeev J. Mundra	1,32,500	Shri Virendraa Bangur	70,000
Mrs. Disha Nitin Wadhvani	87,500	Shri H.N. Taparia	80,000
Mrs. Premlata Narendra Purohit	87,500	Shri D. P. Taparia	1,25,000
Shri Devendra Vyas	87,500	Shri M. P. Taparia	80,000
Shri Jugal Kishore Jaju	1,22,500	Shri J. K. Taparia	80,000
Total Sitting Fees Paid			9,80,000

(The above sitting fees are excluding reimbursement of travel and other expenses incurred for the business of the Company)

Sitting fees for Directors for the Meetings are as follows:

- Board of Directors: w.e.f. 19-01-2022: Rs. 20,000/- (Up to 18-01-2022: Rs.10, 000/-) for each meeting.
- Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee, Independent Directors, Stakeholders' Grievance Committee and Special Committee: w.e.f. 19-01-2022: Rs. 7,500/- (Up to 18-01-2022: Rs. 5, 000/-) for each meeting.

Performance evaluation of Directors

The Nomination and Remuneration Committee of the Board has laid down the criteria for performance evaluation of all Directors. The performance evaluation is being done by the entire Board of Directors, except the Director concerned being evaluated. The criteria for performance evaluation are as follows:

Role & Accountability

- Understanding the nature and role of Independent Directors' position.
- Understanding of risks associated with the business.
- Application of knowledge for rendering advice to management for resolution of business issues.
- Offer constructive challenge to management strategies and proposals.
- Active engagement with the management and attentiveness to progress of decisions taken.

Objectivity

- Non-partisan appraisal of issues.
- Own recommendations given professionally without tending to majority or popular views.

Leadership & Initiative

- Heading Board Sub-committees.
- Driving any function or identified initiative based on domain knowledge and experience.

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

(No Sitting Fees)

(Rs. in Lakh)

Name of the Director	Salary and Allowances	Perquisites
Shri H. N. Taparia, Chairman and Managing Director	Nil	Nil
Shri Sivaramakrishnan, Director – Operations	21.55	2.43
Shri V. S. Datey, Company Secretary	3.70	0.37
Shri S. R. Bagad, Chief Financial Officer	12.36	1.39
Total remuneration paid	37.61	4.19

Remuneration includes Basic Salary, House Rent Allowance, Bonus, Leave Encashment and Company's Contribution to Provident Fund but excludes Company's Contribution to Gratuity Fund.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE**Composition of the Committee**

The Stakeholders' Relationship Committee consists of following Directors:

Shri D.P. Taparia as a Chairman of the Committee

Shri H.N. Taparia as a Member of the Committee and

Shri Rajeev J. Mundra as a Member of the Committee w.e. f. 19-01-2022.

Shri V. S. Datey, Company Secretary who is the Compliance Officer can be contacted at the registered office of the Company.

DETAILS OF SHAREHOLDERS' COMPLAINTS	
1. No. of Shareholders' complaints pending as on 01-04-2021	0
2. No. of shareholders' complaint/s received in 2021-2022	1
3. No. of shareholders' complaint/s disposed of during 2021-2022	1
4. No. of shareholders' complaints remaining unresolved as on 31-03-2022	0

Role of the Stakeholders Relationship Committee shall inter-alia include the following:

The Stakeholders' Relationship Committee, inter alia, is primarily responsible for considering and resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. The additional powers (terms of reference) of the Stakeholders' Relationship Committee are:

1. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent i.e. transfer, transmission of shares, issue duplicate share certificates, splitting or consolidation of share certificates, redress shareholders' complaints, approve the nominations received, dematerialisation, rematerialisation, etc. and other shares related formalities.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Advise the Board of Directors on matters which can facilitate better investor services and relations.
4. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

Meeting/s held during the year:

During the year, the Committee had 1 meeting on 18th November 2021.

Attendance of Directors at the Stakeholders' Relationship Committee Meeting

Name of the Director	Designation	No. of meeting Attended
Shri D. P. Taparia	Chairman	1
Shri G. S. Manasawala (up to 21-10-2021)	Member	-
Shri H. N. Taparia	Member	1
Shri Rajeev J. Mundra (w.e.f. 19-01-2022)	Member	-

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR)

Composition of the Committee

The members of the Corporate Social Responsibility Committee of the Company are Shri H. N. Taparia (Chairman), Shri D. P. Taparia and Shri. Rajeev J. Mundra.

Terms of reference:

The Committee formulates and recommends to the Board, a CSR Policy and recommends the amount of expenditure to be incurred on CSR activities.

Composition:

The CSR Committee of the Company consists of Chairman, 1 Non-Executive Director and 1 Independent Director.

Meetings held during the year:

During the year the Committee held a Meeting on 29th June 2021

Attendance of Directors at the Corporate Social Responsibility Committee Meeting

Name of the Director	Designation	No. of meeting Attended
Shri H. N. Taparia	Chairman	1
Shri D. P. Taparia	Member	1
Shri Rajeev J. Mundra	Member	1

8. RISK MANAGEMENT:

The company has been addressing various risks impacting the company and the policy of the company on risk management is provided elsewhere in this annual report in Board's Report.

9. GENERAL BODY MEETINGS

Location and time where the last three Annual General Meetings were held:

Year	Day and Date	Time	Location
2018-2019	Friday 27-09-2019	11.30 A.M.	Hotel Emerald Park, Sharanpur Link Road, Nashik- 422 002
2019-2020	Tuesday 22-12-2020	11.30 A.M.	Meeting was held through Video Conferencing and the Venue was deemed at the Registered Office at 52 @ 52B, MIDC Area, Satpur, Nashik – 422 007
2020-2021	Friday 24-09-2021	11.30 A.M.	Meeting was held through Video Conferencing and the Venue was deemed at the Registered Office at 52 @ 52B, MIDC Area, Satpur, Nashik – 422 007

Details of Special Resolutions passed in the above referred Meetings are given below:

Date of the AGM	Number of Special Resolutions passed	Subject matter
September 27, 2019	4	<ul style="list-style-type: none"> Re-appointment of Shri G. S. Manasawala (DIN: 01267114) as an Independent Director of the company, not liable to retire by rotation for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 58th Annual General Meeting to be held in the calendar year 2024. Re-appointment of Shri Rajeev J. Mundra (DIN: 00139886) as an Independent Director of the company, not liable to retire by rotation for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 58th Annual General Meeting to be held in the calendar year 2024. Re-appointment of Shri Devendra Vyas (DIN: 08019038), as an Independent Director of the company, not liable to retire by rotation for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 58th Annual General Meeting to be held in the calendar year 2024. Re-appointment of Shri Jugal Kishore Ramchandra Jaju (DIN: : 00527193), as an Independent Director of the company, not liable to retire by rotation for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 58th Annual General Meeting to be held in the calendar year 2024.
December 22, 2020	2	<ul style="list-style-type: none"> Re-appointment of Shri H.N. Taparia as Chairman and Managing Director of the Company with effect from 17th September 2020 till the conclusion of the 57th Annual General Meeting to be held in the calendar year 2023. Re-appointment of Mrs. Disha Nitin Wadhwani (DIN:06980759) as an Independent Director of the company, not liable to retire by rotation for a term of 3 (three) consecutive years from the conclusion of this Annual General Meeting till the conclusion of the 57th Annual General Meeting to be held in the calendar year 2023.
September 24, 2021	1	Re-appointment of Shri J.K. Taparia (DIN: 00126945) as a non-executive director of the Company, liable to retire by rotation.

DISCLOSURES

Related Party Transactions

The details of the related party transactions during the year under review are shown in the Notes to Accounts which form part of this Report.

Disclosure of Accounting Treatment

The Company has followed the treatment laid down in the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in the preparation of financial statements. There are no audit qualifications in the Company's financial statements for the year under review.

Vigil Mechanism / Whistle-blower Policy

In line with the best Corporate Governance practices, Taparia Tools Limited has put in place a system through which the Directors, employees and business associates may report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct & Ethics without fear of reprisal. The Company has put in place a process by which employees and business associates have direct access to the Audit Committee Chairman, Managing Director, Chairman of the Board and Compliance Officer.

The Whistle-blower Policy is placed on the website of the Company. Moreover, it is also carried in this Annual Report.

Compliance by the Companies

The Company has complied with various rules and regulations prescribed by Stock Exchange, SEBI or any other statutory authority relating to the capital markets during the last three years. No penalties or strictures have been imposed by them on the Company.

Details of adoption of non-mandatory requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by the Company

- A) The Company has constituted Nomination & Remuneration Committee, full details are furnished in this report. The Financial Results of the Company are published in the newspapers on quarterly basis and uploaded on Company's web-site. Hence, they are not sent to each shareholder.
- B) The statutory financial statements of the Company are unqualified.
- C) The Board of Directors of the Company consists of an optimal blend of Company Executives and Independent professionals having knowledge of Business and expertise in their area of specialization.

11. MEANS OF COMMUNICATION

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These are also published in the newspapers and uploaded on web-site of the Company.

12. SEBI COMPLAINTS REDRESSAL SYSTEM (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is, in compliance with the SCORES, redressed the shareholders complaints well within the stipulated time.

13. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

i) Unclaimed Dividend

All earlier unclaimed dividend was transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013.

ii) Shares

During the Financial Year 2021-2022, there were no shares which have to be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 125 of the Companies Act, 2013

iii) Claim from IEPF Authority

Members/Claimants whose shares and unclaimed dividends have been transferred to the IEPF Authority can claim the same by making an application to the IEPF Authority in e-Form IEPF-5 (available at www.iepf.gov.in) and sending duly signed physical copy of the same to the Company at its Registered Office along with requisite documents as prescribed in the instruction kit of e-Form IEPF-5. No claims shall lie against the Company in respect of the dividends/shares so transferred.

14. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting	
Day, Date and Time	: Friday, 29th July, 2022 at 11.30 A.M.
Venue	: Through Video Conferencing / Other Audio Visual Means as set out in the Notice convening the Annual General Meeting.
b) Financial Calendar	
Financial Year Dates (2022-2023)	: 1st April 2022 to 31st March 2023
Tentative Schedule for declaration of results during the financial year 2022-2023	
First quarter ending 30th June, 2022	: Within 45 days from the end of quarter
Second quarter and half year ending 30th September, 2022	: Within 45 days from the end of quarter
Third quarter and nine months ending 31st December, 2022	: Within 45 days from the end of quarter
Audited Results	
Year ending on 31 March, 2023	: Within 60 days from the end of the year
Annual General Meeting for the year 2023	: September 2023

c) Date of Book Closure

From Saturday, 23rd day of July, 2022 to Friday, 29th day of July, 2022, inclusive of both days.

d) Dividend

The Board of Directors at their meeting held on 30th May 2022, recommended a final Dividend of Rs. 52.50 per equity share of face value of Rs. 10/- amounting to Rs. 15,93,76,875/- for the year ended 31st March, 2022. The 1st Interim Dividend of Rs.70.00 per share amounting to Rs. 21,25,02,500/- was paid on 17th January 2022 and the 2nd Interim Dividend of Rs. 50.00 per share amounting to Rs. 15,17,87,500/- was paid on 10th March 2022. The total Dividend for the financial year ended 31st March 2022 amounts to Rs. 52,36,66,875. Final Dividend, if approved by Members, will be paid on or before Thursday, 25th August, 2022.

e) Listing on Stock Exchange and Stock Code

Sr. No.	Stock Exchange	Stock Code	ISIN No. for CDSL & NSDL	Address
1	Bombay Stock Exchange Limited	505685	INE614R01014	Floor 25, P. J. Towers, Dalal Street, Mumbai – 400 001

f) Market Price Data

High and Low quotations of shares during the financial year 2021-2022:

High: Rs. 99.80

Low: Rs. 11.57

g) Registrar and Share Transfer Agents / Dematerialisation of shares

Shareholders may contact the Company's Registrar and Share Transfer Agent (for both physical and demat segments) at the following address for any assistance regarding dematerialization of shares, share transfers, transmission, change of address, and any other query relating to the shares of the Company:

Universal Capital Securities Pvt. Ltd

C 101, 247 Park, LBS Road, Vikhroli West, Mumbai – 400 083.

Tel Nos. : (022) 28207203-05, Fax No. : (022) 28207207, Email id : info@unisec.in, Web Site: www.unisec.in

h) Share Transfer System

The shareholders of the company can avail the facility of demating their shares with both the depositories i.e. NSDL and CDSL.

i) Distribution of Shareholdings as on 31st March 2022

Sr. No.	No. of Equity Shares	Shareholders		Shareholding	
		No.	%	No.	%
1	1 - 500	214	74.05	17315	0.57
2	501 - 1000	8	2.77	5565	0.18
3	1001 - 2000	8	2.77	10944	0.36
4	2001 - 3000	3	1.03	7150	0.24
5	3001 - 4000	0	0.00	0	0
6	4001 - 5000	2	0.69	9535	0.31
7	5001 - 10000	5	1.73	37621	1.24
8	10001 and above	49	16.96	2947620	97.1
		289	100.00	3035750	100.00

j) Shareholding Pattern as on 31st March 2022

Category of Shareholder	No. of Shareholders	No. of Shares	Percentage of Shareholding
Promoters	36	2091217	68.89
Bodies Corporate (Promoters)	1	25300	0.83
Bodies Corporate (Others)	13	351627	11.58
NRI / OCBs	3	16684	0.55
Others	235	549707	18.11
Investor Education and Protection Fund	1	1215	0.04
TOTAL	289	3035750	100.00

Physical/NSDL/CDSL/Summary Report as on 31st March, 2022

Particulars	Holders	Shares	Percentage
Physical	174	1112132	36.64
NSDL	73	1344373	44.28
CDSL	42	579245	19.08
Total	289	3035750	100.00

k) Dematerialization and Liquidity:

Taparia Tools Limited has completed all the formalities with CDSL and NSDL with regards to Dematerialisation of shares. The Company is endeavoring to complete the dematerialisation of shares of Promoter and Promoter Group. Till date, after initiating the process of dematerialisation of shares, the promoter and promoter group have already demated 75.83% of their shareholding.

Members are also advised to update their correspondence address in their demat accounts in case of their holdings in electronic form or inform their latest correspondence address to the Registrars in case of holdings in physical form.

l) Plant Locations

- Nashik : 52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik – 422 007
- Goa : Plot No. L-29, Cuncolim Industrial Estate, Cuncolim – 403 703

m) Registered Office and Address for correspondence

52 & 52B, MIDC Area, Trimbak Road, Satpur, Nashik - 422 007.

15. CODE OF CONDUCT

The members of the Board of Directors of TAPARIA TOOLS LTD acknowledge and accept the scope and extent of their duties as Directors.

The Code of Conduct as adopted by the Board of Directors is applicable to all Board Members, Senior Management and Head of Departments of the Company. They are entrusted with and are responsible for the oversight of the assets and business affairs of TAPARIA TOOLS LTD. in an honest, fair, diligent and ethical manner. They must act within the bounds of the authority conferred upon them and with the duty to make and enact informed decisions and policies in the best interests of the Company.

A declaration by the Chairman and Managing Director of the Company affirming the compliance of the Code by the Board Members and Senior Management is given at the end of the report.

For and on behalf of the Board of Directors

Nashik, 30th May 2022

H.N. Taparia
Chairman & Managing Director
(DIN: 00126774)

Code of Conduct

DECLARATION

As provided under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2022.

For and on behalf of the Board

H. N. Taparia

Chairman and Managing Director
(DIN: 00126774)

Nashik, 30th May 2022

Certificate Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Mr. H.N. Taparia, Managing Director and Mr. S.R. Bagad, Chief Financial Officer do hereby certify to the Board that:-

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:
 - i) the said statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading; and
 - ii) the said statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
 - i) significant changes in internal control over financial reporting during the year, if any;
 - ii) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements; and
 - iii) 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.

For Taparia Tools Limited,

For Taparia Tools Limited,

H.N. Taparia

Chairman and Managing Director
(DIN : 00126774)

Nashik,
30th May 2022

S. R. Bagad

Chief Financial Officer

Certificate on Compliance with the conditions of Corporate Governance

To,
The Members,
TAPARIA TOOLS LIMITED
CIN: L99999MH1965PLC013392
52 & 52B, MIDC Area,
Nashik-422 007

We have examined the compliance of the conditions of Corporate Governance by Taparia Tools Limited ('the Company'), for the year ended March 31, 2022 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to a review of procedures 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 and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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.

Sagar R. Khandelwal,
Company Secretary
(ACS 25781)
(C.P. No. 13778)
UDIN: A025781D000389342

Place : Pune
Date: 30th May 2022

Certificate Of Non-disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
TAPARIA TOOLS LIMITED
CIN: L99999MH1965PLC013392
52 & 52B, MIDC Area,
Nashik-422 007

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TAPARIA TOOLS LIMITED having CIN L99999MH1965PLC013392 and having registered office at 52 & 52B MIDC AREA SATPUR NASHIK MH 422007 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Ministry of Corporate Affairs or any such other Statutory Authority. Further, the restrictions imposed on Directors for not holding any new position as a director in any listed Company by SEBI in its order No. WTM/GM/CFD/17/2019-2020 dated June 26, 2020 has been quashed by Securities Appellate Tribunal by Final Order dated November 11, 2021.

Following is the list of Directors of Taparia Tools Limited as on March 31, 2022:

S. No.	Name of Director	DIN	Date of appointment in Company
1.	Harnarayan Hanumanbux Taparia	00126774	29/06/1977
2.	Deviprasad Kanhaiyalal Taparia	00126892	05/12/1990
3.	Jayakrishna Taparia	00126945	12/01/1996
4.	Madhavprasad Ganeshmal Taparia	00126971	05/12/1990
5.	Rajeev Jugalkishor Mundra	00139886	30/01/2010
6.	Virendraa Bangur	00237043	28/07/2004
7.	Jugalkishor Ramchandra Jaju	00527193	11/02/2019
8.	Sachin Shrinivas Bhattad	01036605	19/01/2022
9.	Sivaramakrishnan	06436717	03/11/2012
10.	Disha Nitin Wadhwani	06980759	10/11/2014
11.	Premlata Narendra Purohit	07846020	27/06/2017
12.	Devendra Vyas	08019038	11/12/2017

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

Sagar R. Khadelwal,
Company Secretary
(ACS 25781)
(C.P. No. 13778)

UDIN: A025781D000389342

Place: Pune,
Date: 30th May 2022

Independent Auditor's Report

To the Members of Taparia Tools Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Taparia Tools Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash 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, 2022, the profit (including other 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

i. Provisions for Contingencies and Litigations and disclosure of Contingent liabilities

Description of Key Audit Matter:

At March 31, 2022, the Company held provisions of Rs.61.42 lakhs in respect of legal claims and has disclosed total contingent liabilities of Rs.132.47 lakhs. These provisions are based on judgements and accounting estimates made by management in determining the likelihood and magnitude of claims. Accordingly, unexpected adverse outcomes could significantly impact the Company's reported profit and balance sheet position.

Refer Note 2 of financial statements for accounting policy of provisions and contingent liabilities and related disclosures.

Our response:

- We evaluated the design and tested the operating effectiveness of controls in respect of the determination of the provisions. We determined that the operation of the controls provided us with evidence over the completeness, accuracy and valuation of the provisions.
- We read the summary of litigation matters provided by management and held discussions with the management and their legal counsels. We requested legal letters from some of the Company's external legal advisors with respect to the matters included in the aforesaid disclosures. Where appropriate, we examined correspondence connected with the cases.
- For litigation provisions, we tested the calculation of the provisions, assessed the assumptions against third party data, where available and assessed the estimates against historical trends.

We considered management's judgements on the level of provisioning and disclosures in respect of the aforesaid matters, which we considered to be appropriate.

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 but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibility of Management for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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 also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our knowledge and according to the explanations given to us, the remuneration paid/provided 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, 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.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on audit procedures performed, nothing has come to our attention that causes us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided in (a) and (b) above, contain any material misstatement.
- v. (a) The Interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For Harshil Shah & Co.

Chartered Accountants

Firm Reg. No.: 141179W

Place: Mumbai

Date: May 30, 2022

HARSHIL SHAH

Partner

Membership No: 124146

UDIN : 22124146AJXQFL1270

Annexure – A to the Independent Auditor’s Report

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the Financial Statements for the year ended March 31, 2022, we report that:

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

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

(b) The Company has a regular programme of physical verification of its Property, Plant and Equipment by which all items of Property, Plant and Equipment are verified once in every two years. In our opinion, the periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the said programme, certain items of Property, Plant and Equipment were physically verified during the year and no material discrepancies were observed on such verification.

(c) Based on our examination of property tax receipts and lease agreement for land on which building is constructed, registered deed provided to us we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements included under Property, plant and Equipment are held in the name of the Company as at Balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Accordingly, paragraph 3(i)(d) of the Order is not applicable.

