



BOARD OF DIRECTORS

PAMELA ANNA MATHEW

Chairman & Managing Director

ROOPA ANNA GEORGE

CELESTINE SEBASTIAN VETTICAL

R. RAVICHANDRAN

RAJESH NAMBIAR

K.V. SIVADAS

SUNELA SARAH MATHEW

T. THOMAS

STATUTORY AUDITORS:

VARMA & VARMA

LEGAL ADVISORS:

MENON & PAI

BANKERS:

BANK OF INDIA LTD.

IDBI BANK LTD.

AXIS BANK LTD.

REGISTERED OFFICE:

VYTTILA, P.B. No. 1952

KOCHI - 682 019, KERALA, INDIA

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CIN : U31200KL1968PLC002169

Email : cs@oenindia.com, Website: www.oenindia.com

FACTORIES:

ELECTROGIRI, MULANTHURUTHY

KOCHI, KERALA, PIN - 682 314

PLOT NO. B 16 & 17, CHAKAN INDUSTRIAL AREA,

PHASE II, MIDC, TALUK KHED,

PUNE, MAHARASHTRA, PIN - 410 501

GAT NO. 365/2, KHARABWADI, AMBETAN ROAD,

TALUK KHED, PUNE, MAHARASHTRA, PIN - 410 501

PLOT NO. SDF 17, 1ST FLOOR, THRIKKAKKARA,

KAKKANAD, KOCHI, KERALA, PIN - 682 037

Social obligations of business

We believe that there are four primary social obligations of business namely:

1. Creation of wealth- in the form of goods and services required by the community, of good quality and at reasonable prices.
2. Creation of economic activity - provide employment to those who are equipped and need jobs, which results in creating economic activity in the community.
3. To pay dues - payment of various taxes such as GST, Import Duty, personal and corporate Income Taxes, which will enable the Government to secure our borders and provide the infrastructure necessary for our well being.
4. To create surplus, to adequately reward the risk takers (investors) and to leave sufficient balance to ensure continued growth of the institution, to guarantee security to those who work in the institution and to create job opportunities for the growing population.

The under mentioned figures illustrate how we have fulfilled these:

	2021-22	2020-21
	(Rupees in Millions)	
1. Value Added	688.689	687.705
2. Total number of employees	445	455
3. Employee Benefits (Salaries, allowances etc.)	469.211	404.207
4. Goods and Services Tax (GST)	347.078	279.651
5. Import Duty	127.610	93.042
6. Corporate and Personal Income Tax	43.282	40.940
7. Retained Earnings	145.270	208.986

Performance at a glance

	2021-22	2020-21
	Rs.	Rs.
Gross Income	1939776735	1615846752
Net income before depreciation and taxation	247313209	291872069
Depreciation	83306299	72992839
Net sales	1755147066	1431914891
Net profit after depreciation	164006910	218879230
% of net profit after depreciation to net sales	9.34%	15.29%
Net profit After Tax	123932890	178581204
% of Net Profit to net sales	7.06%	12.47%
Net Income after tax per share	24.30	35.02
Net worth per share	354.55	331.74
Capital expenditure	217788331	74627675
Stock of materials, components, stores, spares etc. as at the close of the year	366634893	284857849
Debtors outstanding at the close of the year	443743847	450436208
Cost of materials / components consumed	1002856000	725684506
Wages, Salaries and Benefits	469211477	404206803

Directors' Report to the Shareholders

The Board of Directors is pleased to present the 54th Annual Report of the Company together with the Audited Statements of Accounts for the Financial Year ended 31st March, 2022.

The Company was able to close the financial year with an all-time high sales turnover of Rs.175.51 crores, exceeding the set budget and achieving a growth of 22.57 percent over the preceding year's sales figure of Rs.143.19 crores, despite the pandemic-affected, scaled-down operations in the First Quarter and the protracted uncertain business conditions, which continued to prevail throughout the year.

The exceptional levels of all-round inflation, compounded by shortages, exchange rate variations and logistical challenges constrained our margins and, consequently, Profit Before Tax fell to Rs.16.40 crores compared to Rs.21.89 crores of the previous year. Correspondingly, Profit After Tax fell by 30.60 percent to Rs.12.39 crores from Rs.17.86 crores of the previous year.

Notwithstanding the difficult economic conditions, manpower bottlenecks and supply-side constraints, our relatively broad product range and market presence, enabled us to out-perform the growth rate of the overall market and exceed our projected sales, though with lower margins.

Business Environment

As per the provisional estimates released by the National Statistical Office (NSO), India's gross domestic product (GDP) growth in 2021-22 was 8.7 percent, of course, over the low base of the previous year. In the last Quarter of 2021-22 (Q4) real GDP growth decelerated to 4.1 percent from 5.4 percent in Q3, dragged down mainly by weakness in private consumption.

While the domestic monetary and economic policies had remained supportive of growth throughout the last financial year, achieving sustained growth momentum presented challenges to the industry as a result of the pandemic and its almost universal impact. However, in terms of Gross Value Addition in 2021-22, all the major segments of the economy in the country, including agriculture, industry, services and construction did exceed 2019-20 levels.

Though the supply-side of the economy began limping back to normalcy after successive waves of the COVID-19 pandemic, rising commodity prices, exchange rate considerations and logistical hurdles in the international markets became major causes of increasing input costs last year.

Global Economy

Supply disruptions caused by the Russia-Ukraine war and its aftermath leading to spikes in crude oil and international commodity prices, hit the global economy and India figured among the most affected nations, with our high dependence on imported fuels. With no early resolution of the conflict in sight, any possibility of a post-pandemic global recovery has gone up in smoke and the ripple effects of the consequent sanctions heightened uncertainties and aggravated supply-chain disruptions. Record levels of inflation have taken a heavy toll on a widening circle of countries.

RBI reports that "Uncertainties prevail, particularly the emerging adverse global demand conditions with the global output and trade volume growth now expected to be lower in 2022 than in 2021. Sharp tightening of monetary policy in several major advanced economies has also adverse implications for capital flows, financial markets and exchange rate for India."

The World Bank, in its Global Economic Prospects report of 7th June, 2022, projected the world economy to clock 2.9 percent growth in 2022, sharply down from the earlier estimate of 4.1 percent. The impact of any potential recession in the developed world would be felt in India as well, depending on how severe it is and for how long it lasts.

However, what is clear is that geopolitical tensions will determine future investments as well as supply-chain decisions. The era of productivity gains from globalisation based on outsourcing seems to be over. Off-shoring is being replaced by on-shoring or at least by re-shoring to more friendly territories.

Performance of Auto Industry

After recovering from the pandemic-induced disruptions in the market through the early part of the last financial year, India reclaimed its global position as the fourth largest car manufacturer with 13 percent growth for passenger vehicles, of course, over the low base of the previous year. However, car sales are still lower than the levels achieved in 2018 when the Automotive segment had witnessed significant growth. The projected growth of 10 percent in 2022-23, based on strong underlying demand, reflects expectations of a general economic recovery and also consumers' preference for personal vehicles over public transportation.

Challenges from the preceding pandemic-hit period still persist - mainly shortages of parts and manpower, logistical hurdles and compliance with Covid-related operating protocols. Globally, as well as specifically in India, vehicle manufacturers have been unable to reach earlier production levels to keep pace with demand, while disruptions at manufacturing locations of a few major suppliers have aggravated semiconductor shortages across the world. Meanwhile, potential vehicle buyers have to reckon with higher interest rates on vehicle-loans, waiting periods and price increases by vehicle manufacturers to neutralize the rising input costs, apart from very high and volatile fuel prices.

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The electric mobility space is expected to witness a slew of launches in all vehicle categories in the coming year. A report by India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. The thrust on Electric Vehicles will give rise to attractive opportunities for component manufacturers like us.

The Current Scenario

The tense global geopolitical situation and the consequent elevated commodity prices impart considerable uncertainty to the domestic inflation outlook. Consequent to the recent reduction in excise duties of petroleum products, domestic retail prices have moderated, though elevated international crude oil prices continue to pose risks of future price increases at the consumer-end. The forecast of a normal south-west monsoon augurs well for agricultural production and the outlook on food prices.

Encouragingly, available information for April-May 2022 indicates recovery in economic activity, with broad-based indicators like bank credit, GST collections, merchandise exports and imports and fuel-consumption showing significant year-on-year growth and both urban and rural demand gradually gathering strength. Higher levels of inflation, soaring exchange rates and increasing trends in rate of interest can play spoilsports to the recovery.

Rural consumption, especially, should benefit from the likely normal south-west monsoon and the expected improvement in agricultural prospects. Merchandise exports posted robust double-digit growth for the fifteenth month in a row during May 2022, while non-oil non-gold imports continued to expand at a healthy pace, pointing to recovery of domestic demand.

Taking into account the present trends and projections of major indicators, the real GDP growth YOY basis for FY 2022-23 has been estimated by RBI at 7.2 percent, with inflation projected at 6.7 percent in 2022-23.

Business Activity

Though, over the latter part of the last financial year, most developed economies had been able to start recovering from the early shocks of the pandemic on the back of generous stimulus packages provided by their respective governments, while the pandemic itself continues to linger with less deadly variants at play, the Russia-Ukraine war and the painful, often self-defeating sanctions have brought in a whole new set of uncertainties, affecting global growth and trade, compounded by supply chain bottlenecks. Crude oil and commodity prices remain volatile at elevated levels and financial markets worldwide are turning more conservative, faced with decadal-high levels of inflation.

On the positive side, Indian manufacturers, facing uncertain demand situation domestically, were able to increase their exports, securing business that would otherwise have gone to China or other sanctions-hit sources. China's on-going trade war with the USA and widespread loss of trust in China, consequent to the pandemic, has resulted in many firms shifting base to friendlier places, including India. Higher levels of exports, to an extent offset the increased cost of imported fuels.

The Company's Plans

Though we already hold a dominant share of the Indian market for Automotive Relays, we will continue to enhance our portfolio with new products, product-enhancements and electronic switching solutions as well as validations for new applications and new vehicle manufacturers, including specifically for hybrid and electric vehicles of all types.

We are also simultaneously enhancing our range of Industrial Relays to increase their share of business with more applications in Industrial Controls, Automation and switching solutions for Internet of Things (IoT), which will be the next big growth area. The first set of products meant for use in on-premises metering for Smart Grid switching solutions has been successfully launched and that range will continue to be expanded with more such products.

Over the last few years, we have successfully developed and delivered custom-built products for the Defence market and are working on adding customised products to a wider customer-base within this industry segment. We are also exploring diversification opportunities that could harness our core competencies. All of these will contribute to our future growth with more balanced contributions from a wider mix of market segments.

We will continue to strengthen and deepen our core competencies and acquired technical expertise; widen our extensive portfolio of contemporary products, supplemented with new products under various stages of development and introduction; rapidly respond to market demands; offer competitive pricing; and, above all, enhance our reputation for customer satisfaction. We are committed to streamlining our Sourcing, Value Engineering and Supply Chain Management and introducing Lean Manufacturing practices to control costs and to improve operational efficiency by optimizing utilization of existing assets and leveraging our resources.

We will continue to invest in state-of-the-art equipment as well as implementation of automation to achieve improved consistency in product quality and reliability to match customer expectations. Our multi-locational production facilities enable us to offer better logistics and, as planned, almost 40 percent of our production now comes from our facilities outside our parent plant at Electrogiri in Kerala.

As always, one of our priorities during this pandemic-affected period has been due concern for the health and welfare of our employees and their families and the society at large. We strictly maintain the prescribed Covid-preventive protocols throughout our operations and have arranged vaccinations for employees and their eligible dependents.

For investment decisions to be made and our plans to succeed, apart from economic considerations, we depend on a socially and politically harmonious environment that fosters industrial peace. This is imperative for our survival and growth.

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Financial Results

The Company's financial performance during the year as compared to the previous year 2021-2022 is summarized below:

(Rs.in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Total Revenue	19397.77	16158.46
Total Expense	16924.60	13239.78
Gross Profit before Depreciation	2473.17	2918.68
Deduction therefrom:		
Depreciation	833.07	729.93
Provision for Tax:		
- Current Tax	365.00	368.00
- Deferred Tax	25.50	37.56
- Prior years	10.24	(2.58)
Profit / (Loss) after Tax	1239.36	1785.77
Appropriations :		
Dividend	76.49	-
Transfer to General Reserve	1200.00	1800.00
Profit brought forward from Previous Year	289.82	304.05
Balance Profit carried to Balance Sheet	252.69	289.82

Extracts of Annual Return: S.134(3)a

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on your Company's website www.oenindia.com.

Number of Board and Committee Meetings conducted during the financial year under review: S. 134(3) b

a. Board Meetings

The Company had four Board meetings, i.e. on 25-06-2021, 24-08-2021, 22-12-2021 and 29-03-2022 during the financial year under review.

Attendance details of Directors in the Board Meetings:

Name	DIN	Held during tenure	Attended
Pamela Anna Mathew	00742735	4	4
Celestine Sebastian Vettical	03633044	1	1
Venu Nallur	00004873	1	1
Sunela Sarah Mathew	01673840	4	4
Thomas Thomas	00743978	4	4
K V Sivadas	00306727	4	4
Rajesh Nambiar	01449425	4	3
R Ravichandran	00968758	4	4

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b. Audit Committee Meetings:

The Audit Committee met three times, i.e. on 25-06-2021, 24-08-2021, 22-12-2021 and 29-03-2022. The attendance details of Members of Committee are as follows:

Name	DIN	Held during tenure	Attended
Venu Nallur	00004873	1	1
Pamela Anna Mathew	00742735	4	4
K V Sivadas	00306727	4	4
Rajesh Nambiar	01449425	3	3

c. CSR Committee Meetings:

The CSR Committee met on 24-08-2021 and 01-09-2021 during the financial year under review. The attendance details are as follows:

Name	DIN	Held during tenure	Attended
K V Sivadas	00306727	2	2
Pamela Anna Mathew	00742735	2	2
R Ravichandran	02403654	2	2

d. Nomination and Remuneration Committee Meeting:

Meeting of the Nomination and Remuneration Committee was held on 29-03-2022. The attendance details are as follows:

Name	DIN	Held during tenure	Attended
K V Sivadas	00306727	1	1
Rajesh Nambiar	01449425	1	1
Sunela Sarah Mathew	01673840	1	1

Directors Responsibility Statement: S.134(3)c

In accordance with the provisions of section 134(5) of the Companies Act, 2013 your Directors confirm that:-

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The Directors had selected such accounting policies; applied them consistently; made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit and Loss of the Company for that period;
- The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors had prepared the annual accounts on a 'going concern' basis; and
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Details in respect of fraud reported by Auditors under S.143(12) other than reported to Central Government: S.134(3)(ca)

Auditors have not reported any fraud u/s 143(12) of the Companies Act, 2013.

Declaration given by Independent Directors under sub-section (6) of Section 149: S.134(3)d

Mr. Venu Nallur was appointed as Independent Director on 30th June 2016 and retired on 29th June 2021 from the Board of the Company. Mr. K V Sivasdas and Mr. Rajesh Nambiar were appointed on the Board as Independent Directors on 6th July 2019. Mr. Celestine Sebastian Vettical was appointed as Independent Director on 29th March 2022. They have given their independent declarations under 149(6) and (7) of the Companies Act, 2013 and the rules made there under. In the opinion of the Board, the Independent Directors fulfill the conditions relating to their status as Independent Directors as specified in Section 149 of the Companies Act, 2013 and the rules made there under.

Policy on appointment and remuneration of Directors and Key Managerial Personnel (KMP) in case Company is having a Nomination and Remuneration Committee: S.134(3)e

Nomination and Remuneration Committee constituted on 30th June 2016 was reconstituted on 6th July 2019 with three Directors, K V Sivasdas as Chairman, Mr. Venu Nallur and Ms. Sunela Sarah Mathew as Members. On his retirement, Mr. Venu Nallur was succeeded by Mr. Rajesh Nambiar on 29-03-2022. The Committee recommends the appointment of Directors to the Board and Key Managerial Personnel. It shall identify and ascertain the integrity, qualification, expertise and experience of a person for appointment as Director or KMP and recommend his/her appointment, as per Company's Policy. The policy for appointment and remuneration is as follows:

i) Appointment of Managing Director / Whole-time Director:

The Company shall not appoint or continue the employment of any person as Managing / Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution. The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

ii) Appointment of Independent Director:

An Independent Director shall be a person duly qualified to be appointed as such as per the provisions of the Companies Act, 2013 and the applicable Rules thereunder and shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms up to maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of an Independent Director it should be ensured that number of Boards of companies on which such Independent Director has been appointed is restricted to the maximum permissible under Section 165 of the Companies Act, 2013.

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

iii) Remuneration to Managing Director / Whole-time Directors:

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

iv) Remuneration to Non-Executive / Independent Directors:

a) The Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Committee and approved by the Board of Directors.

b) All the remuneration of the Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling / limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Committee and approved by the Board of Directors or shareholders, as the case may be. An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.

c) Non-Executive Directors are paid remuneration by way of sitting fees for attending meetings of the Board and its Committees, which are determined by the Board, based on applicable regulatory prescriptions. Non-Executive Directors are also reimbursed expenses incurred by them for attending meetings of the Board and its Committees at actuals.

Any remuneration paid to Non-Executive / Independent Directors for services rendered, which are professional in nature, shall not be considered as part of the remuneration for the purposes of clause (b) and (c) above if the following conditions are satisfied:

i) The Services are rendered by such Director in his capacity as the professional; and

ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.

v) **Remuneration to KMP's:**

The remuneration to KMP's shall consist of salary and perquisites in compliance with the provisions of the Companies Act, 2013 and as decided by the Board of Directors of the Company from time to time. The remuneration package may include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund and other statutory dues, if any, as decided from time to time.

Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Auditors and the practicing Company Secretary in their reports: S.134(3)f

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

Particulars of loans, guarantees or investments made under section 186 of the Companies Act, 2013: S.134(3)g

There were no loans, guarantees made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

Particulars of contracts or arrangements made with related parties: S.134(3)h

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 188 is furnished in Annexure 1 and is attached to this report.

State of Company's Affairs: S.134(3)i

The Company was able to achieve an impressive Sales Turnover of Rs.175.51 crores in 2021-22 as compared to Rs.143.19 crores in the previous year. The elevated level of commodity prices, exchange rate variations and logistical challenges constrained our margins and, consequently, Profit Before Tax fell to Rs.16.40 crores compared to Rs.21.89 crores of the previous year. Correspondingly, Profit After Tax fell by 30.60 percent to Rs.12.39 crores from Rs.17.86 crores of the previous year.

Despite the challenging and extremely difficult & volatile business environment, the company was able to achieve a creditable growth outperforming the broader market. Though commodity prices treaded high, apart from the internal increase in cost of manpower, and exchange rates remained volatile and aggravated supply-chain disruptions and semiconductor shortages across the world, our wider product portfolio, multi-locational manufacturing facilities, judicious planning, inventory control, logistics and financial management enabled us to outperform the overall market. The Company was able to support increased demand by improving productivity of existing operations as also ramping up production at its Pune facility. Given this challenging environment, managing growth with profitability and building a sustainable growth momentum will continue to be a key challenge for the forthcoming financial year. The company will continue its efforts to improve upon EBITDA margins by optimizing resources and increasing efficiency across all operations. Our focus will be on continuous improvements across business processes to operate in the most nimble and cost effective manner and to leverage the Company's assets to foster higher growth with relatively low incremental capital investment which we believe will help the company to overcome the challenges of operating in an extremely difficult & volatile business environment, and emerging as a stronger and more competitive entity in the coming years.

Transfer to Reserves: S.134(3)j

Out of the current year's Profit, an amount of Rs.12 crores has been transferred to General Reserve Account. The total balance in Reserves and Surplus as on 31-03-2022 stood at Rs.175.69 crores.

Dividend: S.134(3)k

Your Directors were pleased to recommend a dividend of Rs.1.5/- per share @ 15 percent of the face value of Rs.10/- per share, on the equity capital, for the Financial Year 2021-22. The total outflow on account of dividend would be Rs.76.49 Lakhs.

During the year, unclaimed dividend Rs.25,434/- pertaining to the year ended 31st March, 2014, was transferred to the Investor Education & Protection Fund after giving due notice to the concerned Members.

Material changes and commitments if any affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report: S.134(3)l

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo: S.134(3)m

The information pertaining to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure II and is attached to this report.

Development and implementation of Risk Management Policy: S.134(3)n

The development of a Risk Management Policy and its implementation is to enable the Company to proactively manage unforeseen changes and uncertainty in its business and its internal and external environment. The objective of this policy is to ensure adequate levels of stability for sustainable business growth and to pro-actively evaluate, report and resolve associated risks.

i) Adverse Economic & Business Environment:

Track actual and projected Industrial and market growth rates to enable dynamically scaling up or down of operations to match trends. Market conditions are continuously monitored and reviewed with rolling plans laid out for procurement, production and billing.

ii) Competition:

To sustain its leadership position the Company places due importance on not only retaining current business by offering the best in quality at competitive prices, backed by engineering support, but focusing on new product introduction and identification of new business to ensure growth.

iii) Market Volatility:

Relatively higher dependence on market segments that suffer volatility has to be balanced by developing greater presence in multiple segments, as well as planned diversification. We are enhancing share of relays in the Industrial segment and have started actively working on fresh business in the Power and Defence segments.

iv) Variations in Commodity Prices and Exchange Rates:

The Company faces unavoidable dependence on imported precious metals and on commodities like copper and its alloys, soft magnetic iron, silver alloys, etc., good proportions of which also results in exposure to the effects of exchange rate fluctuations.

We are working with suppliers to spread out supplies after booking the necessary quantities of the relevant materials at the best possible market prices to limit the effects of volatility to the extent possible.

v) Technology Changes:

The industry is dynamic and technology trends need to be constantly tracked and adopted. New product introduction to keep pace with market requirements is a focus area for Marketing and R&D and monitored closely by Management through regular reports and meetings.

vi) Environment Controls:

We ensure compliance to Pollution Control Board's requirements and conform to ISO 14001 for Environmental Management Systems.

The Board of Directors of the Company shall periodically review and evaluate the Risk Management Policy of the Company so that the Management has adequate levels of control over the risks through properly defined systems and processes.

This policy shall be reviewed every year to ensure it meets the requirements and needs of the Company.

Details of Policy Developed and Implemented by the Company on its Corporate Social Responsibility Initiatives: S.134(3)o

Your Company has formulated a well-structured CSR Policy aimed at providing more focus and direction to the various CSR activities being undertaken by the Company, including through the charitable trust, K. A. Mathew Foundation. The projects undertaken by the Company are in the areas of a) Restoration and beautification of city, town, village, etc., b) Eradicating hunger, poverty and malnutrition, c) Scholarship/ Promotion for education, d) Health care, e) Public recreation, etc. These projects are in accordance with Schedule VII of the Companies Act, 2013. The Annual Report on Company's CSR activities is furnished as Annexure 3 attached to this report. The policy is available on the website of the Company.

Annual Evaluation: S.134(3)p - NOT APPLICABLE

Disclosure under other provisions of Companies Act, 2013

i) Section 43 read with Rule 4(4) of the Companies (Share Capital & Debentures) Rules, 2014

The Company has not issued any equity shares with differential voting rights, during the financial year under review.

ii) Section 54 read with Rule 8(13) of the Companies (Share Capital and Debentures) Rules, 2014

The Company has not issued any sweat equity shares during the financial year under review.

iii) Section 62(1) read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014

The Company has not issued any shares under ESOP scheme.

iv) Disclosure u/s 177 of Companies Act 2013

In terms of Section 177 of the Act, the Company constituted an Audit Committee on 30th June 2016. The Committee comprises of Mr. K V Sivadas, Independent Director, as Chairman, Ms. Pamela Anna Mathew, Chairman & Managing Director and Mr. Rajesh Nambiar, Independent Director, as Members. Each Member of the Committee has got relevant experience in the field of Finance.

The Terms of reference of the Committee are as follows:

- (a) investigate any activity within its terms of reference;
- (b) seek any information that it requires from any employee of the Company;
- (c) all employees are directed to co-operate with any request made by the Committee;
- (d) obtain outside legal or independent professional advice, at the Company's expense, and secure the attendance of outsiders with relevant experience and expertise if it considers this necessary.

The duties of the Committee shall be:

Financial Review

- (a) to review, and challenge where necessary, the actions and judgment of Management, in relation to the Company's financial statements, operating and financial review, interim reports, preliminary announcements and related formal statements before submission to, and approval by, the Board, and before clearance by the Auditors. Particular attention should be paid to:
 - 1. critical accounting policies and practices and any changes in them;
 - 2. decisions requiring a significant element of judgment;
 - 3. the extent to which the financial statements are affected by any unusual transactions in the year and how they are disclosed;
 - 4. the clarity of disclosures;
 - 5. significant adjustments resulting from the audit;
 - 6. the going concern assumption; and
 - 7. compliance with accounting standards;
- (b) to consider other topics, as required by the Board from time to time.

Internal Audit

- (a) Review on a regular basis the adequacy of internal audit function, approval of the audit plan and its execution, reporting structure, budget, coverage and frequency of Internal Audit;
- (b) Review the appointment, removal, performance and other terms of the Internal Auditor;
- (c) Review the regular internal reports to Management prepared by the Internal Audit Department as well as Management's response thereto;
- (d) Review 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. Discuss with Internal Auditors any significant findings and follow up thereon;
- (e) Review Internal Audit Reports relating to the internal control weaknesses;
- (f) Review with the Management, External and Internal Auditors, the scope of internal audit, adequacy of internal control systems and ensure adherence there to and any other related issues;
- (g) Review Management letters / letters of internal control weaknesses issued by Statutory / Internal Auditors;
- (h) Review Management's report on internal control and External Auditor's attestation / observations on Management's assertion;
- (i) Evaluation of Internal Financial Controls.

External Audit

- (a) to oversee the company's relations with the External Auditor;
- (b) to consider, and make recommendations on the appointment, reappointment and removal of the External Auditor;
- (c) to approve the terms of engagement and the remuneration to be paid to the External Auditor in respect of audit services provided;
- (d) to assess the qualification, expertise and resources, effectiveness and independence of the External Auditors annually;
- (e) to discuss with the External Auditor, before the audit commences, the nature and scope of the audit;
- (f) to review with the External Auditor, the findings of its work, including, any major issues that arose during the course of the audit and have subsequently been resolved and those issues that have been left unresolved; key accounting and audit judgments; levels of errors identified during the audit, obtaining explanations from Management and, where necessary the External Auditors, as to why certain errors might remain unadjusted;
- (g) to review the audit representation letters before consideration by the Board, giving particular consideration to matters that relate to non-standard issues;
- (h) to assess, at the end of the audit cycle, the effectiveness of the audit process;
- (i) to review and monitor the content of the External Auditor's Management letter, in order to assess whether it is based on a good understanding of the Company's business and establish whether recommendations have been acted upon and, if not, the reasons why they have not been acted upon;
- (j) to develop and recommend to the Board the Company's policy in relation to the provision of non-audit services by the Auditor and ensure that the provision of such services does not impair the External Auditor's independence or objectivity.

Related party transactions

- (a) Review the statement of significant related party transactions, if any, submitted by the Management, including the 'significant' criteria/ thresholds decided by the Management.

Risk Management

- (a) Evaluate Risk Management System.
- (b) Discuss with the Management, the Company's policies with respect to risk assessment and risk management, including appropriate guidelines to govern the process, as well as the Company's major financial risk exposures, including policy for foreign exchange and derivative transactions and the steps Management has undertaken to control them.

Reporting

- (a) The Audit Committee will report and update the Board, periodically, on various matters that it has considered as well as on the independence of the Auditors;
- (b) The Annual Report of the Company shall disclose the composition of the Audit Committee, brief description of the scope of the Audit Committee Charter, names of Members, Chairperson, meetings and attendance;
- (c) The recommendations of the Audit Committee on any matter relating to financial management including the audit report, shall be binding on the Board. If the Board does not accept the recommendations of the Audit Committee, it shall record the reasons thereof and communicate such reasons to the shareholders;
- (d) Reporting regularly to the Board with respect to:
 - (1) The quality of the Company's financial statement;
 - (2) The Company's compliance with legal or regulatory requirements;
 - (3) The performance of the External Auditor as well as the Internal Audit Function; and
 - (4) 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.

The Committee met four times during the year under review. The attendance details are given elsewhere in this report. Vice President (Finance) was an invitee at the Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

v) Details of the employee(s) of the Company as required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Not applicable since the Company is not listed.

O/E/N India Limited

vi) Disclosure in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates:
NOT APPLICABLE

vii) Disclosure about receipt of any commission by MD/WTD from the company and also receiving commission/remuneration from its holding or subsidiary: - NOT APPLICABLE

viii) Corporate Governance Certificate (clause 49 of listing agreement)

The Company is not a listed Company. Hence Corporate Governance as stipulated in Clause 49 of the Listing agreement is not applicable.