(e) According to the information and explanations given to us, no proceedings have been initiated during the year or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988

(45 of 1988) and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, with regards to the nature and size of its inventories, the coverage and procedure of such physical verification carried out during the year were appropriate. Discrepancies noted during such physical verification were less than 10% of respective inventory classes. All discrepancies noted during the year were properly dealt with in the books of account.

(b) During the year, the Company had existing sanctioned working capital limits in excess of five crore rupees, in aggregate, from various banks on the basis of security of its current assets. The quarterly statements filed by the Company with such banks were generally in agreement with unaudited books of account of the Company as on respective quarter ended June 30, 2021, September 30, 2021, December 31, 2021 and March 31, 2022.

(iii) During the year, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, paragraph 3(iii) of the Order is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, made investments or given guarantees in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable. Accordingly, reporting under paragraph (iv) of the Order is not applicable.

(v) According to information and explanations given to us, the Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 or any relevant provisions of the Act and rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.

(vi) To the best of our knowledge and as explained

the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products of the Company.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed statutory dues referred above were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no outstanding dues in respect of provident fund, income tax, sales tax, value added tax, duty of customs, Goods and service tax, cess that have not been deposited by the Company on account of dispute.
- viii) According to the information and explanations given to us, no transactions have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which was not recorded in the books of account. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not taken any loans from any lender during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations

given to us and based on our examination of the records of the Company, no term loans were obtained or utilised during the year by the Company. Accordingly, paragraph 3(ix)(c) of the Order is not applicable.

- (d) In our opinion and according to the information and explanations given to us and based on the audit procedures performed by us, no funds have been raised on short term basis by the Company.
- (e) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, the Company does not have any subsidiaries, joint ventures or associate companies. Accordingly, paragraph 3(ix)(f) of the Order is not applicable.
- (x) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(ix)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly or optionally) during the year.
- (xi) (a) According to the information and explanations given to us, no fraud by the company or any fraud on the company has been noticed or reported during the year.
- (b) According to the information and explanations given to us and based on the audit procedures performed by us, no report under sub-section (12) of section 143 of the Companies Act in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was filed with the Central Government during the year or up to the date of the Report.

- (c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a 'nidhi' company and it has not accepted any deposits. Accordingly, paragraph 3(xii)(a), paragraph 3(xii)(b) and paragraph 3(xii)(c) of the Order are not applicable.
- (xiii) According to the information and explanations given to us and based on the audit procedures performed by us, transactions with the related parties during the year were in compliance with sections 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards. Provisions of Section 177 of the Act are not applicable to the Company.
- (xiv)(a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of section 192 of the Act and paragraph 3(xv) of the Order are not applicable.
- (xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) (a) of the Order is not applicable.
- (b) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable.
- (c) In our opinion and according to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the Group (as defined the Core Investment Companies (Reserve Bank) Direction 2016) does not have any Core Investment Company ('CIC') as part of the Group. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable.
- (xvii) According to the information and explanations given to us and based on audit procedures performed by us, the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) There were no unspent amounts towards Corporate Social Responsibility (CSR) requiring transfer to a Fund specified in Schedule VII to the Companies in compliance with second proviso to sub section (5) of section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on audit procedures performed by us, the Company did not have any on-going project in terms of Section 135 of the Act during the year. Accordingly, provision of sub-section (6) of section 135 of the said Act and paragraph 3(xx)(b) of the Order is not applicable.

(xxi) This Report is issued on the standalone financial statements of the Company. Accordingly, paragraph 3(xxi) of the Order is not applicable

For Harshil Shah & Co.

Chartered Accountants
Firm Reg. No.: 141179W

HARSHIL SHAH

Place: Mumbai

Date: May 30, 2022

Partner

Membership No: 124146
22124146AJXQFL1270

Annexure – B to the Independent Auditor’s Report

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

Opinion:

We have audited the internal financial controls over financial reporting of Taparia Tools Ltd (“the Company”) as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

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

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 (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

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

For Harshil Shah & Co.

Chartered Accountants

Firm Reg. No.: 141179W

HARSHIL SHAH

Place: Mumbai

Partner

Date: May 30, 2022

Membership No: 124146

ICAI UDIN: 22124146AJXQFL1270

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BALANCE SHEET as at 31st March, 2022

(₹ in lakh)

	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	3	1,330.75	1,209.15
(b) Capital work-in-progress	3A	538.07	536.83
(c) Right of Use Assets (Premises)	3B	33.56	94.55
(d) Intangible assets	4	6.86	8.40
(e) Financial assets			
(i) Other financial assets	5	88.55	82.26
(f) Deferred tax Assets (Net)			
(g) Income Tax Assets (Net)	6	5.32	5.32
Loans and Advances :			
Loan considered good - Unsecured		-	-
(h) Other non-current assets	12	253.06	416.43
Total Non-Current Assets		2,256.17	2,352.94
Current Assets			
(a) Inventories	7	17,550.20	11,713.37
(b) Financial assets			
(i) Investments	8	3,708.37	2,697.72
(ii) Trade receivables	9	6,115.81	5,106.98
(iii) Cash and cash equivalents	10	571.06	1,964.45
(iv) Other financial assets	5	7.62	291.52
(c) Income Tax Assets (Net)			
(d) Loans and Advances :			
Loan considered good - Unsecured	11	6.58	6.50
(d) Other current assets	12	1,470.66	1,425.96
Total Current Assets		29,430.30	23,206.50
Total Assets		31,686.47	25,559.44
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	303.58	303.58
(b) Other Equity	14	23,472.86	20,556.65
Total Equity		23,776.44	20,860.23
Liabilities			
Non-Current Liabilities			

BALANCE SHEET as at 31st March, 2021 (contd.)

(₹ in lakh)			
	Note No.	As at March 31, 2022	As at March 31, 2021
(a) Financial Liabilities			
(i) Lease Liabilities		3.45	36.08
(b) Provisions	15	267.70	273.48
(c) Deferred tax liabilities (Net)	27	42.02	28.81
(d) Other non-current liabilities			
Total Non-Current Liabilities		313.17	338.37
Current Liabilities			
(a) Financial liabilities			
i) Borrowings			
(ii) Trade and other payables	16		
a) Total outstanding dues of micro enterprises and small enterprises		33.98	26.41
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		5,547.50	2,307.02
(iii) Lease Liabilities		32.63	61.97
(iv) Other financial liabilities		242.90	242.28
(b) Provisions		44.97	92.47
(c) Current tax liabilities (Net)		90.57	61.47
(d) Other current liabilities		1,604.31	1,569.22
Total Current Liabilities		7,596.86	4,360.84
Total Liabilities		7,910.03	4,699.21
Total Equity and Liabilities		31,686.47	25,559.44
Summary of Significant accounting policies	1 - 2		
The accompanying notes are an integral part of the financial statements	3 - 38		

As per our report of even date attached

For and on behalf of Board of Directors of TAPARIA TOOLS LIMITED

For Harshil Shah & Co.
Chartered Accountants
(Firm Reg.No.141179W)

V.S. Datey
Company Secretary

H. N. Taparia
Chairman & Managing Director
(DIN : 00126774)

Harshil Shah
Partner
Membership No. 124146

S. R. Bagad
Chief Financial Officer

D.P. Taparia
Director
(DIN : 00126892)

Place :Nashik
Date :May 30, 2022

STATEMENT OF PROFIT & LOSS for the year ended 31st March, 2022

		(₹ in lakh)	
	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I Income			
Revenue from Operations	19	66,761.77	53,605.32
Other income and other gains / (losses)	20	188.08	169.68
Total Income		66,949.85	53,775.00
II Expenses			
Cost of materials consumed	21	4,229.57	2,592.20
Purchases of stock-in-trade	21a	42,272.91	30,712.72
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21b	(5,576.94)	292.93
Employee benefits expense	22	3,152.54	2,910.27
Finance costs	23	11.34	20.05
Depreciation and amortisation expense	24	176.30	166.68
Other expenses	25	13,945.31	10,636.19
Total expenses		58,211.03	47,331.04
III Profit before exceptional items and tax		8,738.82	6,443.96
Add/ (Less) : Exceptional items			
IV Profit / (Loss) before tax		8,738.82	6,443.96
Less: Tax expense			
(1) Current tax	26	2,216.60	1,661.83
(2) Excess Tax Provision for earlier years written back		-	(53.41)
(3) Deferred tax	27	13.21	1.95
Income Tax expenses		2,229.81	1,610.37
V Profit / (Loss) for the period		6,509.01	4,833.59
VI Other Comprehensive Income			
A) Items that will not be reclassified to profit or loss			
a) Gain on Remeasurements of the defined benefit plans		66.95	40.54
b) Income tax effect		(16.85)	(10.20)
Other Comprehensive Income for the year, net of tax		50.10	30.34
Total comprehensive income for the year, net of tax (V+VI)		6,559.11	4,863.93
Earnings per equity share:			
(1) Basic (in Rs.)	28	214.41	159.22
(2) Diluted (in Rs.)		214.41	159.22
Significant accounting policies	1-2		
The accompanying notes are an integral part of these financial statements	3-38		

As per our report of even date attached

For and on behalf of Board of Directors of TAPARIA TOOLS LIMITED

For Harshil Shah & Co.
Chartered Accountants
(Firm Reg.No.141179W)

V.S. Datey
Company Secretary

H. N. Taparia
Chairman & Managing Director
(DIN : 00126774)

Harshil Shah
Partner
Membership No. 124146

S. R. Bagad
Chief Financial Officer

D.P. Taparia
Director
(DIN : 00126892)

Place :Nashik
Date :May 30, 2022

CASH FLOW STATEMENT for the year ended 31st March 2022

(₹ In lakh)

	Year ended 31st March, 2022	Year ended 31st March, 2021
A Cash Flow from Operating activities		
1 Net Profit Before Tax	8,738.82	6,443.96
2 Adjusted for :		
Depreciation of assets	115.31	90.68
Amortisation of Right to Use of Assets	60.98	76.01
(Profit)/Loss on Sale of Fixed Assets	-	(3.60)
Interest Income	(2.19)	(14.01)
Net foreign exchange gains/(losses)	1.08	(0.25)
Short term capital gain	(129.06)	(94.79)
Gain in fair value of investment	(8.48)	(19.05)
Sundry Credit Balance Written Off	(1.02)	(0.21)
Bad Debts written off	0.98	5.56
Excess Provision of Expenses	-	-
Excess Provision of Income Tax	-	-
Finance Cost	11.34	20.04
Adjusted for : Total	48.94	60.38
3 Operating cashflows before Working Capital Changes (1+2)	8,787.76	6,504.34
4 Changes in Working Capital :		
Decrease/(Increase) in Inventories	(5,836.83)	(202.29)
Decrease/(Increase) in Trade Receivables	(1,010.89)	(2,210.72)
Decrease/(Increase) in Other Financial Assets (Non current)	227.71	(797.29)
Decrease/(Increase) in Other Assets	157.08	14.40
(Decrease)/Increase in Trade Payable	3,247.10	(261.55)
(Decrease)/Increase in Other Current Liabilities	35.70	726.15
(Decrease)/Increase in Other Liabilities & Provisions	95.27	22.46
Changes in Working Capital	(3,084.86)	(2,708.84)
5 Cash Generated from Operations (3+4)	5,702.90	3,795.50
6 Less: Taxes	(2,291.28)	(1,610.22)
Less: Taxes paid for earlier	-	-
7 Net Cash flow generated from operating Activities (5-6)	3,411.62	2,185.28
B Cash flow from Investing Activities		
Purchase of fixed assets	(241.29)	(323.88)
Sales of Fixed Assets	4.41	3.89
Interest Received	13.69	2.32
Sale/(Purchase) of investments (net)	(874.09)	(273.68)
Gain in favour value of Investment	8.48	19.05
Dividend paid	(3,642.90)	-
Net Cash flow from investing activities	(4,731.70)	(572.30)

CASH FLOW STATEMENT for the year ended 31st March 2021 (Contd.)