Details to be given in accordance with rule 8 of the Companies (accounts) Rules, 2014

- Financial Performance- Rule 8(1):
Disclosed elsewhere in this report.
- Contracts or arrangements with related parties- Rule 8(2):
Details of Contracts or Agreements with related parties are furnished as ANNEXURE I
- Conservation of energy, Technology absorption, Foreign exchange earnings and outgo- Rule 8(3):
FURNISHED AS ANNEXURE 2
- Annual evaluation Report made by the Board- Rule 8(4):
Not applicable

Disclosures under Rule 8(5) of Companies Act, 2013

(i) Financial summary

The Company's financial performance for the year under review along with previous year's figures is given hereunder:

Rupees in crores

Particulars	2021-2022	2020-2021
Turnover :		
Relays	162.820	129.564
Switches	4.568	2.733
Actuator	1.850	3.336
Others	1.280	0.806
Exports :		
Relays	4.817	6.456
Switches	0.181	0.234
Profit before Depreciation & Tax	24.732	29.187
Less: Depreciation	8.331	7.299
Profit before Taxation	16.401	21.888
Less: Provision for Taxation	4.007	4.030
Net Profit after Tax	12.394	17.858
Dividend (including Interim if any and final)	0.765	-
Net Profit after dividend and Tax	11.628	17.858
Amount transferred to General Reserve	12.000	18.000
Earning per share (Basic & Diluted)	24.304	35.021

O/E/N India Limited

Financial position:		
Current Assets	103.976	107.705
Current Liabilities	32.379	33.639
Net Current Assets	71.597	74.066
Fixed Assets	86.815	73.486
Investments	21.565	26.881
Long term loans & Advances	5.982	2.205
Other Non-current Assets	2.776	2.600
Net Tangible Assets	188.735	179.238
<i>Less:</i> Long term borrowings & provisions	1.882	4.268
Deferred Tax Liability	6.062	5.807
Shareholders' Funds:		
Equity	5.099	5.099
Reserves & Surplus	175.692	164.064

(ii) **Change in the nature of Business if any:** Nil

(iii) **Directors**

- Ms. Sunela Sarah Mathew, who retires at this Annual General Meeting, and being eligible, offers herself for re-election.
- Mr. Celestine Sebastian Vettical was appointed as Independent Director by the Board of Directors in its meeting held on 29th March 2022 subject to the approval of members in the ensuing Annual General Meeting.
- Mr. Venu Nallur has completed his tenure of Directorship and retired on 29-06-2021.

(iv) **The Company has no subsidiaries / joint ventures / associates other than the investment made in the partnership firm M/s. R. Engineering**

(v) **Details of deposit etc:**

- Accepted during the year: Nil
- Remained unclaimed as at the end of the year: Nil
- Default in repayment of deposit or payment of interest (Number of cases and amount involved): Nil

(vi) **The details of deposits which are not in compliance with the requirements of Chapter V of the Act.:** Nil

(vii) **Significant orders by Regulators impacting the going concern status of the company etc.**

There is no order from any regulators / Govt. Agencies which impact the going concern status of the Company.

(viii) **Statement regarding opinion of the Board with regard to proficiency, integrity of Independent Directors appointed during the Financial Year:** Not Applicable

Disclosure whether the maintenance of cost records as specified by CG Section under Sec 148(1) of the Companies Act, 2013 is required to be maintained by the company or not;

As the overall annual turnover of the company from all its products and services exceeds rupees one hundred crore and the aggregate turnover of the individual product or products or service or services for which cost records are required to be maintained is rupees thirty five crore or more the cost records are maintained by the Company and the Report is filed with the Registrar of Companies every year.

Secretarial Standards:

The company complied all the provisions of the Secretarial standards issued by ICSI

Adequacy of internal financial controls:

The Company has implemented SAP system, which integrates Accounting, Production, Procurement, Sales and other functions. This improves productivity, utilization of resources and brings transparency, accountability and efficiency across the entire organization. Apart from Statutory Audit, Internal Audit is carried out every quarter by an independent firm of Chartered Accountants and observations are reported to Management. All significant audit observations are discussed in Management Meetings and immediate steps taken to rectify discrepancies. The adequacy of Internal Control System is periodically reviewed at the Board level. Moreover internal financial controls are reviewed by an independent firm of Chartered Accountants and the observations made in their reports are discussed in the Board Meeting and corrective action taken.

O/E/N India Limited

Quality Initiatives:

The Company continues to be qualified to ISO 9001 for our Quality Management Systems and our Automotive Production Lines are further qualified to ISO/TS 16949.

Our Environmental Management Systems are covered by approval to ISO 14001 & our Occupational Health & Safety Management Systems are approved to OHSAS18001.

Minimizing or eliminating use of specified substances of concern has become a global issue and our company already complies with the relevant RoHS directives for products being exported. Other products will also be rapidly covered by RoHS in the near future.

To maintain our market leadership and to remain a global player it is imperative that we exceed expectations of the customer and the market. We continue to do this successfully.

Borrowings:

The term loan of Rs.15 crores availed from Kerala State Industrial Development Corporation (KSIDC) has been repaid to the extent of Rs.2.53 crores during the year. Balance outstanding in the above term loan account as on 31st March 2022 is Rs.2.83 crores.

Industrial Relations:

Industrial relations with employees at Electrogiri & CSEZ in Cochin and MIDC & Chakan in Pune remain reasonably cordial and peaceful.

The Board records its appreciation for the commitment and co-operation extended by employees at all levels and looks forward to their total involvement. Employees continue to participate in the training and development programs initiated by Management for productivity and quality improvements.

Global Compact:

As has been reported earlier, the Company had signed up to promote the United Nations Global Compact, which lays down ten key principles to specifically address issues in the areas of human rights, labour standards, environment and corruption. The Company is committed to uphold and promulgate these ten principles of Global Compact. The underlying emphasis will be on

- a) Sensitizing Corporate Social Responsibility.
- b) Highlighting initiatives in business ethics, environmental policies, community development, etc.
- c) Aligning sustainability through development programmes.

Statutory Auditors:

M/s Varma & Varma, Chartered Accountants, were appointed as Statutory Auditors for a period of five years at the Annual General Meeting held on 27-09-2019.

Disclosure under the Sexual Harassment of Women at Workplace (Provision, Prohibition and Redressal) Act, 2013:

The Company has formulated an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Work place (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees of the Company are covered under this policy.

Number of complaints received - Nil

Number of cases disposed off - Nil

Acknowledgements:

The Directors of the Company gratefully acknowledge the support extended by the principal bankers, Bank of India, IDBI Bank Ltd. and Axis Bank Ltd. We also acknowledge the continued patronage of our esteemed customers and loyalty of the large family of the Company's stockists, suppliers and shareholders. The Company's mission of enhancing customer satisfaction, while simultaneously increasing shareholder value, has made it possible to report satisfactory performance.

We record our appreciation to Kerala State Industrial Development Corporation Ltd. for their continuing support. We take this opportunity to thank all trade-related associations with which we have interacted. The dedication and preparedness of the Company's leadership and employees have remained at a high level, resulting in their being able to exploit opportunities meaningfully and respond smartly to the dynamic business scenario. We thank our employees for their sincere efforts, which helped the Company to achieve satisfactory results.

On behalf of the Board

Sd/-

(PAMELA ANNA MATHEW)
Chairman & Managing Director
DIN: 00742735

Sd/-

(K V SIVADAS)
Director
DIN: 00306727

29th July 2022

Form- AOC-2

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's length transactions under third proviso thereto:

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

The company has not entered into any arrangement or transactions with related parties which may be treated as a transaction/arrangement not at arm's length basis

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

(a)	Name of the related party	Applied Precision Tooling (India) Private Ltd
(b)	Nature of relationship	Director of Applied Precision Tooling (India) Private Ltd Mr. P George Varghese is the "Relative" of Chairman & Managing Director Ms. Pamela Anna Mathew and Ms. Roopa Anna George, Executive Director.
(c)	Nature of contracts / arrangements / transactions	Purchase of Tools, Moulds, Spares and its repair and maintenance
(d)	Duration of the contracts / arrangements / transactions	Until otherwise decided by the Board as per business exigencies.
(e)	Salient terms of the contracts or arrangements or transactions including the value, if any	Applied Precision Tooling (India) Private Ltd will supply items within the prescribed time and at a mutually agreed rate at competitive and on Arm's length basis as per PO terms.
(f)	Date of approval by the Board, if any	13-02-2021
(g)	Amount paid as advances, if any	NIL

On behalf of the Board

Sd/-

(PAMELA ANNA MATHEW)
Chairman & Managing Director
 DIN: 00742735

Sd/-

(K V SIVADAS)
Director
 DIN: 00306727

29th July 2022

STATEMENT CONTAINING PARTICULARS PURSUANT TO RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF DIRECTORS' REPORT**A. Conservation of Energy:**

- (i) The steps taken that have impact on conservation of energy;

The Company has constantly been emphasizing on optimization of energy consumption in every possible area in its units. Various avenues are being explored at periodic intervals and, after careful analysis and planning, measures are initiated to minimize the consumption of energy by optimum utilization of energy consuming equipment. Energy consumed by equipment and manufacturing processes are directly linked to production levels. The main areas of energy consumption where control is possible are air-conditioning, Pneumatic Compressed air system and lighting.

Electricity is one of the major inputs in the manufacturing process for maintaining the required ambient at 22±2°C and hence conservation of electrical energy is always given utmost importance. The following steps were taken for the conservation of energy:

- a) The Dedicated Underground cabling from Sub-station, Kandanad, commissioned during July 2018 gives significant reduction of power interruptions and associated losses (power availability is increased to more than 90 percent from less than 50 percent earlier), and, thereby, diesel consumption for generators is reduced to bare minimum besides its maintenance and spare part cost.
- b) The Power Factor is maintained continuously between 0.98 and 0.99 at the Electrogiri plant by utilizing a Capacitor Bank and securing an average monthly incentive in excess of Rs. 30,000/- in the electricity bills. The same control and monitoring is exercised in pump house as well as in other plants thereby, the Company is able to save on the cost of electricity consumed.
- c) The activity of changing over to LED lights from old fluorescent tube / CFL lights has completed for more than 97% of the factory building / Premises. Installation of LED tubes supported by an extended stand from the working table itself also initiated to reduce the number of tubes used considerably, besides increasing the lumens available at work spots. This is implemented fully in the newly renovated Assembly plant, stage-1 and the same will be extended to stage-2 also.
- d) The new chemical introduced (Cinochum in place of Chemox) for the effluent treatment has reduced consumption of water from 200 Ltrs. to 50 Ltrs. per treatment of 5 KL of effluent, in addition to the savings in cost of chemical.
- e) Solar water heaters installed both at Canteen (1000 Ltrs.) and Plating Area (2000 Ltrs.) are giving continued saving in power for the last 3 years.
- f) Old Split Air Conditioners have been replaced with Invertor type ACs. This is a continuing activity until we replace all old ACs.
- g) The increased capacity of Rain Water Harvesting facility (Increased from 2 Lakhs Ltrs. to 26.7 Lakhs Ltrs.) gives saving in power consumption, apart from conservation of water, during rainy seasons due to the non-usage of high capacity water pump used for pumping water from wells.
- h) The Bio-Gas Plant commissioned in 2019, is giving fuel from the food waste, which gives considerable reduction in cooking gas we consume.
- i) 10HP Pump used in pump house has been replaced by submersible pump, thereby, the pumping time could be reduced.

The following future projects are planned for conservation of energy:

- 1) Solar Power Plants of 400 KW capacity to be setup
- 2) Steam-Cooking Plant for the Canteen;
- 3) Plant renovation with efficient Air conditioning and compressed air systems, which will focus on effective use of energy. Stage-1 of the renovation completed comprising (a) 3 AHUs for effective Air conditioning with VFD's connected for reduction of power consumption (b) Closed loop and leak proof PPR piping for Compressed Air distribution (c) Direct drive VFD 400 CFM Compressor which will cater more than 95% efficient Compressed Air (d) False ceiling at reduced height to further strengthen AC effectiveness and also grid LED lighting gives 700 Lumens of uniform light throughout the plant. Increased lighting at selected critical locations are also provided in the table itself with an intention of reducing quantum of lights used. These facilities would be extended to stage-2 of the renovation which is in progress.
- 4) Vacuum Annealing Furnace which will reduce the power consumption from 144 KW to 65KW.
- 5) New VFD chiller for enhancing AC Resource with reduced power consumption.
- 6) Automatic Energy monitoring system, for effective online monitoring of each power devices including lighting system.

As a result of the continuous efforts as mentioned above and monitoring and controlling the section-wise monthly consumption, the electricity charges have been contained in spite of the increase in the manufacturing activities and increase in tariff by KSEB.

By changing over to the modern Chiller-type A/C plants, the consumption of non-eco-friendly refrigerant used for topping up to compensate for leakage is completely eliminated.

Installation of RO Plant, enabling reuse of the treated plating effluent, reduces energy consumption and helps in preserving water, one of the precious natural resources.

O/E/N India Limited

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

The company has installed a 11 KW solar plant, obtaining 50 units of electricity per day. Additional installation of a 400 KW solar plant is planned for increased utilization of renewable energy.

- (iii) Capital investment on energy conservation equipment: Rs. 92,00,616/-

B. Technology Absorption:

- i) Efforts made towards technology absorption, adaptation and innovation in brief:

The focus on technology absorption, adaptation and innovation include efforts made in new process development; alternate sourcing of imported parts and materials; application of Value Engineering techniques; measures aimed at improving productivity and material utilization through optimised tool design and development of moulds having more cavities; selection of better and more contemporary machinery; improved processes, including process automation and multiple process automation. Lean Manufacturing concepts are being introduced. First step to deploy Six Sigma methodology have also been adopted.

- ii) Benefits derived as a result of the above efforts include product improvement, cost reduction, product development and import substitution. Benefits in different areas are:

- a) *Product improvement:*

Increased customer satisfaction by ensuring enhanced product reliability; improved performance and capabilities; quality enhancement; superior processes for production; higher rating in quality; etc.

- b) *Cost reduction:*

Achieved through alternate sourcing; change in material selection; re-design of parts as a part of value engineering; introduction of higher cavity moulds and tools; optimizing strip layout; introduction of process automation; simple and lean methods of production; lower inventory levels; etc.

- c) *Product development:*

New and contemporary products to enhance product range; better mix of specifications; custom-engineered products; design for automation and improved manufacturing; value-added products; etc.

- d) *Import substitution:*

Introduction of new products in the market result in foreign exchange savings for the country; in-house development of contemporary technologies result in avoiding payment in foreign exchange for imported technologies; customers benefit by better logistics and shorter lead-times when imports are avoided; lower inventory carrying levels; fulfillment of 'Make in India' objectives; etc.

- iii) Incase of imported technology (imported during the last three years reckoned from the beginning of the financial year)

- a) The details of technology imported: Nil

- b) The year of import: Nil

- c) Whether the technology has been fully absorbed: Not Applicable

- d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

- iv) Research and Development (R&D)

The expenditure incurred on Research and Development:

	Rs.
a) Capital Equipment	31,19,489
b) Revenue Expenditure	3,64,52,446
Total	<u>3,95,71,935</u>

- c) Sales of pilot products from R&D during the year 2021-22: Rs. 8.23 lakhs

- d) Revenue during the year from sale of products developed by R&D during past three years: Rs. 1244.82 lakhs

- e) Total R&D expenditure as a percentage of total Turnover: 2.26%

C. Foreign Exchange Earnings and outgo:

Particulars with regard to Foreign Exchange earnings and outgo are detailed in the Accounts and hence not separately dealt with.

On behalf of the Board

Sd/-

(PAMELA ANNA MATHEW)
Chairman & Managing Director
DIN: 00742735

Sd/-

(K V SIVADAS)
Director
DIN: 00306727

29th July 2022

ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline on CSR policy of the Company:

As per the requirement of Section 135 of the Companies Act 2013, Companies (Corporate Social Responsibility Policy) Rules, 2014 and Schedule VII (Activities to be included in the CSR Policies), the Company has constituted a CSR Committee at the Board level to monitor the CSR Activities.

The Company understands its responsibility towards society and environment in which it operates, and identified the strategic areas to achieve its corporate and social objectives. The Company has actively supported various initiatives in the areas of health, education and environment over the years. A CSR Policy was also framed detailing Policy statement, Scope of CSR Activities, CSR funds, modalities of execution of each selected project, how to monitor the activities, and various other matters relating to CSR and the policy is available on the Company's website www.oenindia.com. The CSR Policy was aimed at providing more focus and direction to the various activities on CSR being undertaken by the Company mainly through the Charitable Trust, K.A. Mathew Foundation, a Charitable trust having an established track record of more than 30 years in undertaking charitable activities. The projects undertaken by the Company were in the areas of a) Restoration and beautification of city, town, village etc, b) Eradicating hunger, poverty and malnutrition, c) Scholarship/promotion for education, d) Healthcare, e) Public recreation etc. These projects are in accordance with Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

The CSR Committee was constituted by the Board in its meeting held on 27-06-2014 to formulate a CSR policy, recommend the amount of expenditure to be incurred and to monitor the CSR activities of the Company and was reconstituted with three directors Mr. R Ravichandran, Nominee Director as Chairman, Mr. K V Sivadas and Ms. Pamela Anna Mathew, as members.

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

CSR Committee:

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. R Ravichandran	Nominee Director	1	1
2	Mr. K V Sivadas	Independent Director	1	1
3	Ms. Pamela Anna Mathew	Chairman & MD	1	1

Composition of CSR Committee shared above is available on <https://www.oenindia.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:

Sl. No	Financial Year	Amount available for set off from preceding financial years (in Rs)	Amount required to be set off for the financial year, if any (in Rs)
1	2021-2022	NIL	NIL

O/E/N India Limited

6. Average net profit of the company as per section 135(5) - Rs.17,23,11,560/-
7. (a) Two percent of average net profit of the company as per section 135(5) - Rs.34,46,231/-
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years - NIL
 (c) Amount required to be set off for the financial year, if any - NIL
 (d) Total CSR obligation for the financial year (7a+7b-7c) - Rs. 34,46,231/-
8. (a) CSR amount spent or unspent for the financial year:

Total amount spent for the FY in Rs.	Amount unspent in Rs.				
	Total amount transferred to unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
36,51,434	NIL	NA	NA	NIL	NA

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

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII of the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District						Name	CSR Reg. No.
1	Construction of Old age home	Setting up of old age home	Yes	Kerala	Ernakulam	3 years	20,00,000	20,00,000	0	No	K A Mathew Foundation	CSR00007182

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

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes No).	Location of the project		Amount spent in the current financial Year (in Rs.)	Mode of Implementation Direct- (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District			Name	CSR Reg. No.
1	Pain & Palliative Care	Healthcare	Yes	Kerala	Ernakulam	4,80,000	No	K A Mathew Foundation	CSR00007182.
2	Medical aid for treatment of various diseases	Healthcare	Yes	Kerala	Ernakulam	5,37,250	No	K A Mathew Foundation	CSR00007182.
3	For purchasing medicines for inmates of Charitable society	Healthcare	Yes	Kerala	Ernakulam	21,000	No	K A Mathew Foundation	CSR00007182.
4	Covid relief Kits	Disaster Management	Yes	Kerala	Ernakulam	69,796	Yes	Self	
5	X ray unit to CFLTC	Healthcare	Yes	Kerala	Ernakulam	3,00,000	Yes	Self	
6	Rural Development	Rural Development	Yes	Kerala	Ernakulam	2,43,388	Yes	Self	

O/E/N India Limited

- (d) Amount spent in Administrative Overheads - NIL
- (e) Amount spent on Impact Assessment, if applicable - NA
- (f) Total amount spent for the Financial Year
(8b+8c+8d+8e) - Rs.36,51,434/-
- (g) Excess amount for set off, if any - NIL

Sl. No.	Particulars	Amount (in Rs.)
i	Two percent of average net profit of the company as per section 135(5)	34,46,231
ii	Total amount spent for the Financial Year	36,51,434
iii	Excess amount spent for the financial year [(ii)-(i)]	2,05,203
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: **NIL**
- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NIL**
10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) : Not applicable**
- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired
(including complete address and location of the capital asset).
11. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) : Not applicable**

On behalf of the Board

Sd/-

(PAMELA ANNA MATHEW)
Chairman & Managing Director
DIN: 00742735

Sd/-

(R RAVICHANDRAN)
Director
DIN: 02403654

29th July 2022

Independent Auditors' Report

The Members,
O/E/N INDIA LIMITED
Kochi - 682 019

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of O/E/N India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report in the Annual Report of the Company for the financial year 2021-22, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows

of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over ride of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls 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 standalone 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.

O/E/N India Limited

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss 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, read with relevant rules issued thereunder.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial control 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 control over financial reporting.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No.2.9.1, 2.9.2, 2.31(a) and 2.31(b) to the Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring any amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31,2022.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note No.2.35 to the financial statements, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the Note No.2.35 to the financial statements, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (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.

Kochi - 682 019
Date : 29th July 2022

For VARMA & VARMA
(FRN:004532S)
Sd/-
(VIJAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Memb. No. 203094
UDIN: 22203094APEDEJ8665

“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF O/E/N INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2022

1. a) i. According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

ii. According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars of intangible assets.
- b) According to the information and explanations given to us and records of the Company examined by us, the Company has conducted physical verification of its Property, Plant and Equipment at the end of the year which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us, the records of the Company examined by us and confirmation from financial lender in respect of title deeds/lease deeds deposited with them, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- d) According to the information and explanations given to us and the records of the Company examined by us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year and hence the reporting requirement under clause (i)(d) of paragraph 3 of the Order is not applicable at this stage.
- e) According to the information and explanations given to us and the records of the Company examined by us, there are no proceedings initiated or pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. a) The inventory has been physically verified by the management at the end of the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.

b) According to the information and explanations provided to us and based on our verification of the records of the Company, the Company has not availed working capital facilities from banks or financial institutions during the year and hence the reporting requirement under clause (ii)(b) of paragraph 3 of the Order is not applicable to the Company.
3. The company has not made any investments, provided any guarantees or security or granted any loans or advances in the nature of loans secured or unsecured to companies, firms, limited liability partnership during the year. The company has granted unsecured loans to the employees during the year in respect of which, according to the information and explanation given to us and based on the record of the company examined by us:

- a)
- A) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to subsidiaries, joint ventures and associates during the year and hence reporting under clause (iii)(a)(A) of paragraph 3 of the Order is not applicable.
- B) The Company has granted unsecured loans to employees during the year amounting to Rs.14.80 Lakhs and the balance outstanding at the balance sheet date for employee loan amounts to Rs.68.82 Lakhs. The Company has not stood guarantees or provided security to parties other than subsidiaries, joint ventures and associates.
- b) In our opinion, the investments made and the terms and conditions of the grant of loans, during the year are, prima facie, not prejudicial to the Company's interest. The company has not provided any guarantee or given any security during the year to any company, firm, limited liability partnership or other parties.
- c) In respect of loans granted by the Company to its employees, the schedule of repayment of principal and interest has been stipulated and the repayment of principal and interest amounts have generally been regular as per stipulation.
- d) In respect of employee loans granted by the Company, there are no material amounts overdue for more than ninety days as per books of account as at the balance sheet date.
- e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. Hence, reporting under clause (iii)(e) of paragraph 3 of the Order is not applicable.
- f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) of paragraph 3 of the Order is not applicable.
4. According to the information and explanations provided to us and based on our verification of the records of the Company, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investments made during the year. The company has not granted any loans or given any security or guarantee for which provisions of section 185 and 186 of the Act are applicable.
5. According to the information and explanations provided to us and based on our verification of the records of the Company, the Company has not accepted any deposits from the public. Hence the reporting requirement under clause (v) of paragraph 3 of the Order is not applicable to the Company.
6. We have broadly reviewed the books of account maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. a) As per the information and explanations furnished to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Goods and Services 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, as applicable to the Company to the appropriate authorities during the year. According to the information and explanations given to us and the records of the Company examined by us, there are no arrears of undisputed statutory dues outstanding as on the last day of the financial year for a period of more than six months from the date on which they become payable.

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- b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues referred to in sub-clause (a) that have not been deposited on account of any dispute as at March 31, 2022 are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in Lakhs)	Period to which the amount relates (Financial year)	Forum where the dispute is pending
The Customs Act, 1962	Customs Duty	225.07	From 1974-75 to 1995-96	Customs, Excise and Service Tax Appellate Tribunal
		0.61	2010-11	
The Central Sales Tax Act, 1956	Sales Tax	1.98	1990-91 & 1991-92	Kerala Value Added Tax/ Agricultural Income Tax and Sales Tax Appellate Tribunal
		99.80	2017-18	Joint Commissioner (Appeals), Kerala State Goods and Service Tax Department
The Kerala General Sales Tax Act, 1963	Sales Tax	1.56	1990-91 & 1991-92	Kerala Value Added Tax/ Agricultural Income Tax and Sales Tax Appellate Tribunal
The Kerala Value Added Tax Act, 2003	Value Added Tax	4.02	2010-11	Kerala Value Added Tax/ Agricultural Income Tax and Sales Tax Appellate Tribunal
Income-Tax Act, 1961	Income Tax	3.18 (Net of Rs.3.50 Lakhs paid under protest)	2010-11	Commissioner of Income Tax (Appeals)
Income-Tax Act, 1961	Income Tax	26.18 (Net of Rs.9.83 Lakhs paid under protest)	2011-12	Commissioner of Income Tax (Appeals)
Income-Tax Act, 1961	Income Tax	5.37 (Net of Rs.0.95 Lakhs paid under protest)	2012-13	Commissioner of Income Tax (Appeals)
Income-Tax Act, 1961	Income Tax	17.22	2013-14	Commissioner of Income Tax (Appeals)
Income-Tax Act, 1961	Income Tax	149.14	2015-16	Commissioner of Income Tax (Appeals)
Income-Tax Act, 1961	Income Tax	253.96	2016-17	Commissioner of Income Tax (Appeals)
Income-Tax Act, 1961	Income Tax	20.64	2017-18	Commissioner of Income Tax (Appeals)

O/E/N India Limited

8. According to the information and explanations given to us and the records of the Company examined by us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
9. According to the information and explanations given to us and on the basis of the records of the Company examined by us:
 - a) The Company has not defaulted in repayment of loan or other borrowing or in payment of interest to any lender.
 - b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
 - c) The Company has not obtained any term loan during the year and hence reporting requirement under clause (ix)(c) of paragraph 3 of the Order is not applicable to the Company.
 - d) The company has not raised funds on short-term basis and hence reporting requirement under clause (ix)(d) of paragraph 3 of the Order is not applicable to the Company.
 - e) The Company does not have any subsidiaries or joint ventures or associates and hence reporting requirement under clause (ix)(e) of paragraph 3 of the Order is not applicable to the Company.
 - f) The Company does not have any subsidiaries or joint ventures or associates and hence reporting requirement under clause (ix)(f) of paragraph 3 of the Order is not applicable to the Company.
10.
 - a) According to the information and explanations given to us and the records of the Company examined by us, no moneys were raised by way of initial public offer or further public offer (including debt instruments) and hence the reporting requirement under the clause (x)(a) of paragraph 3 of the Order is not applicable to the Company.
 - b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year and hence, the reporting requirement under clause (x)(b) of paragraph 3 of the Order is not applicable to the Company.
11.
 - a) During the course of our examination of the books and records of the Company carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud by the Company or on the Company, noticed or reported during the year, nor have been informed of such case by the Management.
 - b) No report under Section 143(12) of the Act has been filed in Form ADT-4 regarding any frauds, as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - c) According to the information and explanations given to us and the records of the Company examined by us, there are no whistle-blower complaints received by the Company during the year.
12. The company is not a Nidhi Company, and hence the reporting requirement under clause (xii) of paragraph 3 of the Order is not applicable to the Company.
13. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in Note No.2.30 to the financial statements as required by the applicable Accounting Standards.
14.
 - a) The Company has an internal audit system, which, in our opinion is commensurate with the size and nature of its business.
 - b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Hence, the reporting requirement under clause (xv) of paragraph 3 of the Order is not applicable to the Company.
16. a) According to the information and explanations given to us and the records of the Company examined by us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi)(a) of paragraph 3 of the Order is not applicable.
- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year. Hence, the reporting requirement under clause (xvi)(b) of paragraph 3 of the Order is not applicable to the Company.
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and hence the reporting requirement under clause (xvi) (c) of paragraph 3 of the Order is not applicable to the Company.
- d) According to the information and explanations given to us, there is no core investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Hence, the reporting requirement under clause (xvi)(d) of paragraph 3 of the Order is not applicable to the Company.
17. The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year and hence the reporting requirement under clause (xviii) of paragraph 3 of the Order is not applicable to the Company.
19. According to the information and explanations given to us and the records of the Company examined by us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets, payment of financial liabilities and other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. a) According to the information and explanations given to us and the records of the Company examined by us, there are no unspent amount towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects requiring a transfer to the Fund specified in Schedule VII to the Act in compliance with second proviso to Section 135(5) of the said Act. Hence, the reporting requirements under clause (xx)(a) of paragraph 3 of the Order is not applicable to the Company.
- b) As stated in Note No.2.26.4, the company has transferred the entire amount required to be contributed during the year to a trust through which an ongoing Corporate Social Responsibility (CSR) project has been identified for implementation under sub-section (5) of section 135 of the Companies Act 2013; and there are no unspent amounts towards such projects requiring to be transferred by the company to the special account in compliance with sub section (6) of Section 135 of the said Act. Based on confirmation received by us, amounts unspent by the aforesaid implementing agency have been transferred to a special bank account with minor delays.

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21. According to the information and explanations provided to us and based on our verification of the records of the Company, the reporting requirements under this clause is not applicable to the Company as the Company is not required to prepare consolidated financial statements.

Kochi - 682 019
Date : 29th July 2022

For VARMA & VARMA
(FRN:004532S)
Sd/-
(VIJAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Memb. No. 203094
UDIN: 22203094APEDEJ8665

"ANNEXURE B" REFERRED TO IN PARAGRAPH 2(f) UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDIT REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF O/E/N INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2022

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

We have audited the internal financial controls over financial reporting of O/E/N India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

Auditors' 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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.