(₹ In lakh)

	Year ended 31st March, 2022	Year ended 31st March, 2021
C Cash Flow From Financing Activities		
Finance Cost	(2.90)	(9.52)
Payment of lease liabilities	(70.41)	(90.06)
Net Cash flow (used in) financing activities	(73.31)	(99.58)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(1,393.39)	1,513.40
Add: Cash and cash equivalents at the beginning of the year	1,964.45	451.05
Cash and cash equivalents at the end of the year	571.06	1,964.45
D Components of cash and cash equivalents		
Cash on hand	7.04	6.15
With banks		
on current accounts	564.02	1,958.30
Total cash and cash equivalents	571.06	1,964.45

The above standalone statement of cash flow have been prepared under the "Indirect Method" as set out in Ind AS 7, "Statement of cash flow"

Figures of previous year have been regrouped, reclassified and recast, wherever considered necessary.

As per our report of even date attached

For and on behalf of Board of Directors of TAPARIA TOOLS LIMITED

For Harshil Shah & Co.
Chartered Accountants
(Firm Reg.No.141179W)

V.S. Datey
Company Secretary

H. N. Taparia
Chairman & Managing Director
(DIN : 00126774)

Harshil Shah
Partner
Membership No. 124146

S. R. Bagad
Chief Financial Officer

D.P. Taparia
Director
(DIN : 00126892)

Place :Nashik
Date :May 30, 2022

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

a. Equity share capital

(1) Current Reporting Period

Balance at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2022
303.58	-	-	-	303.58

(2) Previous Reporting Period

Balance at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2021
303.58	-	-	-	303.58

b. Other Equity

(1) Current Reporting Period

(Rs. in lakh)

Particulars	Reserves and Surplus					Equity Instruments through Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained earnings	Remeasurement on Defined Benefit Plan		
Balance at the beginning of current reporting period	45.00	50.00	1437.75	18962.40	61.50	-	20556.65
Changes in Accounting Policy or prior period errors	-	-	-	-	-	-	-
Restated Balance at the beginning of current reporting period	-	-	-	-	-	-	-
Total Comprehensive Income for the Current Year	-	-	-	6,509.01	50.10	-	6,559.11
Dividends paid	-	-	-	(3,642.90)	-	-	(3,642.90)
Transfer to General Reserve from retained earnings	-	-	655.91	(655.91)	-	-	-
Balance at the end of current reporting period	45.00	50.00	2,093.66	21,172.60	111.60	-	23,472.86

(2) Previous Reporting Period

Particulars	Reserves and Surplus					Equity Instruments through Other Comprehensive Income	Total
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained earnings	Remeasurement on Defined Benefit Plan		
Balance at the beginning of current reporting period	45.00	50.00	1437.75	14128.81	31.16	-	15692.72
Changes in Accounting Policy or prior period errors	-	-	-	-	-	-	-
Restated Balance at the beginning of current reporting period	-	-	-	-	-	-	-
Total Comprehensive Income for the Current Year	-	-	-	4,833.59	30.34	-	4,863.93
Dividends paid	-	-	-	-	-	-	-
Transfer to General Reserve from retained earnings	-	-	-	-	-	-	-
Balance at the end of current reporting period	45.00	50.00	1437.75	18,962.40	61.50	-	20,556.65

Note : The Board of Directors has declared 2 Interim Dividends during the Financial year 2021-2022 aggregating to Rs. 3642.90 lakhs as per details given :

Particulars	Date of Board Meeting	Dividend per equity share (Rs.)	Amount (Rupees in lakh)	Date of Payment
1st Interim Dividend	20th December 2021	70.00	2,125.03	18th January 2022
2nd Interim Dividend	14th February 2022	50.00	1,517.87	10th March 2022
Total			3,642.90	

Further, the Board of Directors at their meeting held on 30th May 2022 has recommended a Final Dividend of Rs. 52.50 per equity share aggregating to Rs. 1593.77 Lakh in respect of the year ended 31st March 2022 which is subject to approval of the share holders at the ensuing annual general meeting.

Significant accounting policies	1-2
The accompanying notes are an integral part of these financial statements	3-38
The accompanying notes are an integral part of these financial statements	3-38

As per our report of even date attached

For and on behalf of Board of Directors of TAPARIA TOOLS LIMITED

For Harshil Shah & Co.

Chartered Accountants
(Firm Reg.No.141179W)

V.S. Datey

Company Secretary

H. N. Taparia

Chairman & Managing Director
(DIN : 00126774)

Harshil Shah

Partner
Membership No. 124146

S. R. Bagad

Chief Financial Officer

D.P. Taparia

Director
(DIN : 00126892)

Place :Nashik

Date :May 30, 2022

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

1. Reporting entity

Taparia Tools Ltd (the 'Company') is a Company domiciled in India, with its registered office situated at 52-B, MIDC Satpur, Nashik - 422007. The equity shares of the company are listed on the Bombay stock exchange (BSE) in India. The Company is primarily involved in manufacturing and trading of hand tools.

The manufacturing facility of the Company is located at Nashik and Goa.

1.1 Basis of preparation

a. Statement of compliance

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

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements were authorised for issue by the Company's Board of Directors on 29th June 2021.

Details of the Company's accounting policies are included in Note 2.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is also the Company's functional currency. All amounts have been rounded off to two decimal places to the nearest lakhs, unless otherwise indicated.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis, except for certain financial assets and liabilities and defined benefit plan assets/liabilities measured at fair value.

d. Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 30 – lease; whether an arrangement contains a lease and:
- Note 30 – lease classification

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

- Note 3 – useful life of Property, plant and equipment
- Note 4 – useful life of Intangible assets
- Note 31 – employee benefit plans
- Note 25 – Income taxes

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

- Note 28 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;

e. Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2. Significant accounting policies

a. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is recognised in the statement of profit and loss.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate useful life	Useful life as per Schedule II of the Companies Act, 2013
Building	30 Years	30 Years
Plant and machinery (including moulds)	15 years	15 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Computers	3 years	3 years
Computer server	3 years	6 years
Vehicles- Motor car	8 years	8 years
Electric fittings	10 years	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on internal assessment and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

b. Intangible assets

i. Acquired intangible

Intangible assets comprise purchased technical know-how are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in Statement of Profit and Loss.

Intangible assets are amortised over a period of 10 years for technical know-how and 3 years for others.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

c. Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes purchase price, duties, transport & handling costs and other costs directly attributable to the acquisition and bringing the inventories to their present location and condition.

The basis of determination of cost remains as follows:

- Raw material, packing material: Moving weighted average cost.
- Stores & stores: Moving weighted average cost.
- Work-in-progress: Cost of input plus overhead up to the stage of completion.
- Finished Goods: Cost of input plus appropriate overhead.
- Scrap: at net realisable value.

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022***d. Impairment****Impairment of non-financial assets**

- a) An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.
- b) Recoverable value is the higher of the 'Value in Use' and fair value as reduced by cost of disposal.
- c) Test of impairment of PPE, investment in subsidiaries / associates / joint venture and goodwill are undertaken under Cash Generating Unit (CGU) concept. For Intangible Assets and Investment Properties it is undertaken in asset specific context.
- d) Test of impairment of assets are generally undertaken based on indication of impairment, if any, from external and internal sources of information outlined in para 12 of Ind AS-36.

Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

e. Employee benefits**i. Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund and Employee State Insurance scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

iv. Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in profit or loss in the period in which they arise.

f. Provisions and contingent liabilities

A provision is recognized 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 are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assumptions of the time value of money and the risks specific to the liability. The unwinding of discount is recognized as finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

g. Leases

As a lessee

The Company has adopted modified simplified approach under Ind AS 116 - Leases, with effect from April 01, 2019. Accordingly, the Company has recognised 'Right of use (ROU)' assets of ₹ 183.61 lakh, accumulated amortisation is Nil and present value of lease liabilities of ₹ 183.61 lakh as on April 01, 2019.

In the statement of profit and loss for the year, instead of rent expenses (as accounted under previous periods), amortisation of right of use has been accounted under depreciation and amortisation expenses and unwinding of discount on lease liabilities has been accounted under finance cost.

The Company's leases primarily consist of leases of land and office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At the date of commencement of the lease, the Company recognizes a ROU and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and/or low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Currently, ROU assets are being amortised over a period of 3-5 years based on lease term being lower of lease term and estimated useful life of underlying assets.

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

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022****As a lessor***

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

h. Borrowing costs

Borrowing costs directly attributable to the acquisition or construction of those property, plant and equipment which necessarily takes a substantial period of time to get ready for their intended use are capitalised. All other borrowing costs are expensed in the period in which they incur in the statement of profit and loss.

i. Revenue

Revenue from sale of goods is recognised when control of the products being sold is transferred to our customer and when there are no longer any unfulfilled obligations. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms. Revenue is measured on the basis of contracted / transaction price, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts and rebates. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur. Our customers have the contractual right to return goods only when authorised by the Company. An estimate is made of goods that will be returned and a liability is recognised for this amount using a best estimate based on accumulated experience.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Interest income is recognised using the effective interest rate (EIR) method.

j. Foreign currency transactions

Transactions in foreign currencies are initially recorded by the company at their functional currency spot rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currency are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rates are recognised as income or expenses in the period in which they arise. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rates at the date of transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

k. Recognition of interest income or expense

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

l. Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss on a systematic basis over the useful life of the asset.

m. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used.