Kochi - 682 019
Date : 29th July 2022

For VARMA & VARMA
(FRN:004532S)
Sd/-
(VIJAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Memb. No. 203094
UDIN: 22203094APEDEJ8665

Balance Sheet as at 31st March, 2022

Particulars	Note No.	As at 31.03.2022	(Rs. in Lakhs) As at 31.03.2021
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
a. Share Capital	2.1	509.93	509.93
b. Reserves and Surplus	2.2	17,569.24	16,406.37
2 Non-current Liabilities			
a. Long Term Borrowings	2.3	33.77	286.88
b. Deferred Tax Liabilities (Net)	2.4	606.24	580.74
c. Long Term Provisions	2.5	154.41	139.95
3 Current Liabilities			
a. Short Term Borrowings	2.6	250.00	250.00
b. Trade Payables	2.7		
(1) Total outstanding dues of Micro Enterprises and Small Enterprises [Refer Note 2.7.1]		54.79	12.17
(2) Total outstanding dues of creditors other than Micro Enterprises and small enterprises		1,784.66	2,041.16
c. Other Current Liabilities	2.8	250.01	223.54
d. Short Term Provisions	2.9	898.44	836.98
		22,111.49	21,287.72
II. ASSETS			
1 Non-current Assets			
a. Property, Plant & Equipment and Intangible assets	2.10		
i. Property, Plant and Equipment		7,742.56	7,092.24
ii. Intangible Assets		94.12	118.07
iii. Capital Work-in-Progress		837.62	133.13
iv. Intangible Assets under Development		7.20	5.20
b. Non Current Investments	2.11	2,156.47	2,493.31
c. Long Term Loans and Advances	2.12	539.22	165.54
d. Other Non Current Assets	2.13	336.59	315.00
2 Current Assets			
a. Current Investments	2.14	-	194.78
b. Inventories	2.15	3,666.35	2,848.57
c. Trade Receivables	2.16	4,437.44	4,504.36
d. Cash and Cash Equivalents	2.17	1,852.97	2,918.39
e. Short Term Loans and Advances	2.18	430.70	467.22
f. Other Current Assets	2.19	10.25	31.91
		22,111.49	21,287.72

Significant Accounting Policies and Notes on Accounts 1&2

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date attached

For VARMA AND VARMA
(FRN:004532S)

Sd/-

(VIJAY NARAYAN GOVIND)

Partner

CHARTERED ACCOUNTANTS
Memb. No. 203094

Place : Kochi - 682 019

Date : 29th July 2022

For and on behalf of Board of Directors

PAMELA ANNA MATHEW Sd/-
Chairman & Managing Director [DIN : 00742735]

K.V. SIVADAS Sd/-
Director [DIN : 00306727]

SAJU VARGHESE Sd/-
Vice President - Finance

NISHA T.P. Sd/-
Company Secretary [Memb. No. A38197]

Statement of Profit and Loss for the year ended 31st March, 2022

Particulars	Note No.	For the year ended 31.03.2022	(Rs. in Lakhs) For the year ended 31.03.2021
I. Revenue from Operations	2.20	18,668.90	15,127.03
II. Other Income	2.21	728.87	1,031.43
III. Total Revenue		19,397.77	16,158.46
IV. Expenses:			
a. Cost of materials consumed	2.22	9,677.17	7,021.45
b. Purchases of Stock-in-trade		350.13	233.75
c. Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.23	(211.36)	131.59
d. Employee benefits expense	2.24	4,406.08	3,779.67
e. Finance costs	2.25	36.03	62.57
f. Depreciation and amortisation expense	2.10	833.07	729.93
g. Other Expenses	2.26	2,794.41	2,143.74
		17,885.53	14,102.70
Less: Expenditure allocated to capital jobs [Refer Note 2.10.4 (b)]		127.86	132.99
Total Expenses		17,757.67	13,969.71
V. Profit Before Tax (III - IV)		1,640.10	2,188.75
VI. Tax expense:			
a. Current Tax		365.00	368.00
b. Tax for earlier years		10.24	(2.58)
c. Deferred Tax		25.50	37.56
VII. Profit for the period (V - VI)		1,239.36	1,785.77
VIII. Earnings Per Equity Share:			
Nominal value of share Rs.10/- (Rs.10/-)	2.27		
Basic & Diluted (Rupees)		24.30	35.02
Significant Accounting Policies and Notes on Accounts	1&2		

The accompanying notes are an integral part of the financial statements.

As per our separate report of even date attached

For VARMA AND VARMA
(FRN:004532S)

Sd/-

(VIJAY NARAYAN GOVIND)

Partner

CHARTERED ACCOUNTANTS
Memb. No. 203094

Place : Kochi - 682 019

Date : 29th July 2022

For and on behalf of Board of Directors

PAMELA ANNA MATHEW Sd/-
Chairman & Managing Director [DIN : 00742735]

K.V. SIVADAS Sd/-
Director [DIN : 00306727]

SAJU VARGHESE Sd/-
Vice President - Finance

NISHA T.P. Sd/-
Company Secretary [Memb. No. A38197]

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2022

PARTICULARS	For the year ended 31.03.2022	(Rs. in Lakhs) For the year ended 31.03.2021
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before Tax	1,640.10	2,188.75
Adjustments for :		
Depreciation & Amortisation Expense	833.07	729.93
Interest Income	(136.93)	(180.92)
Dividend Income	-	(0.10)
(Profit)/Loss on Sale of Assets	(5.95)	(0.20)
(Profit)/Loss on Sale of Investments	(117.15)	(405.39)
Income from Partnership Firm	(293.56)	(273.24)
Irrecoverable Debts written off (Net)	1.76	-
Finance costs	36.03	62.57
Unrealised (Gain)/Loss on foreign exchange restatement	(4.47)	(16.00)
Sundry balances Written Back	(0.11)	(0.16)
Operating profit before working capital changes	1,952.80	2,105.24
<i>Adjustments for working capital changes:</i>		
(Increase) / Decrease in Trade and other receivables	90.11	(1,717.26)
(Increase) / Decrease in Inventories	(817.78)	(351.07)
Increase / (Decrease) in Trade Payables and other liabilities	(185.01)	374.04
Cash generated from operations	1,040.12	410.95
Direct Taxes (paid) / Refund Received	(376.17)	(275.43)
Net cash from/(used) in Operating Activities	663.95	135.52
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property, Plant & Equipment	(1,756.59)	(890.33)
Adjustments to Capital Work in Progress and Intangible Assets under Development	(706.48)	65.95
Sale of Fixed Assets	19.91	5.18
Purchase of Investments	-	(0.65)
Income from Partnership Firm	293.56	273.24
Sale of Investments	510.75	2,773.25
Drawings from / (Investments in) Partnership Firm (Net)	138.44	(273.24)
Interest received	136.93	180.92
Dividend received	-	0.10
Net cash from/(used) in Investing Activities	(1,363.48)	2,134.42

O/E/N India Limited

C. CASH FLOW FROM FINANCING ACTIVITIES:

Proceeds from / (Repayment of) Long Term Borrowings	(253.11)	(250.08)
Interest paid on Long-Term Borrowings	(36.04)	(62.58)
Dividends paid	(76.49)	-
Unclaimed Dividend transferred to Investor Education & Protection Fund	(0.25)	(0.25)
Net cash from/(used) in Financing Activities	(365.89)	(312.91)

SUMMARY

Net cash from/(used) in Operating Activities	663.95	135.52
Net cash from/(used) in Investing Activities	(1,363.48)	2,134.42
Net cash from/(used) in Financing Activities	(365.89)	(312.91)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(1,065.42)	1,957.03
Cash & Cash Equivalents at the beginning of the year	2,918.39	961.36
Cash & Cash Equivalents at the end of the year	1,852.97	2,918.39
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS DURING THE YEAR	(1,065.42)	1,957.03

- Note : 1) Cash and cash equivalents at the end of the year includes Rs.2.94 Lakhs (Rs.3.29 Lakhs) deposited in unclaimed dividend account which is earmarked for payment of dividend.
- 2) Balance with banks in Deposit Accounts include Rs.1406.84 Lakhs (Rs.2776.80 Lakhs) having maturity period of less than 12 months as at the year end and Rs.Nil (Rs.Nil) having a maturity period of more than 12 months as at the year end, but available for use if needed within twelve months.
- 3) The cash flow statement has been prepared under indirect method, as per the Accounting Standard 3 Cash Flow Statements.

As per our separate report of even date attached
For VARMA AND VARMA
(FRN:004532S)
Sd/-
(VIJAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Memb. No. 203094

Place : Kochi - 682 019
Date : 29th July 2022

For and on behalf of Board of Directors

PAMELA ANNA MATHEW Sd/-
Chairman & Managing Director [DIN : 00742735]
K.V. SIVADAS Sd/-
Director [DIN : 00306727]
SAJU VARGHESE Sd/-
Vice President - Finance
NISHA T.P. Sd/-
Company Secretary [Memb. No. A38197]

Significant accounting policies and Notes on accounts for the financial year ended 31st March, 2022**1. Significant Accounting Policies****a. Basis of Accounting**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b. Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates. Difference between the actual result and estimates are recognized in the period in which the results are known/materialized.

c. Revenue Recognition

- a) Sales are recognised on transfer of title of goods to the customers.
- b) Income from services are recognised under the Completed Service Contract Method.
- c) Export incentives are recognised on exports on accrual basis, based on the estimated realisable value of such entitlements.
- d) Interest and share of profit/ loss from a firm in which the company is a partner is recognized based on the financial statements of the firm for the year ending on the date of the Balance Sheet.
- e) Other incomes are recognised on accrual basis except when there are significant uncertainties.

d. Property, Plant and Equipment

Property, Plant and Equipments are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price, (inclusive of import duties and non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. The cost of assets not ready for use as at the Balance Sheet date are disclosed under Capital Work-In-Progress.

e. Intangible Assets

Intangible Assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.

f. Depreciation/Amortisation

1. Depreciation is provided:
 - a) On buildings, plant and machinery (other than items specified in (b) below) on Straight Line Method over the useful lives prescribed in Schedule II of the Companies Act, 2013 based on a review by the management at the year-end. Tools costing below Rs.50,000/- are depreciated at 100%, on the basis of technical evaluation by the management.
 - b) On other assets (including vehicle, furniture, fixtures and equipments) under Written Down Value method over the useful lives prescribed in Schedule II of the Companies Act, 2013 based on a review by the management at the year-end.
2. Costs of Software is treated as intangible asset and is amortised over a period of five years.
3. Value of Leasehold Land is depreciated (amortised) over the period of lease.

g. Investments

Long Term Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for. Current Investments are carried at lower of cost and fair value as on the date of the Balance Sheet.

h. Inventories

Inventories are valued at lower of cost computed as stated below or estimated net realisable value.

- a) Cost of bought out materials and trading items on Weighted Average Method.
- b) Cost of finished goods, manufactured components and semi-finished goods includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- c) Cost of scrap is valued at the latest realisable value.

The net realisable value of bought out inventories is taken at their current replacement value.

i. Research & Development

Capital expenditure on Research & Development is capitalized as fixed assets and depreciated in accordance with the depreciation policy of the company. The revenue expenditure on Research & Development is charged to the Statement of Profit and Loss in the year in which it is incurred.

j. Employee Benefits**i. Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service.

ii. Defined Contribution Plans

The company has defined contribution plans for employees comprising of Provident Fund, Superannuation Fund, Employee's State Insurance and other Employee Welfare Funds. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year.

iii. Defined Benefit Plans

Payment of Gratuity to employees is covered by the O/E/N Gratuity Trust Scheme based on the Group Gratuity cum Assurance Scheme of the LIC of India, which is a defined benefit scheme and the company makes contributions under the said scheme. The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the Projected Unit Credit Method, as adjusted for unrecognised past services cost if any and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit & Loss for the period in which they occur.

iv. Long Term Employee Benefits

Compensated Absences:

The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an independent actuarial valuation carried out at the end of the year, using the Projected Unit Credit Method. Actuarial gains and losses are recognized in full in the Statement of Profit and Loss for the period in which they occur.

v. Termination Benefits

Termination benefits are recognized in the Statement of Profit and Loss for the period in which the same accrue.

k. Taxes on Income

Income Tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which include Current Taxes and Deferred Taxes. Provision for Current Tax is made in accordance with the provisions of The Income Tax Act, 1961. Deferred Tax assets/ liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years by applying tax rate substantively enacted as at the end of the year. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except for Deferred Tax Assets arising due to unabsorbed depreciation and losses. Deferred tax in respect of timing differences which originate and reverse during the tax exemption period are not recognized to the extent the gross total income is subject to the deduction during the tax exemption period.

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

l. Foreign Currency Transactions

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the year-end. The exchange gain/loss arising during the year are adjusted to the Statement of Profit and Loss. Non-monetary items outstanding at the Balance Sheet date are reported using the exchange rate prevailing on the date of each transaction.

m. Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalised. Other borrowing costs are recognized as expenditure for the period in which they are incurred.

n. Earnings Per Share

Basic / diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares / dilutive potential equity shares outstanding as at the end of the year as the case may be.

o. Impairment of Assets

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

p. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the company has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent Assets are neither recognized nor disclosed in the accounts.

q. Leases

Where company is the lessee

Leases, where the lessor effectively retains substantially all the risk and benefits of ownership of the leased item, are classified as operating leases. Lease payments for assets taken on operating lease are recognised as an expense in the statement of profit and loss as per the lease terms.

Where company is the lessor

Assets representing lease arrangements given under operating leases are included in Property, Plant and Equipment. Lease income is recognised in the statement of profit and loss on accrual basis.

O/E/N India Limited

2. Notes on Accounts

2.1 Share Capital

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Authorized:		
10,000,000 (10,000,000) Equity Shares of Rs.10/- each	1,000.00	1,000.00
Issued, Subscribed and fully paid:		
5,099,260 (5,099,260) Equity Shares of Rs.10/- each	509.93	509.93
Total	509.93	509.93

2.1.1 Reconciliation of shares at the beginning and at the end of the financial year

Particulars	As at 31.03.2022		As at 31.03.2021	
	Number of shares	(Rs. in Lakhs)	Number of shares	(Rs. in Lakhs)
No. of shares as at the beginning of the financial year	5,099,260	509.93	5,099,260	509.93
No. of shares as at the end of the financial year	5,099,260	509.93	5,099,260	509.93

2.1.2 Shares held by promoters at the end of the financial year

Sl. No.	Name of the Promoter	No. of Shares held		% Change during the year
		As at 31.03.2022	As at 31.03.2021	
1	Ms. Pamela Anna Mathew	2,546,786	2,546,786	Nil

2.1.3 Terms/Rights attached to Equity Shares

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

2.1.4 Particulars of Shareholders holding more than 5% share in the Company

Particulars	As at 31.03.2022		As at 31.03.2021	
	%	No. of shares	%	No. of shares
Ms. Pamela Anna Mathew	49.94	2,546,786	49.94	2,546,786
M/s. Kerala State Industrial Development Corporation Ltd.	25	1,274,607	25	1,274,607

2.2 Reserves and Surplus

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Capital Reserve	0.65	0.65
Capital Redemption Reserve	36.03	36.03
General Reserve		
Opening Balance	16,079.87	14,279.87
Add: Transfer from Surplus for the year	1,200.00	1,800.00
Closing Balance	17,279.87	16,079.87
Surplus		
Opening Balance	289.82	304.05
Net Profit for the period	1,239.36	1,785.77
Amount available for Appropriation	1,529.18	2,089.82
Less: Appropriations		
Transfer to General Reserve	1,200.00	1,800.00
Final Dividend [Refer Note 2.2.1]	76.49	-
Closing Balance	252.69	289.82
Total	17,569.24	16,406.37

O/E/N India Limited

2.2.1 Represents final dividend for financial year 2020-21, declared and paid during the financial year 2021-22.

2.2.2 The Board of Directors of the company has proposed final dividend of Rs.1.50 per share for the financial year 2021-22, which is subject to approval by the shareholders at the ensuing Annual General Meeting and hence not included to the appropriation for the financial year 2021-22.