Deferred tax assets recognised or unrecognised are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

n. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjusting for the effects of all potential dilutive ordinary shares.

o. Cash flow statement

Cash Flows are reported using indirect method, where by profit /loss before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

p. Financial instruments

i. Recognition and initial measurement

The Company initially recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are measured at fair value on initial recognition. 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. Regular way purchase and sale of financial assets are accounted for at trade date.

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022***ii. Classification and subsequent measurement****Financial assets***Financial assets carried at amortised cost*

A financial asset is subsequently measured at amortised 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 dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets 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 payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through statement of profit and loss

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

Financial liabilities

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

iii. Derecognition**Financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial assets are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Impairment of financial assets

The company assesses impairment based on expected credit losses (ECL) model at an amount equal to:

- 12 months expected credit losses, or
- Lifetime expected credit losses

depending upon whether there has been a significant increase in credit risk since initial recognition.

However, for trade receivables, the company does not track the changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and a new financial liability with modified terms is recognised in the statement of profit and loss.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or realise the asset and settle the liability simultaneously.

q. Recent amendments to Indian Accounting Standards:

On 24 July 2020, the Ministry of Corporate Affairs (MCA) had issued amendments to certain Ind AS as follows:

i. Ind AS 103 - Business Combinations:

The definition of the term "business" has been revised. An optional test has been introduced to identify concentration of fair value to permit a simplified assessment of whether an acquired set of activities and assets is not a business. Additional guidance with elements of business and on assessing whether an acquired process is substantive. An entity is required to apply the amendments to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after the 1 April 2020 and to asset acquisitions that occur on or after the beginning of that period. There was no impact on the financial statements of the Company on adoption of the above amendments for the year.

ii. Ind AS 107 - Financial Instruments: Disclosures:

Additional disclosures have been introduced for uncertainties arising from interest rate benchmark reforms consequential to the hedge accounting related amendments in the Ind AS 109 – Financial Instruments. The Company did not have any transactions during the year to which these amendments were applicable.

iii. Ind AS 109 - Financial Instruments:

Temporary exceptions from applying specific hedge accounting requirements have been introduced for all hedging relationships directly affected by 'interest rate benchmark reform'. (i.e. the market-wide reform of an interest rate benchmark, including the replacement of an interest rate benchmark with an alternative benchmark rate). This amendment is effective for annual reporting periods beginning on or after 1 April 2020. The Company did not have any transactions during the year to which these amendments were applicable.

iv. Ind AS 116 - Leases:

A Practical expedient has been allowed to permit lessees to exclude COVID-19 related rent concessions to be treated as a lease modification. This amendment is applicable to the Company from annual reporting periods beginning on or after 1 April 2020. There were no rent concessions during the year and accordingly, there was no impact on the financial statements of the Company on adoption of the above amendments for the year.

v. Ind AS 1 - Presentation of Financial Statements and Ind AS 8 -Accounting Policies, Changes in Accounting Estimates and Errors (and consequential amendments to other Ind AS):

The definition of the term "material" has been revised and is applicable prospectively for annual periods beginning on or after 1 April 2020. Consequent to the revised definition of "material", certain amendments were also notified in the Ind AS 10 - Events after the Reporting Period, Ind AS 34 - Interim Financial Reporting and Ind AS 37 -Provisions, Contingent Liabilities and Contingent Assets.

There was no impact on the financial statements of the Company on adoption of this amendment for the year.

vi. Standards issued but not yet effective:

As on the date of approval of these financial statements, there were no new standards or amendments which have been notified but not yet adopted by the Company and expected to have any material impact on the financial statements of the Company.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

3. Property, Plant and Equipment

Tangible Assets for the Financial Year ended on March 31, 2022

(₹ In lakh)

Gross Block	Freehold Land	Lease hold Land	Buildings	Plant and Machinery	Electrical Installation & Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
As at 1 April 2021	20.64	64.53	623.01	2,804.95	121.24	43.38	80.40	53.97	151.45	3,963.57
Additions	-	-	16.94	169.74	-	4.35	13.09	22.43	13.72	240.27
Deletions	-	-	-	-	-	-	(0.08)	(19.76)	-	(19.84)
As at 31 March 2022	20.64	64.53	639.95	2,974.69	121.24	47.73	93.41	56.65	165.18	4,184.00
Depreciation										
As at 1 April 2021	-	18.32	442.24	1,934.16	98.98	33.63	59.00	44.87	123.29	2,754.49
Charge for the year	-	-	10.81	72.41	2.26	2.92	4.00	3.10	18.28	113.78
Disposals	-	-	-	-	-	-	(0.05)	(14.97)	-	(15.02)
As at 31 March 2022	-	18.32	453.05	2,006.57	101.24	36.55	62.95	33.00	141.57	2,853.25
Net Block										
As at 31 March 2021	20.64	46.21	180.77	870.79	22.26	9.82	21.40	9.10	28.16	1,209.15
As at 31 March 2022	20.64	46.21	186.90	968.12	20.00	11.18	30.46	23.65	23.61	1,330.75

3. Tangible Assets For the Financial year ended on March 31, 2021

(₹ In lakh)

Gross Block	Freehold Land	Lease hold Land	Buildings	Plant and Machinery	Electrical Installation & Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Computers	Total
As at 1 April 2020	20.64	64.53	623.01	2,570.46	108.60	39.08	69.69	53.97	143.57	3,693.55
Additions	-	-	-	250.09	12.64	4.30	10.73	-	7.88	285.64
Deletions	-	-	-	(15.60)	-	-	(0.02)	-	-	(15.62)
As at 31 March 2021	20.64	64.53	623.01	2,804.95	121.24	43.38	80.40	53.97	151.45	3,963.57
Depreciation										
As at 1 April 2020	-	18.32	436.61	1,891.75	97.70	31.41	56.24	42.53	106.48	2,681.04
Charge for the year	-	-	5.63	57.72	1.28	2.15	2.78	2.34	16.81	88.71
Disposals	-	-	-	(15.31)	-	-	(0.02)	-	-	(15.33)
As at 31 March 2021	-	18.32	442.24	1,934.16	98.98	33.56	59.00	44.87	123.29	2,754.42
Net Block										
As at 31 March 2020	20.64	46.21	186.40	678.71	10.90	7.67	13.45	11.44	37.09	1,012.51
As at 31 March 2021	20.64	46.21	180.77	870.79	22.26	9.82	21.40	9.10	28.16	1,209.15

3A Capital Work in Progress :

As at 31st March 2022

CWIP	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Projects in Progress					
Projects Temporarily Suspended				538.07	538.07
Total				538.07	538.07

As at 31st March 2021

CWIP	Less than 1 year	1-2 year	2-3 years	More than 3 years	Total
Projects in Progress					
Projects Temporarily Suspended				536.83	536.83
Total				536.83	536.83

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

5. Financial assets

(₹ In lakh)

	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Other Financial Assets				
Security Deposits *	88.55	82.26	5.65	8.79
Interest Receivable	-	-	0.62	12.12
Outstanding Income	-	-	1.35	1.62
Insurance Claim Receivable	-	-	-	268.99
Total	88.55	82.26	7.62	291.52
* Details of Security Deposits:				
Premises	25.56	23.56	4.00	2.00
Others	62.99	58.70	1.65	6.79
Margin Money Deposits with Bank for more than 12 months	-	-	-	-
Total	88.55	82.26	5.65	8.79

6. Tax assets and liabilities

(₹ In lakh)

	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Income tax assets (Net)				
Advance income-tax (Net of provision for taxation)	5.32	5.32	-	-
Total	5.32	5.32	-	-
Income tax Liabilities				
Provision for Taxation (Net of Advance Tax)	-	-	90.57	90.57
Total	-	-	90.57	61.47
	5.32	5.32	90.57	61.47

7. Inventories

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Raw Materials	1,132.91	1,142.36
Work-in-Progress	1,493.84	1,149.14
Finished Goods	455.65	193.65
Stock-in-Trade (Goods acquired for Trading)	13,417.33	8,434.26
Stores and Spares	376.28	317.57
Others :		
Components	658.22	447.58
Scrap	15.97	28.81
Total	17,550.20	11,713.37

8. Investment

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Investment in Mutual Funds (FVTPL)		
HDFC Overnight Fund Direct Plan Growth	3,570.40	1,245.51
HDFC Overnight Fund Regular Plan Growth	137.97	-
ICICI prudential Liquid Fund Growth	-	1,413.53
ICICI prudential Liquid Fund Direct Plan Growth	-	21.31
ICICI prudential Overnight Fund Direct Plan Growth	-	17.37

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

	3,708.37	2,697.72
Aggregate amount of :		
Quoted investments	3,708.37	2,697.72
Unquoted Investments	-	-

9. Trade receivables

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Trade Receivables considered good - Unsecured	6,115.81	5,106.98
Trade Receivables credit impaired	5.55	5.55
Less : Allowance for doubtful debts	-5.55	-5.55
Total	6,115.81	5,106.98

10. Cash and cash equivalents

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Cash on hand	7.04	6.15
Balances with Banks in current accounts	564.02	1,958.30
Total	571.06	1,964.45

11. Loans and Advances

(₹ In lakh)

	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Advance to Employees	-	-	6.58	6.50
Total	-	-	6.58	6.50

12. Other Current Assets

(₹ In lakh)

	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Prepaid expenses	-	-	32.98	45.14
Advance to Suppliers (Capital Goods and Building Material	170.13	186.74	98.45	39.45
Balance with Statutory /Government authorities :				
M.V.A.T. Receivable	63.18	209.94	-	-
Special Additional Duty Receivable	19.75	19.75	-	-
Goods and Service Tax (Input)	-	-	1,339.23	1,341.37
Total	253.06	416.43	1,470.66	1,425.96

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

AGING RECEIVABLES AS AT 31ST MARCH 2022

(₹ In lakh)

Particulars	Unbilled	Not due	Less than 6 months	6 months-1 year	1 -2 years	2-3 years	> 3 years	Total O/s.
(i) Undisputed Trade Receivables - Considered Good			6115.81					6115.81
(ii) Undisputed Trade Receivables - which have significant increase in credit risks								0
(iii) Undisputed Trade Receivables - Credit impaired								0
(iv) Disputed Trade Receivables - Considered good								0
(v) Disputed Trade Receivables - which have significant increase in credit risks								0
(vi) Disputed Trade Receivables - Credit impaired							5.55	5.55
Less : Allowance for doubtful debts/ impairment							(5.55)	(5.55)
Total	0	0	6115.81	0	0	0	0.00	6115.81

AGING RECEIVABLES AS AT 31ST MARCH 2021

(₹ In lakh)

Particulars	Unbilled	Not due	Less than 6 months	6 months-1 year	1 -2 years	2 - 3 years	> 3 years	Total O/s.
(i) Undisputed Trade Receivables - Considered Good			5106.98					5106.98
(ii) Undisputed Trade Receivables - which have significant increase in credit risks								0
(iii) Undisputed Trade Receivables - Credit impaired								0
(iv) Disputed Trade Receivables - Considered good								0.00
(v) Disputed Trade Receivables - which have significant increase in credit risks								0
(vi) Disputed Trade Receivables - Credit impaired							5.55	5.55
Less : Allowance for doubtful debts/ impairment							(5.55)	(5.55)
Total	0	0	5106.98	0	0	0	0	5106.98

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022***13. Equity Share Capital**

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Equity share capital	303.58	303.58
Authorised Share capital :		
50,00,000 Equity Shares of Rs.10/- Each	500.00	500.00
Issued and subscribed capital comprises:		
30,35,750 Ordinary (Equity) Shares of Rs. 10/- Each fully paid-up	303.58	303.58

13.1 Fully paid equity shares

(₹ In lakh)

	Number of shares	Share Capital
Balance at April 1, 2021	30,35,750	303.58
Add: Issued during the year	-	-
Less: Bought back during the year	-	-
Balance at March 31, 2022	30,35,750	303.58

Terms/rights attached to equity shares

The Company has equity shares having par value of Rs. 10 per share. Each holder of Equity Shares is entitled to one vote per share. The shareholders have the right to receive interim dividends declared by the Board of Directors and final dividend proposed by the Board of Directors and approved by the shareholders. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of Preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shareholders have all other rights as available to the equity shareholders as per the provisions of Companies Act, 2013 read together with the Memorandum of Association and Articles of Association of the Company as applicable.

13.2 Details of shares held by each shareholder holding more than 5% shares

	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
Fully paid equity shares				
Names of shareholders:				
Shri Harnarayan Taparia	3,64,650	12.01%	3,64,650	12.01%
Veer Enterprises Ltd	2,74,288	9.04%	2,74,288	9.04%
Mrs. Rajdulari Devi Taparia	1,81,057	5.96%	1,81,057	5.96%
Total	8,19,995	27.01%	8,19,995	27.01%

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

13.2 Share Holding of Promoters

Share held by Promoters at the end of the year

Sr. No.	Name of the Promoter	No. of Shares held	% of total Shares	% change during the year
1	Harnarayan Taparia	3,64,650	12.01	-
2	Harnarayan Taparia (HUF)	1,33,129	4.39	-
3	Devi Prasad Taparia	1,01,699	3.35	-
4	Devi Prasad Taparia (HUF)	80,958	2.67	-
5	Jaya Krishna Taparia	1,47,476	4.86	-
6	Jaya Krishna Taparia (HUF)	66,042	2.18	-
7	Madhav Prasad Taparia	1,43,565	4.73	-
8	Madhav Prasad Taparia (HUF)	1,15,969	3.82	-
9	Bhagwati Binani	55	0.00	-
10	Bharat Taparia	1,33,194	4.39	-
11	Bharat Kumar Taparia (HUF)	10,718	0.35	-
12	Harsha Mundhra	50,000	1.65	-
13	Kusum Devi Taparia	1,46,848	4.84	-
14	Prema Devi Taparia	1,26,989	4.18	-
15	Rajdulari Devi Taparia	1,81,057	5.96	-
16	Shashi Devi Bangur	69,271	2.28	-
17	Sudha Devi Taparia	1,03,799	3.42	-
18	Sushil Kumar Taparia	71,799	2.37	-
19	Sushil Kumar Taparia (HUF)	43,999	1.45	-
20	Om Shri Yogeshwar Mfg. & Trading Co.	25,300	0.83	-
	Total	21,16,517	69.72	-

14. Other Equity

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
General Reserve		
Balance at beginning of the year	1,437.75	1,437.75
Add/ (less): Transferred from Statement of Profit & Loss	655.91	-
Balance at end of the year	2,093.66	1,437.75
Retained Earnings		
Balance at beginning of year	19,023.90	14,159.97
Add/ (less): Transferred from Statement of Profit & Loss	6,509.01	4,833.59
Other comprehensive income arising from re-measurement of defined benefit obligation, net of tax	50.10	30.34
Add/ (less): Transfer to General Reserve	(655.91)	-
Add/ (less): Interim dividend	(3,642.90)	-
Add/ (less): Transfer from Deffered tax	-	-
Balance at end of the year	21,284.20	19,023.90

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022***14. Other Equity (Contd.)**

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Capital Reserve		
Balance at beginning of year	45.00	45.00
Balance at end of the year	45.00	45.00
Securities Premium Reserve		
Balance at beginning of the year	50.00	50.00
Balance at end of the year	50.00	50.00
Total	23,472.86	20,556.65

15. Provisions

(₹ In lakh)

	Non Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Leave Encashment	210.98	233.70	44.91	34.10
Group Gratuity	56.72	39.78	0.06	58.37
Total	267.70	273.48	44.97	92.47

16. Trade Payable

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Total Outstanding dues of micro small enterprises (Refer note below)	33.98	26.41
Total Outstanding dues of other than micro small enterprises	5,547.50	2,307.02
Total	5,581.48	2,333.43

AGEING SCHEDULE (As at 31st March 2022)

	Particulars	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
i)	MSME	33.98					33.98
ii)	Others	2,345.90	3,201.60				5,547.50
iii)	Disputed Dues - MSME						-
iv)	Disputed Dues - Others						-
		2,379.88	3,201.60	-	-	-	5,581.48

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

AGEING SCHEDULE (As at 31st March 2021)

	Particulars	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
i)	MSME	26.41					26.41
ii)	Others	1,592.36	714.66				2,307.02
iii)	Disputed Dues - MSME						-
iv)	Disputed Dues - Others						-
		1,618.77	714.66	-	-	-	2,333.43

Note :

There are no material dues owed by the company to micro and small enterprises, which are outstanding for more than 45 days during the year and at 31 March 2022. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been indentified on the basis of information available with the company and has been relied upon by the auditors.

17. Other Financial Liabilities

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Outstanding Liabilities towards PF, ESIC, etc.	242.90	242.28
Total	242.90	242.28

18. Other Current Liabilities

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Advance from customers	182.25	346.31
Contribution PF/PT/ESIC/LIC	184.72	23.22
Statutory liabilities (TDS)	1,060.54	1,021.03
Outstanding Liabilities	176.80	178.66
Unclaimed Dividend	0.00	-
	1,604.31	1,569.22

19. Revenue from operations

(₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of product*	64,953.40	53,394.95
Other Operating revenues		
Scrap Sales	1,808.37	210.37
Total	66,761.77	53,605.32
* Sale of manufactured products	15,544.35	11,695.00
Sale of Traded products	49,409.05	41,699.95

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022***Reconciliation of the amount of revenue recognised in the Statement of profit and loss with contracted price :** (₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue as per contracted price	69,005.05	55,406.72
Adjustments : Rebates & Discounts	(2,243.28)	(1,801.40)
Net Revenue from Contract with Customers	66,761.77	53,605.32

20 Other Income and other gains/ (losses) (₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
<u>Interest Income</u>	2.19	14.01
Short Term Capital Gains on sale of Investments	129.06	94.79
Gain on change in fair value of investments	8.48	19.05
Net foreign exchange gains/ (losses)	(1.08)	0.25
<u>Profit on Sale of Fixed Asset</u>	4.41	3.60
Others	45.02	37.98
Total	188.08	169.68

21. Cost of materials consumed (₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Raw Material		
Opening Stock	1,142.36	910.44
Add : Purchases	4,220.12	2,824.12
	5,362.48	3,734.56
Less : Closing stock	1,132.91	1,142.36
Total	4,229.57	2,592.20

21a. Purchase of stock-in-trade (₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of traded products	42,272.91	30,712.72
Total	42,272.91	30,712.72

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

21b. Changes in inventories of finished goods, work-in-progress and stock-in-trade

(₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
OPENING STOCK		
Finished Goods		
Work-in-process	193.65	387.79
Scrap	1,149.14	930.50
Trading Items Purchase	28.81	39.00
	8,434.26	8,741.50
LESS : CLOSING STOCK	9,805.86	10,098.79
Finished Goods		
Work-in-process	455.65	193.65
Scrap	1,493.84	1,149.14
Trading Items Purchase	15.97	28.81
	13,417.34	8,434.26
Total	15,382.80	9,805.86
	(5,576.94)	292.93

22. Employee benefits expense

(₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Wages	2,932.67	2,679.43
Contribution to provident and other funds	126.71	150.07
Staff Welfare Expenses	93.16	80.77
Total	3,152.54	2,910.27

23. Finance costs

(₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on bank overdrafts	0.12	6.14
Other borrowing costs	11.22	13.91
Total	11.34	20.05

24. Depreciation and amortisation expense

(₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of property, plant and equipment	113.78	88.71
Amortisation of Intangible Assets	60.98	76.01
Amortisation of Right to use assets	1.54	1.96
Total	176.30	166.68

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022***25. Other expenses**

(₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Manufacturing Expenses:		
Consumption of stores and Spare Parts	2,700.76	2,085.63
Power and Fuel	874.17	658.45
Water Charges	8.68	8.68
Repairs to Buildings	60.46	69.88
Repairs to Machinery	57.83	68.54
Labour Charges	1,281.89	901.03
Freight & Carriage	140.28	81.98
Other Manufacturing Expenses	912.71	377.55
Subtotal (A)	6,036.78	4,251.74
B. Other Administrative Expenses:		
Rent	55.93	15.96
Rent, Rates & Taxes	8.59	8.92
Travelling & Conveyance	20.70	16.48
Insurance	65.34	48.31
Professional & Legal Expenses	145.37	179.40
Directors' Sitting Fees	9.80	5.10
Repairs to Others	11.31	8.64
payment to Auditors (Refer details Below)	4.00	3.50
Printing & Stationery	81.17	38.84
Bad debts Witten Off	0.98	5.56
CSR Expenditure	91.02	71.30
Loss on Sale of Assets	4.81	0.00
Miscellaneous Expenses	125.60	145.83
Subtotal (B)	624.62	547.84
C. Selling & Distribution Expenses :		
Forwarding Expenses	965.51	792.89
Advertising/Sales Promotion Expenses and Incentive	1,768.94	1,407.77
Selling Commission	4,549.46	3,635.95
Subtotal (C)	7,283.91	5,836.61
Grand Total (A+B+C)	13,945.31	10,636.19