2.3 Long-Term Borrowings

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Term Loan - Secured		
- From other parties		
- M/s Kerala State Industrial Development Corporation Ltd.	33.77	286.88
Total	33.77	286.88

2.3.1 Terms of the Term Loan :

Name of the Lender	Security	Repayment Terms
M/s Kerala State Industrial Development Corporation Ltd (KSIDC)	(1) Charge over the fixed assets of the unit setup at Pune. (2) The Leasehold rights on the total extent of land allotted to the company in Chakan Industrial Area, Pune by Maharashtra Industrial Development Corporation (MIDC) are mortgaged to KSIDC and; (3) First charge in respect of 5 acres of land of the company at Vadavukode-Puthencruz Panchayat, Ernakulam District.	The principal amount is repayable in 24 quarterly installments as under: (1) Twenty Four installments of Rs.62.50 Lakhs starting from 1st October, 2017. (2) Interest is payable on quarterly basis, on 31st March, 30th June, 30th September and 31st December. Interest rate is 8.50% compounded quarterly.

2.3.2 Current maturities of Long-Term borrowings are disclosed under the head Short Term Borrowings [Refer Note 2.6 below]

2.4 Deferred Tax Liabilities (Net)

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
A. Deferred Tax Liability		
On excess of net book value over Income Tax Written Down Value of Property, Plant & Equipment	730.52	680.34
B. Deferred Tax Assets		
On Provisions/other disallowances	124.28	99.60
Deferred Tax Liabilities (Net) (A-B)	606.24	580.74

2.5 Long-Term Provisions

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Provision for Employee Benefits [Refer Note 2.9.1 and 2.28.b & c]	154.41	139.95
Total	154.41	139.95

2.6 Short Term Borrowings

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Current Maturities of Long Term Borrowings	250.00	250.00
Total	250.00	250.00

O/E/N India Limited

2.7 Trade Payables

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Trade Payables		
(1) Total outstanding dues of Micro Enterprises and Small Enterprises [Refer Note 2.7.1]	54.79	12.17
(2) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	1,784.66	2,041.16
Total	1,839.45	2,053.33

2.7.1 Company had sought confirmation from the vendors whether they fall in the category of Micro or Small Enterprises. Based on the information available, the required disclosure for Micro and small enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 is given below:

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
a) Principal Amount due and remaining unpaid as at the year end	54.79	12.17
b) Interest due thereon and remaining unpaid as at the year end	-	-
c) Interest paid by the Company in terms of Section 16 of Micro, Small & Medium Enterprises Development Act, 2006 along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
d) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
e) Interest accrued and remaining unpaid as at the year end	-	-
f) Further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

2.7.2 Ageing of Trade Payables

(Rs. in Lakhs)

Particulars	Unbilled Dues	Outstanding for following periods from the due date of payment					Total
		Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	- (-)	54.79 (12.17)	- (-)	- (-)	- (-)	- (-)	54.79 (12.17)
(ii) Others	10.88 (10.34)	1,080.35 (1,485.12)	671.20 (520.17)	0.87 (5.59)	1.42 (19.94)	19.94 (-)	1,784.66 (2,041.16)
(iii) Disputed dues - MSME	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
(iv) Disputed dues - Others	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Total	10.88	1,135.14	671.20	0.87	1.42	19.94	1,839.45
Previous Year	(10.34)	(1,497.29)	(520.17)	(5.59)	(19.94)	(-)	(2,053.33)

2.8 Other Current Liabilities

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Unpaid Dividend [Refer Note 2.17.1]	2.94	3.29
Other Payables		
- Statutory Dues	124.52	160.33
- Security Deposit	1.65	7.60
- Advance from Customers	8.62	17.41
- Creditors for Capital Goods	112.28	34.91
Total	250.01	223.54

2.9 Short-Term Provisions

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Provision for employee benefits [Refer Note 2.9.1 and 2.28.b&c]	197.29	133.28
Others		
- Income Tax (Net)	463.23	464.16
- Other taxes [Refer Note 2.9.2]	237.92	239.54
Total	898.44	836.98

2.9.1 Provision for employee benefits:

(Rs. in Lakhs)

Nature of Provision	Balance as at 01.04.2021	Additional Provision during the year	Amounts used/ charged during the year	Unused amounts reversed	Balance as at 31.03.2022
a) Provision for employee benefits (See Note Below)	130.00 (130.00)	-	-	-	130.00 (130.00)
Total	130.00	(-)	-	-	130.00
Previous Year	(130.00)	(-)	(-)	(-)	(130.00)

Note :

The company discontinued its operations at the Peenya Unit, Bangalore with effect from 10th November 2017 and the said unit does not constitute a separate major line of business or geographical area of operations of the company. The plant & machinery at the unit has been substantially transferred to the Electrogiri Unit, Kerala and the company is exploring possibilities to utilise the land and factory building for alternate business purpose. Further, as a matter of abundant caution, based on the estimate of the management, the company is carrying a provision, towards claims raised by the employees during earlier years, not accepted by the company which is pending before the appellate authority.

2.9.2 Details of Provisions towards other taxes

(Rs. in Lakhs)

Nature of Provision	Balance as at 01.04.2021	Additional Provision/adjustments during the year	Amounts used/ charged during the year	Unused amounts reversed (See Note iii)	Balance as at 31.03.2022
a) Customs Duty (See Note i)	225.68 (225.68)	-	-	-	225.68 (225.68)
b) Sales Tax including Value Added Tax (See Note ii)	13.86 (13.86)	-	-	1.62 (-)	12.24 (13.86)
Total	239.54	(-)	-	1.62	237.92
Previous Year	(239.54)	(-)	(-)	(-)	(239.54)

Note :

- i Rs.225.07 Lakhs (Rs.225.07 Lakhs) being demands towards customs duty on import of materials relating to earlier years. The Hon'ble Supreme Court of India had set aside the order and restored the appeal to Customs Excise and Service Tax Appellate Tribunal (CESTAT) for fresh disposal according to law which is pending. The company has maintained the provision already made in the accounts in respect of the said sums. This amount also includes other demands raised by customs authorities Rs.0.61 Lakh (Rs.0.61 Lakh) which have also been disputed by the company in respect of which provision has been made as a matter of prudence.
- ii Sales Tax authorities have raised demands aggregating to Rs.12.24 Lakhs (Rs.13.86 Lakhs) which have been disputed by the company before various appellate authorities. Though the company is hopeful of favourable decisions, provision has been created in the accounts as a matter of abundant caution.
- iii Unused amounts reversed represents the amount written back in respect of the disputes, on the basis of favourable appellate order received by the company.

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2.10 Property, Plant & Equipment and Intangible Assets

(Rs. in Lakhs)

Description	Gross Block (At cost)			Accumulated Depreciation			Net Block			
	As at 31-03-2021	Additions/ Transfers	Sales/ Adjustments	As at 31-03-2022	As at 31-03-2021	For the Year	Sales/ Adjustments	As at 31-03-2022	As at 31-03-2022	As at 31-03-2021
(i) Property, Plant & Equipment										
Land & Development	90.75 (90.75)	- (-)	- (-)	90.75 (90.75)	- (-)	- (-)	- (-)	- (-)	90.75 (90.75)	90.75 (90.75)
Leasehold Land	723.96 (723.96)	- (-)	- (-)	723.96 (723.96)	61.48 (53.84)	7.64 (7.64)	- (-)	69.12 (61.48)	654.84 (662.48)	662.48 (670.12)
Buildings	2,372.50 (2,372.50)	- (-)	- (-)	2,372.50 (2,372.50)	729.04 (658.19)	75.55 (70.85)	- (-)	804.59 (729.04)	1,567.91 (1,643.46)	1,643.46 (1,714.30)
Plant & Equipment	10,962.66 (10,256.11)	1,364.13 (771.71)	65.29 (65.16)	12,261.50 (10,962.66)	6,379.86 (5,861.65)	664.76 (578.42)	52.83 (60.21)	6,991.79 (6,379.86)	5,269.71 (4,582.80)	4,582.80 (4,394.46)
Furniture & Fixtures	218.89 (213.64)	3.36 (5.30)	- (0.05)	222.25 (218.89)	192.86 (186.51)	6.17 (6.39)	- (0.04)	199.03 (192.86)	23.22 (26.03)	26.03 (27.13)
Motor Vehicles	131.17 (131.17)	66.73 (-)	38.13 (-)	159.77 (131.17)	105.01 (94.66)	13.71 (10.35)	36.69 (-)	82.03 (105.01)	77.74 (26.16)	26.16 (36.51)
Office Equipment	485.13 (458.06)	26.04 (27.50)	2.41 (0.43)	508.76 (485.13)	424.57 (402.92)	28.15 (22.06)	2.35 (0.41)	450.37 (424.57)	58.39 (60.56)	60.56 (55.14)
TOTAL	14,985.06	1,460.26	105.83	16,339.49	7,892.82	795.98	91.87	8,596.93	7,742.56	7,092.24
Previous Year	(14,246.19)	(804.51)	(65.64)	(14,985.06)	(7,257.77)	(695.71)	(60.66)	(7,892.82)	(7,092.24)	(6,988.41)
(ii) Intangible Assets										
Software	329.69 (316.77)	13.14 (12.92)	- (-)	342.83 (329.69)	211.62 (177.40)	37.09 (34.22)	- (-)	248.71 (211.62)	94.12 (118.07)	118.07 (139.37)
TOTAL	329.69	13.14	-	342.83	211.62	37.09	-	248.71	94.12	118.07
Previous Year	(316.77)	(12.92)	(-)	(329.69)	(177.40)	(34.22)	(-)	(211.62)	(118.07)	(139.37)
GRAND TOTAL	15,314.75	1,473.40	105.83	16,682.32	8,104.44	833.07	91.87	8,845.64	7,836.68	7,210.31
Previous Year	(14,562.96)	(817.43)	(65.64)	(15,314.75)	(7,435.17)	(729.93)	(60.66)	(8,104.44)	(7,210.31)	(7,127.78)

2.10.1 Details of Capital Expenditure on Research and Development [Refer Note 2.26.3.B]

Particulars	2021-22 (Rs. in Lakhs)	2020-21 (Rs. in Lakhs)
Capital Equipments	31.19	44.98
Total	31.19	44.98

2.10.2 Capital Commitments:

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advance)	2,814.27	61.66
Total	2,814.27	61.66

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2.10.3 Capital Work in Progress

(Rs. in Lakhs)

Nature of Work	Opening Balance	Additions	Capitalised/Adjusted during the year	Closing Balance
(i) Building under Construction	- (-)	382.97 (-)	- (-)	382.97 (-)
(ii) Plant and Machinery	- (-)	66.07 (-)	- (-)	66.07 (-)
(ii) Asset Under Erection	2.70 (19.97)	96.64 (44.35)	3.41 (61.62)	95.93 (2.70)
(iii) Tools/Assets under Construction [Refer Note 2.10.4]	130.43 (184.31)	536.11 (388.85)	373.89 (442.73)	292.65 (130.43)
Total	133.13	1,081.79	377.30	837.62
Previous Year	(204.28)	(433.20)	(504.35)	(133.13)

2.10.4 Capital Work in Progress

Additions to tools / assets under construction incurred during the year includes:

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
(a) Cost of materials consumed	408.25	255.86
(b) Other expenditure allocated	127.86	132.99
Total	536.11	388.85

2.10.5 CWIP Ageing

(Rs. in Lakhs)

Particulars	Amount in Capital Work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	821.13 (101.85)	15.21 (31.28)	1.28 (-)	- (-)	837.62 (133.13)
Projects temporarily suspended	- (-)	- (-)	- (-)	- (-)	- (-)
Total	821.13	15.21	1.28	-	837.62
Previous Year	(101.85)	(31.28)	(-)	(-)	(133.13)

2.10.6 Intangible Assets under Development

(Rs. in Lakhs)

Nature of Work	Opening Balance	Additions	Capitalised/transferred during the year	Closing Balance
(i) Computer Software	5.20 (-)	2.00 (5.20)	- (-)	7.20 (5.20)
Total	5.20	2.00	-	7.20
Previous Year	(-)	(5.20)	(-)	(5.20)

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2.10.7 Ageing of Intangible assets under development

(Rs. in Lakhs)

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	- (5.20)	7.20 (-)	- (-)	- (-)	7.20 (5.20)
Projects temporarily suspended	- (-)	- (-)	- (-)	- (-)	- (-)
Total	-	7.20	-	-	7.20
Previous Year	(5.20)	(-)	(-)	(-)	(5.20)

2.11 Non Current Investments

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Long Term		
Unquoted (Trade):		
(i) 2,001 (2,001) Equity Shares of Rs.10/- each fully paid up in O/E/N Electrocom Private Limited	0.20	0.20
(ii) 23,598 (23,598) Equity Shares of Rs.10/- each fully paid up in Kerala Enviro Infrastructure Limited [Refer Note 2.11.2]	2.65	2.65
(iii) Investment in Capital of Partnership Firm - R Engineering [Refer Note 2.11.3]	2,138.89	2,277.33
(iv) Investment in Mutual Funds [Refer Note 2.11.4] :		
a) Franklin India Short Term Income Plan (Growth) - 374.94 (4013.76) Units	11.15	119.35
b) Franklin India Low Duration Fund (Growth) - 19198.94 (501587) Units	3.58	93.78
Aggregate amount of unquoted investments	2,156.47	2,493.31

2.11.1 For Method of Valuation of Investment, Refer Note 1(g) of Significant Accounting Policies.

2.11.2 During the previous year, the company had subscribed for 3,598 shares of face value of Rs.10/- per share at a premium of Rs.8.07 per share under rights issue.