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

25.1 Payments to auditors

(₹ In lakh)

	Year ended March 31, 2021	Year ended March 31, 2020
As auditor		
Audit fee	4.00	3.50
Tax audit fee	-	-
In other capacity		
For other services	-	-
For reimbursement of expenses	-	-
Total	4.00	3.50

26 Tax expense

(a) Amounts recognised in profit and loss

(₹ In lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	2,216.60	1,661.83
Excess Tax Provision for earlier years written back	-	(53.41)
Deferred tax expense	13.21	1.95
Tax expense for the year	2,229.81	1,610.37

(b) Amounts recognised in other comprehensive income

(₹ In lakh)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to the Statement of profit or loss						
Remeasurements of the defined benefit plans	66.95	(16.85)	50.10	40.55	(10.20)	30.34
Total	66.95	(16.85)	50.10	40.55	(10.20)	30.34

(c) Reconciliation of effective tax rate

(₹ In lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	8,738.82	6,443.96
Tax using the Company's domestic tax rate (Current year 25.17% and Previous Year 25.17%)	1,621.94	1,035.46
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
On account of disallowance/(allowance) of expenses	6.13	3.69
On account of permanent difference	24.12	38.15
On account Excess Tax Provision for earlier years written back	-	(53.41)
On account of tax rate difference and earlier year tax adjustments	-	-
Tax Expenses Recognised in the Statement of profit and Loss	2,229.81	1,610.37
The Company's effective tax rate for the year after rate difference and earlier years tax effect	25.52%	24.99%

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

Impact of tax rate change: The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its Deferred Tax Assets on the basis the rate prescribed in the said section. The full impact of this change has been recognised in the statement of Profit & Loss for the year.

27 Deferred Tax**(a) Movement in deferred tax balances**

(₹ In lakh)

Particulars	March 31, 2022					
	Net balance April 1, 2021	Recognised in statement of profit or loss	Recognised in OCI	Net balance March 31, 2022	Deferred tax asset	Deferred tax liability
Deferred tax asset/ (Liabilities)						
Property, plant and equipment	(108.27)	(3.15)	-	(111.42)	-	(111.42)
Others - MAT Credit entitlement	0.88	(0.25)	-	0.63	0.63	-
Lease Liabilities / ROU assets	4.80	(6.93)	-	(2.13)	-	(2.13)
Financial assets at FVTPL	-	-	-	-	-	-
Others - Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	73.78	(2.88)	-	70.90	70.90	-
Net tax assets/ (Liabilities)	(28.81)	(13.21)	-	(42.02)	71.53	(113.55)

(b) Movement in deferred tax balances

(₹ In lakh)

Particulars	March 31, 2021					
	Net balance April 1, 2020	Recognised in statement of profit or loss	Recognised in OCI	Net balance March 31, 2021	Deferred tax asset	Deferred tax liability
Deferred tax assets/ (Liabilities)						
Property, plant and equipment	(97.51)	(10.76)	-	(108.27)	-	(108.27)
Others - MAT Credit entitlement	-	-	-	-	-	-
Lease Liabilities / ROU assets	1.77	(0.89)	-	0.88	0.88	-
Financial assets at FVTPL	(0.39)	5.19	-	4.80	4.80	-
Others - Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	69.27	4.51	-	73.78	73.78	-
Net tax assets/ (Liabilities)	(26.86)	(1.95)	-	(28.81)	79.46	(108.27)

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

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

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

28 Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

i. Profit attributable to Equity holders

(₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Net profit after tax	6509.01	4833.59
Profit attributable to equity holders of the parent for basic earnings	6509.01	4833.59

ii. Weighted average number of ordinary shares

(₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Issued ordinary shares	30,35,750	30,35,750
Weighted average number of shares at March 31 for basic & diluted EPS	30,35,750	30,35,750
Effect of dilution:		

Basic and Diluted earnings per share

(₹ In lakh)

	For the year ended March 31, 2022 (Rs.)	For the year ended March 31, 2021 (Rs.)
Basic earnings per share	214.41	159.22
Diluted earnings per share	214.41	159.22

29. Contingent liability and commitments

(₹ In lakh)

	As at March 31, 2022	As at March 31, 2021
Contingent Liabilities :		
Claims against the Company not acknowledged as debts		
a) in respect of labour matters	132.47	118.28
b) Constrained Octroi Duty	-	-
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for	226.93	146.92
	359.40	265.20

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

29.1 Contingent liabilities above represent estimates made mainly for probable claims arising out of litigation and disputes pending with tax authorities. The probability and timing of outflow with regard to these matters depend on the final outcome of litigations / disputes. Hence the Company is not able to reasonably ascertain the timing of the outflow.

29.2 The Company is subject to legal proceedings and claims which arise in the ordinary course of business. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liability, where applicable. The management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's operations or financial condition.

30 The Company was set up with the objective of manufacturing Handtools business segment. This is the only activity performed and is thus also the main source of risks and returns. Accordingly, the Company has a single reportable segment. Further, as the Company does not operate in more than one geographical segment hence the relevant disclosures as per Ind AS 108 are not applicable to the company.

31 The company has taken certain building premises under cancellable operating leases. In the rent agreements there are no terms for purchase option or any restriction such as those concerning dividend and additional debts. Lease agreements of the company do not contain any variable lease payment or any residual value guarantees. The company has not entered into any sublease agreement.

Information in respect of leases for which right-of-use assets and corresponding lease liabilities have been recognised are as follows:

(₹ In lakh)		
Particulars	March 31, 2022	March 31, 2021
Carrying amount right-of-use assets at beginning of the year	94.55	118.93
Additions to right-of-use assets during the year	-	85.74
Deletions to right-of-use assets during the year	-	34.12
Amortisation of right-of-use assets during the year	60.98	76.00
Interest expense (unwinding of discount) on lease liabilities	8.44	10.53
Total cash outflows in respect of leases	70.41	90.08
Carrying amount right-of-use assets at year end	33.58	94.55

(₹ In lakh)		
Maturity analysis of lease liabilities are as under:	March 31, 2022	March 31, 2021
Due in next 1 year	32.64	61.97
Due in next 1 to 3 years	3.45	36.09
Due in next 3 to 5 years	-	-
Due after 5 years	-	-

(₹ In lakh)				
32. Employee benefit obligation	As at 31 March 2022		As at 31 March 2021	
	Non-current	Current	Non-current	Current
Compensated absences	210.98	44.91	233.70	34.10
Gratuity	56.71	0.06	39.78	58.37
Total	267.69	44.97	273.48	92.46

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

(i) Defined benefit plan - Gratuity

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

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

(₹ In lakh)

	As at 31 March 2022	As at 31 March 2021
Present Value of obligation	796.37	814.18
Fair Value of Plans	739.60	716.04
Net Liability in the balance sheet	56.77	98.14
Defined Benefit Obligations		
Balance at the beginning of the year	814.18	824.15
Interest expenses	55.77	56.29
Current service cost	46.25	45.48
Past service cost		
(Liability Transferred In/ Acquisitions)		
Benefit Paid directly by the employer	(6.68)	0.00
Benefit Paid From the Fund	(47.18)	(68.18)
Actuarial (gain) / loss-Due to change in Demographic Assumptions	(48.49)	0.00
Actuarial (gain) / loss-Due to change in Financial assumptions	102.34	58.00
Actuarial (gain) / loss- Due to Experience	(119.83)	(101.56)
Balance at the end of the year	796.36	814.18
Plan Assets		
Balance at the beginning of the year	716.04	682.05
Interest Income	49.05	46.58
Contributions by the Employer	20.20	62.64
Expected return on plan assets	1.50	(3.02)
Paid Funds	(47.18)	(72.22)
Actuarial (gain) / loss		
Balance at the end of the year	739.61	716.04
Return on Plan Assets		
Expected return on plan assets	1.50	(3.02)
Actuarial (gain) / loss	0.00	0.00
Actual Return on Plan Assets	1.50	(3.02)

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022***Expenses Recognised in the Statement of Profit or Loss on defined benefit plan**

(₹ In lakh)

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service costs	46.25	45.48
Past service cost		
Interest expense	55.77	60.32
Interest Income	(49.05)	(46.58)
Expected return on plan assets		
Expenses Recognised	52.97	59.22
Expenses Recognised in the Other Comprehensive Income (OCI) on defined benefit plan		
Actuarial (gain) / loss	(65.98)	(43.56)
Expected return on plan assets	(0.97)	3.02
Net (Income)/ Expense for the period Recognised in OCI	(66.95)	(40.54)
Maturity Analysis of the Benefit Payments: From the Fund		
Projected Benefits Payable in Future Years From the Date of Reporting		
1st Following Year	106.97	83.64
2nd Following Year	77.21	42.36
3rd Following Year	105.13	66.66
4th Following Year	66.90	74.88
5th Following Year	81.56	38.66
Sum of Years 6 to 10	417.62	406.23
Sum of Years 11 and above	396.99	919.74
Significant estimates: actuarial assumptions and sensitivity		
The significant actuarial assumptions were as follows:		
	Year ended as on 31st March 2022	Year ended as on 31st March 2021
Discount rate	6.85%	6.83%
Salary growth rate	20% for the next 1 year & 10% p.a. thereafter	10.00%
Retirement age	58 & 75 Years	58 & 75 Years
Withdrawal rates	2.00%	2.00%
Weighted average duration of defined benefit obligation	9	9

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

Assumptions regarding future mortality rates are based on Indian Assured Lives Mortality (2006-08) Ultimate as published by Insurance Regulatory and Development Authority (IRDA).

The actuarial valuation is carried out yearly by an independent actuary. The discount rate used for determining the present value of obligation under the defined benefit plan is determined by reference to market yields at the end of the reporting period on Indian Government Bonds. The currency and the term of the government bonds is consistent with the currency and term of the defined benefit obligation.