2.11.3 (a) The Company is partner in a partnership firm, M/s R Engineering. Details regarding investment in the said firm are as under:

Name of Partners	Share of Profit/Loss (%)		Capital Account Balance (Rs. in Lakhs)	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
a) O/E/N India Limited	95%	95%	2,138.89	2,277.33
b) O/E/N Electrocom Private Limited	5%	5%	100.06	87.36

(b) Details of capital account balance of the Company

Particulars	As on 31.03.2022 (Rs. in Lakhs)	As on 31.03.2021 (Rs. in Lakhs)
Opening Balance	2,277.33	2,004.09
Amount invested / (withdrawn) during the year	(432.00)	-
Add: Interest on Capital	201.72	180.37
Add: Share of Profit	91.84	92.87
Closing Balance	2,138.89	2,277.33

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2.11.4 Franklin Templeton Asset Management (Franklin MF) had announced their decision to wind up six of their debt schemes with effect from 23rd April 2020, which includes two schemes in which the company was holding investments as at such date. Consequent to this decision, all existing investors were restricted from redeeming their investments or effecting other transactions in these schemes. Although the winding up action was challenged before judicial authorities, the same was upheld by the Hon'ble Supreme Court, who has also directed that SBI Funds Management Private Ltd (SBI MF) to be entrusted as the liquidator for the schemes under winding up. As per information furnished by Franklin MF to the investors, the assets of these schemes are being monetised and the proceeds distributed to unit holders in tranches in accordance with the Standard Operating Procedure finalized by SBI MF in consultation with Franklin MF and SEBI and taken note of by the Hon'ble Court. The details of proceeds received in respect of the two schemes held by the company are as under:

Fund	Franklin India Short Term Income Plan (Growth)	Franklin India Low Duration Fund (Growth)
Investment as at beginning of the year	119.35	93.78
Receipts during the financial year	108.20	90.19
Investment as at end of the year	11.15	3.58
Receipts subsequent to Balance Sheet date	-	-

Having regard to the above developments including the settlements actually being made by Franklin MF and the fact that there is no impairment in book value of the company's investments in both the aforesaid debt funds as per the latest available NAV, the management does not anticipate any probable loss in value on redemption of the above investments in these schemes; and accordingly, no provision is considered necessary for the same at this stage.

2.12 Long-Term Loans and Advances

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Unsecured (Considered Good)		
Capital Advance	480.34	119.77
Others		
- Staff Loans	54.39	41.52
- Prepaid Expenses	4.49	4.25
Total	539.22	165.54

2.13 Other Non-Current Assets

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Balance with bank in Deposit Account [Refer Note 2.13.1]	277.60	260.04
Security Deposits	58.99	54.96
Total	336.59	315.00

2.13.1 Deposits held as security against bank guarantee which are not expected to be withdrawn within next twelve months.

2.14 Current Investments

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of Units	(Rs. in Lakhs)	No. of Units	(Rs. in Lakhs)
Unquoted (Non Trade):				
Investment In Mutual Funds :				
a) ICICI Short Term Plan (Growth)	-	-	1,947,814.00	194.78
Aggregate amount of unquoted investments	-	-	1,947,814.00	194.78
Aggregate Net Asset Value of unquoted investments	-	-	-	243.22

2.14.1 Method of Valuation of Investment - Refer Note 1(g) of Significant Accounting Policies.

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2.15 Inventories

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
In Hand :		
a) Materials and Components	2,800.71	2,238.09
b) Stores and Spares	68.70	54.42
c) Materials for Automation	115.66	87.71
d) Manufactured components	360.05	274.94
e) Semi-Finished Goods	38.85	31.03
f) Finished Goods	167.17	113.10
g) Scrap Materials	101.28	36.92
h) Packing materials	9.03	8.86
i) Printing & Stationery	4.90	3.50
Total	3,666.35	2,848.57

2.15.1 Method of Valuation of Inventories - Refer Note 1(h) of Significant Accounting Policies.

2.16 Trade Receivables

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Outstanding for a period exceeding 6 months from the date they are due for payment		
Unsecured, Considered Good	2.67	3.42
Unsecured, Considered Doubtful	5.56	4.00
	8.23	7.42
Less: Provision for Doubtful Debts	5.56	4.00
	2.67	3.42
Others (Unsecured, Considered Good)	4,434.77	4,500.94
Total	4,437.44	4,504.36

2.16.1 Ageing of Trade Receivables

(Rs. in Lakhs)

Particulars	Unbilled Dues	Outstanding for following periods from the due date of payment						Total
		Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	- (-)	3,296.98 (2,812.02)	1,137.79 (1,688.92)	2.39 (0.65)	0.27 (1.29)	- (0.61)	- (0.87)	4,437.43 (4,504.36)
(ii) Undisputed Trade receivables – considered doubtful	- (-)	- (-)	- (-)	- (-)	0.34 (-)	- (-)	1.23 (-)	1.57 (-)
(iii) Disputed Trade receivables – considered good	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
(iv) Disputed Trade receivables – considered doubtful	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	4.00 (4.00)	4.00 (4.00)
Total	-	3,296.98	1,137.79	2.39	0.61	-	5.23	4,443.00
Previous Year	(-)	(2,812.02)	(1,688.92)	(0.65)	(1.29)	(0.61)	(4.87)	(4,508.36)

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2.17 Cash and Cash Equivalents

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Balance with Banks		
In Current Accounts [Refer Note 2.17.1]	445.91	141.01
In Deposit Accounts [Refer Note 2.17.2]	1,406.84	2,776.80
Cash on hand	0.22	0.58
Total	1,852.97	2,918.39

2.17.1 Balance with banks in Current Accounts includes earmarked balances for unpaid dividend (net of bank charges debited by bank) Rs.2.94 Lakhs (Rs.3.29 Lakhs) and cannot be used for any other purpose.

2.17.2 Balance with banks in Deposit Accounts include Rs.1406.84 Lakhs (Rs.2776.80 Lakhs) having maturity period of less than 12 months as at the year end and Rs.Nil (Rs.Nil) having a maturity period of more than 12 months as at the year end, but available for use if needed within twelve months.

2.18 Short-Term Loans and Advances

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
(Unsecured, Considered Good)		
Others:		
- Advances recoverable in cash or in kind or for value to be received	275.76	284.18
- Staff loans	14.43	12.88
- Income Tax Refund Receivable	77.03	77.03
- Deposits	26.54	25.62
- Balances with Government Authorities	36.94	67.51
Total	430.70	467.22

2.19 Other Current Assets

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
Export Entitlements Receivable	6.59	25.27
Others	3.66	6.64
Total	10.25	31.91

2.20 Revenue from operations

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Sale of Products		
Gross Sales	17,538.21	14,312.87
Net Sales	17,538.21	14,312.87
Other Operating Revenues		
Sale of Scrap	1,098.26	786.50
Export Entitlements	6.43	10.50
Miscellaneous Income	26.00	17.16
	1,130.69	814.16
Total	18,668.90	15,127.03

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2.21 Other Income

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Lease Rent Received	62.50	62.85
Sale of Wind Energy	31.17	31.12
Net gain on foreign exchange transactions/translations	62.31	66.56
Interest	136.93	180.92
Dividend	-	0.10
Profit on Sale of Investments	117.15	405.39
Profit on Sale of Assets (Net)	5.95	0.20
Income from Partnership Firm [Refer Note 2.11.3]		
- Interest on Capital	201.72	180.37
- Share of Profit	91.84	92.87
Miscellaneous Income	19.30	11.05
Total	728.87	1,031.43

2.22 Cost of materials consumed

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Opening Stock	2,238.09	1,798.30
Add : Purchases	10,239.79	7,461.24
	12,477.88	9,259.54
Less : Closing Stock	2,800.71	2,238.09
Total	9,677.17	7,021.45

2.23 Change in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Closing Stock		
- Finished Goods	167.17	113.10
- Semi-Finished Goods	38.85	31.03
- Manufactured Components	360.05	274.94
- Scrap Materials	101.28	36.92
	667.35	455.99
Opening Stock		
- Finished Goods	113.10	154.59
- Semi-Finished Goods	31.03	55.67
- Manufactured Components	274.94	254.49
- Scrap Materials	36.92	122.83
	455.99	587.58
Change in Inventory	211.36	(131.59)

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2.24 Employee Benefits Expenses

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Salaries & Wages (including compensated absences payable on retirement)	3,914.74	3,359.29
Contribution to Provident and Other Funds	146.31	155.83
Staff Welfare Expenses	345.03	264.55
Total	4,406.08	3,779.67

2.25 Finance Costs

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Interest Expense	34.38	58.86
Other Borrowing Cost	1.65	3.71
Total	36.03	62.57

2.26 Other Expenses

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Consumption of Stores, Spares & Consumables	265.49	199.53
Packing Materials Consumed	223.69	175.91
Power & Fuel	451.89	382.01
Repairs		
- Building	165.63	99.44
- Plant & Machinery	291.56	198.33
- Others	51.61	39.61
Insurance	45.87	43.06
Rent [Refer Note 2.26.1]	32.33	30.94
Rates & Taxes	56.84	42.71
Postage & Telephone	21.00	20.50
Printing & Stationery	40.10	30.07
Travelling & Conveyance	35.13	29.14
Payments to the Auditor [Refer Note 2.26.2]	14.97	14.04
Advertisement & Publicity	3.38	1.77
Discount & Commission on Sales	25.06	18.26
Professional & Consultancy charges	61.97	38.91
Bank Charges	6.28	8.69
Job Work Charges	360.61	277.15
Research & Development Expense [Refer Note 2.26.3.A]	351.28	231.35
Irrecoverable Debts Written Off [Net]	1.76	-
Freight & Forwarding Charges [Net]	54.07	52.46
Expenses on Corporate Social Responsibility Activities [Refer Note 2.26.4]	36.51	32.91
Miscellaneous Expenses	197.38	176.95
Total	2,794.41	2,143.74

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2.26.1 Leases

The company has taken certain premises under rental arrangements, which are in the nature of cancellable operating leases. The lease rentals for the year Rs.32.33 Lakhs (Rs.30.94 Lakhs) have been charged to the Statement of Profit & Loss.

2.26.2 Payments to the Auditor

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
a. Statutory Audit Fees	9.00	8.00
b. Other Services		
Taxation Matters (Including Tax Audit)	5.80	5.75
Statutory Certifications	-	0.15
Reimbursement of out of Pocket Expenses	0.17	0.14
Total	14.97	14.04

2.26.3 Research & Development Expense

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
A. Revenue Expenditure		
Cost of materials consumed	1.27	1.65
Salaries & Wages	265.04	235.13
Contribution to Provident and Other Funds	18.35	16.70
Staff Welfare Expenses	2.65	10.57
Travelling & Conveyance	3.87	4.43
Others	73.36	54.19
	<u>364.54</u>	<u>322.67</u>
Sale/Income of New Products from Research & Development :		
Gross Sales	13.26	6.28
Other Income	-	85.04
	<u>13.26</u>	<u>91.32</u>
Total	351.28	231.35
B. Capital Expenditure		
Particulars	2021-22 (Rs. in Lakhs)	2020-21 (Rs. in Lakhs)
Addition to Capital Equipments	31.19	44.98
Total	31.19	44.98

2.26.4 Details of expenses on Corporate Social Responsibility Activities :

- Amount required to be spent by the company during the year:
 - Gross amount required to be spent by the company during the year Rs.34.46 Lakhs (Rs.32.87 Lakhs)
 - Amount approved by the Board to be spent during the year (Minimum amount to be spent) : Rs 34.46 Lakhs (Rs.32.87 Lakhs).
- Amount of expenditure incurred during the year :

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
i) Construction/acquisition of any asset	20.00	24.00
ii) On purposes other than (i) above	16.51	8.91
Total	36.51	32.91

- c. Shortfall at the end of the year : Nil
d. Total of previous years shortfall : Nil
e. Reasons for shortfall - N.A.
f. Details of related party transactions as per Accounting Standard (AS) 18, Related Party Disclosures :

Name of Entity	Nature of Relation	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
K.A. Mathew Foundation	Trust in which Key Management Personnel is a trustee	34.08	32.91

Details of funds disbursed to the above trust for implementation of ongoing project and utilised as at 31st March 2022 :

As at 01.04.2021 (Rs. in Lakhs)	Amount contributed during the year (Rs. in Lakhs)	Amount spent during the year (Rs. in Lakhs)	As at 31.03.2022 (Rs. in Lakhs)
24.00	20.00	Nil	44.00

Consequent to the amendment of Section 135 of the Companies Act 2013 with effect from 22nd January 2021, read with FAQ issued by MCA on 25th August 2021, the CSR Committee of the Board at their meeting held on 1st September 2021 identified construction of an old age home on land and building belonging to the company and leased to the above trust, as an ongoing project to be implemented through them. Utilisation of funds disbursed to the trust for implementation of the said ongoing project after amendment to Section 135 specified above, could not be fully done by the trust as at 31st March 2022, due to the impact of the Covid pandemic and allied reasons; and the unutilised amounts have been transferred to a separate bank account by the trust with certain minor delays. These funds will be utilised by the trust for the aforesaid project within the time period permitted under the Companies Act 2013 and Rules thereon.

- g. Provision made for liability incurred by entering into a contractual obligation : Nil

2.27 Earnings Per Equity Share

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Profit for the period (after tax) (Rs. in Lakhs)	1,239.36	1,785.77
Weighted Average Number of Equity Shares of Rs.10/- each (fully paid-up) (Number in Lakhs)	50.99	50.99
Earnings Per Equity Share - Basic & Diluted (Rs.)	24.30	35.02

2.28 Disclosures required under Accounting Standard 15 - "Employee Benefits"

a. Defined Contribution Plans

During the year the following amounts have been recognised in the Statement of Profit and Loss on account of defined contribution plans:

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Employer's contribution to Provident Fund	100.64	109.43
Employer's contribution to Employees' State Insurance	17.36	19.48
Superannuation Fund	46.66	43.61
Employees Welfare Fund	2.77	2.76

b. Defined Benefit Plans - Gratuity: Funded Obligation

i. Actuarial Assumptions	For the year ended 31.03.2022	For the year ended 31.03.2021
Discount Rate (per annum)	7.3% p.a.	7.5% p.a.
Expected return on plan assets	7.5% p.a.	7.5% p.a.
Salary escalation rate*	3.5% p.a.	4% p.a.
Mortality rate	Indian Assured Lives Mortality 2012-14 (Ultimate Table)	Indian Assured Lives Mortality 1994-96 (Ultimate Table)

*The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

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ii. Reconciliation of present value of obligation					
			For the year ended		For the year ended
			31.03.2022		31.03.2021
			(Rs. in Lakhs)		(Rs. in Lakhs)
Present value of obligation at the beginning of the year			437.81		404.84
Current Service Cost			32.93		29.39
Interest Cost			30.50		31.47
Actuarial (gain)/ loss			74.63		9.13
Benefits Paid			(62.36)		(37.02)
Present value of obligation at the end of the year			513.51		437.81
iii. Reconciliation of fair value of plan assets			For the year ended		For the year ended
			31.03.2022		31.03.2021
			(Rs. in Lakhs)		(Rs. in Lakhs)
Fair value of plan assets at the beginning of the year			408.75		363.06
Expected return on plan assets			30.16		32.84
Actuarial gain/(loss)			(4.27)		(9.47)
Contributions			49.10		59.34
Benefits paid			(62.36)		(37.02)
Assets distributed on settlement (if applicable)			-		-
Fair value of plan assets at the end of the year			421.38		408.75
iv. Description of Plan Assets			For the year ended		For the year ended
			31.03.2022		31.03.2021
			(Rs. in Lakhs)		(Rs. in Lakhs)
Insurer Managed Funds (LIC of India)			421.38		408.75
					(Rs. in Lakhs)
v. Net (Asset)/ Liability recognized in the Balance Sheet as at year end	2021-22	2020-21	2019-20	2018-19	2017-18
Present value of obligation at the end of the year	513.51	437.81	404.84	364.90	307.91
Fair value of plan assets at the end of the year	421.38	408.75	363.06	315.12	309.32
Net present value of funded obligation recognized as (asset)/ liability in the Balance Sheet	92.13	29.06	41.78	49.78	(1.41)
vi. Expenses recognized in the Statement of Profit and Loss			For the year ended		For the year ended
			31.03.2022		31.03.2021
			(Rs. in Lakhs)		(Rs. in Lakhs)
Current Service Cost			32.93		29.39
Interest Cost			30.50		31.47
Actuarial (gain) / loss recognized in the period			78.90		18.60
Past Service Cost (if applicable)			-		-
Expected return on plan assets			(30.16)		(32.84)
Total expenses recognized in the Statement of Profit and Loss for the year			112.16		46.62
Actual return on plan assets			30.16		32.84

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

The above does not include gratuity to the Managing Director calculated on undiscounted basis : Rs.39.69 Lakhs (Rs.37.16 Lakhs).

c. Long Term Employee Benefits

Compensated absences (Vesting and Non Vesting): Unfunded Obligation

i. Actuarial Assumptions	For the year ended 31.03.2022	For the year ended 31.03.2021
Discount Rate (per annum)	7.3% p.a.	7.5% p.a.
Salary escalation rate*	3.5% p.a.	4% p.a.
Mortality rate	Indian Assured Lives Mortality 2012-14 (Ultimate Table)	Indian Assured Lives Mortality 1994-96 (Ultimate Table)

*The assumption of future salary increases takes into account inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

ii. Reconciliation of present value of obligation	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Present value of obligation at the beginning of the year	77.01	63.72
Current Service Cost	74.82	74.18
Interest Cost	5.59	7.56
Actuarial (gain) / loss	(62.68)	(64.54)
Benefits Paid	(4.85)	(3.91)
Present value of obligation at the end of the year	89.89	77.01

	(Rs. in Lakhs)				
iii. Net (Asset) / Liability recognized in the Balance Sheet as at year end	2021-22	2020-21	2019-20	2018-19	2017-18
Present value of obligation at the end of the year	89.89	77.01	63.72	76.58	64.92
Fair value of plan assets at the end of the year	-	-	-	-	-
Net present value of unfunded obligation recognized as (asset) / liability in the Balance Sheet	89.89	77.01	63.72	76.58	64.92

iv. Expenses recognized in the Statement of Profit and Loss	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Current Service Cost	74.82	74.18
Interest Cost	5.59	7.56
Actuarial (gain) / loss recognized in the period	(62.68)	(64.54)
Past Service Cost (if applicable)	-	-
Total expenses recognized in the Statement of Profit and Loss for the year	17.73	17.20

The above disclosures are based on information furnished by the independent actuary and relied upon by the auditors.

2.29 Segment Information

The Company is substantially engaged in the business of manufacture and dealing of electromechanical relays in India and hence has only a single reportable segment.

2.30 Disclosure of transactions with related parties as required by Accounting Standard – 18 on related party disclosures as prescribed by Companies (Accounting Standards) Rules, 2006.

A. Related parties and nature of relationship

- i) Key Management Personnel
 - Ms. Pamela Anna Mathew - Managing Director
 - Mr. Antony Alexandar - Whole-Time Director (till 31.03.2021)
 - Ms. Roopa Anna George - Whole-Time Director (from 01.04.2021)
- ii) Relative of Key Management Personnel
 - Ms. Sunela Sarah Thomas
 - Mr. P. George Varghese
- iii) Enterprises in which key managerial person/relative of key managerial person is able to exercise significant influence
 - Applied Precision Tooling (India) Pvt. Ltd
- iv) Enterprise controlled by the Company
 - R. Engineering (Partnership Firm)
- v) Trust in which Key Management Personnel is a Trustee
 - K.A. Mathew Foundation

B. Description of Transactions

(Rs. in Lakhs)

Nature of Transaction	Key Management Personnel	Relative of Key Management Personnel	Enterprise controlled by the company	Enterprise in which key managerial person/relative of key managerial person is able to exercise significant influence	Trust in which Key Management Personnel is a Trustee	Total
1 Remuneration Paid	116.14 (125.96)	- (9.49)	- (-)	- (-)	- (-)	116.14 (135.45)
2 Sale of Goods	- (-)	- (-)	63.21 (58.36)	- (-)	- (-)	63.21 (58.36)
3 Purchase of Goods	- (-)	- (-)	34.78 (36.44)	16.59 (6.69)	- (-)	51.37 (43.13)
4 Dividend paid	38.20 (-)	1.70 (-)	- (-)	- (-)	- (-)	39.90 (-)
5 Directors Sitting Fees	- (-)	0.90 (0.80)	- (-)	- (-)	- (-)	0.90 (0.80)
6 Share of Profit	- (-)	- (-)	91.84 (92.87)	- (-)	- (-)	91.84 (92.87)
7 Corporate Social Responsibility Expense	- (-)	- (-)	- (-)	- (-)	34.08 (32.91)	34.08 (32.91)
8 Interest on Capital	- (-)	- (-)	201.72 (180.37)	- (-)	- (-)	201.72 (180.37)
9 Drawings during the year	- (-)	- (-)	432.00 (-)	- (-)	- (-)	432.00 (-)
Closing balance						
Investment	- (-)	- (-)	2,138.89 (2,277.33)	- (-)	- (-)	2,138.89 (2,277.33)
Receivables	- (-)	- (-)	24.04 (17.05)	- (-)	- (-)	24.04 (17.05)
Payables	46.92 (58.80)	- (-)	3.89 (-)	- (7.90)	- (-)	50.81 (66.70)

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2.31 Contingent Liabilities and Other Commitments

Particulars	As at 31.03.2022 (Rs. in Lakhs)	As at 31.03.2021 (Rs. in Lakhs)
a) Disputed Sales Tax Demand [Refer Note 2.31.1]	-	21.09
b) Disputed Income Tax Demand [Refer Note 2.31.2]	114.47	124.89
c) Counter Guarantees issued by the company for the guarantees issued by the banks	220.03	241.32
Total	334.50	387.30

2.31.1 The above demands of sales tax are disputed by the Company and the matters are pending in appeals before appellate authorities. The Company has been legally advised that these demands are not tenable in law and the company is hopeful of getting full relief and hence no provision is required at this stage.

2.31.2 Represents demand in respect of which rectification petition for mistake apparent from records filed amounting to Rs.114.47 Lakhs (Rs.114.47 Lakhs) and pending before assessing authority and the demand proposed to be settled under the 'Vivad se Vishwas' Scheme under Income Tax amounting to Rs.Nil (Rs.10.42 Lakhs).

2.32.1 Particulars of Materials consumed during the year

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
a) Raw Materials	4,298.98	2,822.86
b) Winding Wire	1,642.01	1,157.49
c) Precious Materials	270.06	386.67
d) Components	3,051.73	2,340.90
e) Other items	414.39	313.53
Total	9,677.17	7,021.45

The above does not include materials consumed for Research & Development.

2.32.2 Particulars of CIF Value of Imports purchased

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
a) Raw Materials & Components	5,315.20	4,528.07
b) Spares	10.59	7.18
c) Capital Goods	613.08	102.64
Total	5,938.87	4,637.89

2.32.3 Materials & Spares Consumed

Particulars		For the year ended 31.03.2022 (Rs. in Lakhs)		For the year ended 31.03.2021 (Rs. in Lakhs)
Materials				
a) Imported	45.22	4,376.08	54.00	3,791.88
b) Indigenous	54.78	5,301.09	46.00	3,229.57
Total	100.00	9,677.17	100.00	7,021.45
Spares				
a) Imported	0.83	2.21	0.48	0.95
b) Indigenous	99.17	263.28	99.52	198.58
Total	100.00	265.49	100.00	199.53

The above does not include materials and spares consumed for Research & Development.

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2.32.4 Particulars of Finished Goods

Particulars	Sales (Rs. in Lakhs)	Closing Inventory (Rs. in Lakhs)	Opening Inventory (Rs. in Lakhs)
a) Switches	474.85 (296.68)	6.43 (5.75)	5.75 (5.22)
b) Relays	16,755.43 (13,602.00)	160.74 (107.35)	107.35 (149.37)
c) Others	307.93 (414.19)	- (-)	- (-)
Total	17,538.21	167.17	113.10
Previous Year	(14,312.87)	(113.10)	(154.59)

The above does not include sale of finished goods from Research & Development.

2.32.5 Expenditure in foreign currency on account of

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Discount and commission on sales	-	2.68
Product Testing	1.98	1.54
Royalty	0.39	0.50
Total	2.37	4.72

2.32.6 Earnings in Foreign Exchange

Particulars	For the year ended 31.03.2022 (Rs. in Lakhs)	For the year ended 31.03.2021 (Rs. in Lakhs)
Export of goods calculated on FOB basis (Net of write off)	499.76	668.75
Commission	18.54	2.35
Total	518.30	671.10

2.32.7 In the opinion of the Directors, Loans and Advances and Other Current Assets have the value at which they are stated in the Balance Sheet, if realised in the ordinary course of business.

2.32.8 Dividend to Non-Resident Shareholders

	2021-22	2020-21
i) Number of Non-Resident Shareholders	14	14
ii) Number of shares held by them	2,95,231	2,95,231
iii) Year to which the dividend related	2020-2021	2019-2020
iv) Dividend remitted in Foreign Currency during the year	Nil	Nil

2.33 There has been no significant impact from the COVID-19 pandemic on the operations or financial position of the company for the financial year ended 31st March, 2022. However, given the dynamic nature of the pandemic, the management will continue to closely monitor the possible impact on the company depending on the severity and duration of pandemic.

2.34 Accounting Ratios

Ratio	Note	Current year	Previous year	Variance (in %)	Explanation for changes more than 25%
Current Ratio	(a)	3.21	3.26	-1.53%	
Debt-Equity Ratio	(b)	0.02	0.03	-33.33%	Repayment of loan and increase in net worth
Debt Service Coverage Ratio	(c)	9.91	11.92	-16.86%	
Return on Equity Ratio	(d)	0.07	0.11	-36.36%	Lower profits mainly due to steep increase in raw materials cost leading to higher cost of production for the year
Inventory turnover ratio	(e)	5.38	5.35	0.56%	
Trade Receivables turnover ratio	(f)	3.92	3.95	-0.76%	
Trade payables turnover ratio	(g)	5.26	4.12	27.67%	Increased value of credit purchases on account of increased raw material prices and also increase in volume of operations
Net capital turnover ratio	(h)	2.38	2.07	14.98%	
Net profit ratio	(i)	0.07	0.12	-41.67%	Lower profits mainly due to steep increase in raw materials cost leading to higher cost of production for the year
Return on Capital employed	(j)	0.09	0.13	-30.77%	Lower profits mainly due to steep increase in raw materials cost leading to higher cost of production for the year
Return on investment:	(k)				
Return on Fixed Deposit	(i)	0.06	0.09	-33.33%	On account of reduced interest rates for bank deposits
Return on Mutual Funds	(ii)	0.55	0.25	120.00%	On account of receipt of accumulated NAV on redemption of long-term investment in Mutual Fund
Return on Investment in Firms	(iii)	0.13	0.13	0.00%	

Ratio	Note	Numerator	Denominator
Current Ratio	(a)	Current Assets	Current Liabilities
Debt-Equity Ratio	(b)	Long Term and Short term debts	Shareholders' Equity
Debt Service Coverage Ratio	(c)	EBIDTA	Debt Service
Return on Equity Ratio	(d)	Net Profit	Average Shareholders' Equity
Inventory turnover ratio	(e)	Sales	Average Inventory
Trade Receivables turnover ratio	(f)	Net Credit Sales	Average Accounts Receivable
Trade payables turnover ratio	(g)	Net Credit Purchase	Average Accounts Payable
Net capital turnover ratio	(h)	Sales	Average Working capital
Net profit ratio	(i)	Net Profit	Sales
Return on Capital employed	(j)	EBIT	Capital Employed [See Note 2.34(i)]
Return on investment	(k)	Income generated from invested funds	Average Invested Funds

2.34.(i) Capital Employed = Tangible Net worth + Total Debt + Deferred Tax Liability

2.35 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in a party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2.36 Figures have been rounded off to Rs. Lakhs, except otherwise stated. Previous year figures, unless otherwise stated are given within brackets and have been re-grouped and recast wherever necessary to be in conformity with current year’s layout.

As per our separate report of even date attached
For VARMA AND VARMA
(FRN:004532S)
Sd/-
(VIJAY NARAYAN GOVIND)
Partner
CHARTERED ACCOUNTANTS
Memb. No. 203094

Place : Kochi - 682 019
Date : 29th July 2022

For and on behalf of Board of Directors

PAMELA ANNA MATHEW Sd/-
Chairman & Managing Director [DIN : 00742735]

K.V. SIVADAS Sd/-
Director [DIN : 00306727]

SAJU VARGHESE Sd/-
Vice President - Finance

NISHA T.P. Sd/-
Company Secretary [Memb. No. A38197]

Progress through the years

(In millions of Rupees)

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
WHAT THE COMPANY OWNED:										
FIXED ASSETS:										
Gross Block	822.326	867.702	965.257	1140.851	1233.367	1328.654	1405.033	1476.724	1545.307	1752.713
Less: Depreciation	442.880	483.226	525.777	552.625	600.527	660.979	677.114	743.518	810.445	884.564
Net Block	379.446	384.476	439.480	588.226	632.840	667.675	727.919	733.206	734.862	868.149
CURRENT ASSETS:										
Current Assets, Loans and advances	356.636	383.596	419.442	517.475	636.745	717.228	707.540	712.415	1125.100	1127.351
Less: Current Liabilities & Provisions	160.328	187.731	205.783	246.326	259.363	294.289	261.380	277.762	325.377	314.231
Net Current Assets	196.308	195.865	213.659	271.149	377.382	422.939	446.160	434.653	799.723	813.122
INVESTMENT	168.889	234.966	254.669	296.580	381.589	418.499	425.113	478.206	268.809	215.647
TOTAL ASSETS (NET)	744.643	815.307	907.808	1155.955	1391.811	1509.113	1599.192	1646.065	1803.394	1896.918
Less: WHAT THE COMPANY OWED:										
BORROWINGS:										
From Banks/ Financial Institutions	–	–	–	100.000	149.966	129.330	103.994	78.695	53.687	28.377
From others	14.315	2.781	–	–	–	–	–	–	–	–
TOTAL BORROWINGS	14.315	2.781	–	100.000	149.966	129.330	103.994	78.695	53.687	28.377
DEFERRED TAX LIABILITY	13.806	19.991	18.268	22.450	33.810	34.616	36.744	54.318	58.074	60.624
NET WORTH	716.522	792.535	889.540	1033.505	1208.035	1345.167	1458.454	1513.052	1691.633	1807.917