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	(₹ In lakh)	
	As at March 31, 2022	As at March 31, 2021
Projected Benefits Obligations on Current Assumptions	796.37	814.18
Delta Effect +1% Change in Rate of Discounting	(40.37)	(60.06)
Delta Effect -1% Change in Rate of Discounting	45.01	69.44
Delta Effect +1% Change in Rate of Salary Increase	40.49	63.01
Delta Effect -1% Change in Rate of Salary Increase	(37.50)	(56.47)
Delta Effect +1% Change in Rate of Employee Turnover	(7.94)	(12.31)
Delta Effect -1% Change in Rate of Employee Turnover	8.63	13.86

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period

(ii) Defined contribution plan

The Company also has certain defined contribution plan. Contributions are made to provident fund and employee state insurance scheme for employees at the specified rate as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the year towards defined contribution plan is ₹ 59.23 lakhs. (31 March 2020: Rs 70.32 lakhs).

33. Corporate Social Responsibility

During the year, the amount required to be spent on corporate social responsibility activities amounted to ₹ 94.64 Lakhs (31 March 2021 ₹ 66.36 Lakhs) in accordance with Section 135 of the Companies Act, 2013. The following amounts were spent during the current and previous years:

	(₹ In lakh)	
Particulars	March 31, 2022	March 31, 2021
(a) amount required to be spent during the year	94.64	66.36
(b) amount of expenditure incurred,	91.02	71.30
(c) shortfall at the end of the year	3.62	-4.94
(d) total of previous years shortfall	(4.94)	0.00
(e) reason for shortfall	0.00	0.00

(f) nature of CSR activities : Educational, Rural Development, Medical, Animal Welfare etc.

(g) details of related party transactions : Surjudevi Laduram Taparia Charitable Trust

(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately : Not applicable

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022***34. Related Party Disclosures**

The disclosures pertaining to the related parties as required by Ind AS 24 "Related Party Disclosure" are as under:

(a) Key Managerial Personnel	Mr. H.N. Taparia	-Chairman & Managing Director
	Mr.Sivaramakrishnan	-Director-Operations
	Mr. V.S. Datey	-Companay Secretary
	Mr.S.R. Bagad	-Chief Financial Officer

(b) Entities controlled by Key Managerial Personnel Surjudevi Laduram Taparia Charitable Trust

Nature of Transactions

Sr No.	Name Of The Related Paerty	Relationship	Nature Of Payment	Year ended as on 31st March 2022	Year ended as on 31st March 2021
1	Mr. H.N. Taparia	Chairman & Managing Director	Salary	-	-
2	Mr.Sivaramakrishnan	Director-Operations	Salary	23.98	22.12
3	Mr. V.S. Datey	Companay Secretary	Salary	4.07	4.00
4	Mr.S.R. Bagad	Chief Financial Officer	Salary	13.75	12.67
5	Surjudevi Laduram Taparia Trust Charitable Trust		Donation	3.00	-
TOTAL				44.80	38.79

Note:

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis.

35. Financial Instrument - Accounting classifications and fair values measurements

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the company based on parametes such as interest rate and individual credit worthiness of the counterparty. Based on this evaluation, allowance are taken to the account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

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

Level 2 : other techniques for which all inuts which have a significant effect on the recorded fair value are observable, either directly or indirectly.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels of in the fair value hierarchy :

As at 31 March 2022

(₹ In lakh)

	Carrying amount			Fair value			
	Financial assets - FVTPL	Financial assets - amortised cost	Financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value							
Investment in Mutual Funds	3,708.37	-	-	3,708.37	-	3,708.37	-
	3,708.37	-	-	3,708.37	-	3,708.37	-
Financial assets not measured at fair value							
Trade receivables	-	6,115.81	-	6,115.81	-	-	-
Cash and cash equivalents	-	571.06	-	571.06	-	-	-
Other bank balances	-	-	-	-	-	-	-
Loans	-	6.58	-	6.58	-	-	-
Other financial assets	-	96.17	-	96.17	-	-	-
	-	6,789.62	-	6,789.62	-	-	-

As at 31 March 2022

Financial liabilities not measured at fair value

Borrowings	-	-	-	-	-	-	-
Trade payables	-	-	5,581.48	5,581.48	-	-	-
Other financial liabilities	-	-	242.90	242.90	-	-	-
	-	-	5,824.38	5,824.38	-	-	-

As at 31 March 2021

(₹ In lakh)

	Carrying amount			Fair value			
	Financial assets - FVTPL	Financial assets - amortised cost	Financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value							
Investment in Mutual Funds	2,697.72	-	-	2,697.72	-	2,697.72	-
	2,697.72	-	-	2,697.72	-	2,697.72	-
Financial assets not measured at fair value							
Trade receivables	-	5,106.98	-	5,106.98	-	-	-
Cash and cash equivalents	-	1,964.45	-	1,964.45	-	-	-
Other bank balances		6.50	-	6.50			-
Loans	-	373.78	-	373.78	-	-	-
Other financial assets	-	7,451.71	-	7,451.71	-	-	-
	-	6,789.62	-	6,789.62	-	-	-

Financial liabilities not measured at fair value

Trade payables	-	-	2,333.43	2,333.43	-	-	-
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NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

Other financial liabilities	-	-	242.28	242.28	-	-	-
	-	-	2,575.71	2,575.71	-	-	-

The Company has not disclosed the fair values for financial instruments such as trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payable, other financial assets and financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

Financial risk management objectives and policies

The Company has exposure to the following risks arising from financial instruments :

- Credit risk
- Liquidity risk
- Market risk
- Interest risk

Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company conduct yearly risk assessment activities to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has a system in place to ensure risk identification and ongoing periodic risk assessment is carried out. The Board of directors periodically monitors the risk assessment.

i) Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables and deposits to landlords) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The company generally doesn't have collateral.

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

Particulars	(₹ In lakh)	
	As at 31 March 2022	As at 31 March 2021
Trade receivables	6,115.81	5,106.98
Cash and cash equivalents	571.06	1,964.45
Loans	6.58	6.50
Other financial assets	96.17	373.78

Trade receivables

Customer credit risk is managed as per Company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 8. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several industries and operate in largely independent markets.

Bank balances and deposits with banks

Credit risk from balances with banks is managed by the company's finance department as per Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Board of directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk. During the current year the Company has provided for impairment loss of Rs 11,293 related to trade receivables.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As at March 31, 2022 (₹ In lakh)									
	Contractual cash flows								
	Carrying amount	Total	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 year	More than 3 year	More than 5 years
Trade payables	5,581.48	5,581.48	2,379.87	3,201.60	-	-	-	-	-
Other financial liabilities	1,847.21	1,847.21	-	1,847.21	-	-	-	-	-
	7,428.69	7,428.69	2,379.87	5,048.81	-	-	-	-	-

As at March 31, 2021 (₹ In lakh)									
	Contractual cash flows								
	Carrying amount	Total	Not Due	Less than 1 year	1-2 year	2-3 year	More than 3 year	More than 3 year	More than 5 years
Trade payables	2,333.43	2,333.43	1,618.77	714.66	-	-	-	-	-
Other financial liabilities	1,661.68	1,661.68	-	1,661.68	-	-	-	-	-
	3,995.11	3,995.11	1,618.77	2,376.34	-	-	-	-	-

*NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022***iii) Market risk**

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowing.

The company manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigation them accordingly to company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments.

Currency risk

The Company is exposed to currency risk to the extent that there is a mismatch between the currencies in which purchases are denominated and the functional currency of Company. The functional currency of the Company is Indian Rupees. However the Company is not exposed to foreign currency fluctuation between the foreign currency and Indian Rupees.

iv) Interest risk

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was as follows

Particulars	(₹ In lakh)	
	As at 31 March 2022	As at 31 March 2021
Fixed rate instruments		
Financial assets		
Deposit with banks	6.09	6.09
Total	6.09	6.09
Variable-rate instruments		
Financial liabilities		
Borrowings	-	-
Total	-	-

There are no Fixed deposits but only Security deposits. Hence there is no interest rate risk.

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

36 Other Regulatory Compliances

a) Financial ratios

Sr. No.	Ratio	Numerator	Denominator	FY 2021-22 %	FY 2020-21 %	Variance	Remarks for variance more than 25%
1	Current Ratio (in times)	Current Assets	Current Liabilities	3.87	5.32	-27%	Change is due to recommencement of operation after lockdown
2	Return on Equity Ratio (%)	Net Profit after Tax	Equity	21.44	15.92	35%	increase is due to company has earned more profit than previous year
3	Inventory Turnover Ratio (in times)	Cost of Good Sold	Average inventory	4.13	3.75	10%	not applicable
4	Trade Receivables Turnover Ratio (in times)	Sales	Average Accounts Receivables	10.91	10.50	4%	not applicable
5	Trade Payables Turnover Ratio (in times)	Purchase / Service utilised	Average Accounts Payables	15.31	17.89	-14%	not applicable
6	Net Capital turnover Ratios (in times)	Net Sales	working Capital	3.06	2.84	8%	not applicable
7	Net Profit Ratio (%)	Net Profit after Tax	Net Sales	10%	9%	8%	not applicable
8	Return on Capital employed(%)	Earning before interest & Tax	Capital Employed	37%	31%	19%	not applicable
9	Return on investments (%)	Income Generated from investments	Average Investments	4%	5%	-5%	not applicable

37 No transactions to report against the following disclosure requirements as notified by MCA pursuant to amendment in Schedule III

- i) Crypto Currency or Virtual Currency
- ii) Benami property held under Prohibition of Benami Transactions Act, 1988 and rules made there under
- iii) Registration of Charges or satisfaction with Registrar of Companies
- iv) Related to borrowed funds:
 - a) Wilful defaulter
 - b) Utilisation of borrowed fund & share premium
 - c) Borrowings obtained on the basis of security of current assets
 - d) discrepancies in utilisation of borrowings
 - e) Current maturity of long term borrowings

NOTES TO THE FINANCIAL STATEMENTS for the year ended March 31, 2022

38 Previous period figures have been regrouped / re-classified to confirm to requirements of the amended Schedule III to the Companies Act, 2013 effective 1st April 2021

As per our report of even date attached

For and on behalf of Board of Directors of TAPARIA TOOLS LIMITED

For Harshil Shah & Co.
Chartered Accountants
(Firm Reg.No.141179W)

V.S. Datey
Company Secretary

H. N. Taparia
Chairman & Managing Director
(DIN : 00126774)

Harshil Shah
Partner
Membership No. 124146

S. R. Bagad
Chief Financial Officer

D.P. Taparia
Director
(DIN : 00126892)

Place :Nashik
Date :May 30, 2022