



**OROSIL SMITHS
INDIA LIMITED**
*A multi-dimensional
jewellery solutions Company*
CIN:
L74110DL1994PLC059341

28th Annual Report

FOR THE FINANCIAL YEAR 2021-22



OROSIL SMITHS INDIA LIMITED

28th

Annual General Meeting

Friday, September 30, 2022 at 12:30 P.M. (IST)

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Orosil Smiths India Limited

CIN: L74110DL1994PLC059341

Registered Office: Hemkunt Chambers, Flat No. 620, 89, Nehru Place, New Delhi – 110019

Corporate Office: A-89, Sector-2, Noida-201301, Uttar Pradesh

Email ID: info@orosil.com **II Phone No.:** 0120-4125476 **II Website:** www.orosil.com

NOTICE

(PURSUANT TO SECTION 101 OF THE COMPANIES ACT, 2013)

NOTICE is hereby given that the **28th (Twenty-Eighth) Annual General Meeting ("AGM")** of the members of **Orosil Smiths India Limited** will be held on **Friday, September 30, 2022 at 12.30 P.M. (IST)** through Video Conferencing ("VC")/Other Audio Visual Means ("**OAVM**") to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

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

- 2. To re-appoint Mrs. Rita Narula (DIN: 00006096), who retires by rotation and being eligible, offers herself for re-appointment as a Director**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013, Mrs. Rita Narula (DIN: 00006096), who retires by rotation at this AGM and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a Director (designated as Whole Time Director) of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

- 3. To consider and approve the re-appointment of Mr. Bhushan Kumar Narula (DIN:00003629) as Chairman and Managing Director of the Company**

To consider and, if thought fit, to pass the following resolution as a **SPECIAL RESOLUTION:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as applicable), (including any statutory modification(s) or re-enactment thereof for the time being in force), and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be required or imposed by any of the authorities' while granting such approvals, permissions and sanctions and pursuant to the provisions of the Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Bhushan Kumar Narula (DIN: 00003629) as Chairman and Managing Director ("Key Managerial Personnel") of the Company, who is also a Promoter and whose current term of

office is expiring on March 31, 2023, for a further period of 3 consecutive years with effect from April 01, 2023, at such terms and conditions as may be agreed and as determined by Nomination and Remuneration Committee with liberty thereto for varying the terms and conditions of said appointment as it may deem fit and acceptable to Mr. B. K. Narula, within the maximum limits of remuneration for Managing Director, as approved by the members of the Company in the foregoing resolution and the explanatory statement annexed thereto:

1. Period of Appointment: 3 Years (From April 01, 2023 to March 31, 2026).
2. Annual Remuneration and other terms:
 - (a) Annual Fixed Pay (inclusive of basic salary, perquisites, allowances and other benefits): ₹ 7, 20,000 (Rupees Seven Lakh Twenty Thousand only), payable on monthly basis, as may be determined by the Board of Directors and/or Nomination and Remuneration Committee of Directors.
 - (b) Variable Pay (Performance Linked Incentive) to be paid as per PLVR Scheme of the Company or such sum as may be determined by the Board and/or Nomination and Remuneration Committee of Directors of the Company, from time to time.
 - (c) Retirement/Other benefits: Gratuity, provident fund, leave encashment, group personal accident insurance, mobile phone expenses, medical insurance and other benefits as per the applicable policies and rules of the Company.
 - (d) He shall also be entitled to such annual increment as may be determined by the Nomination and Remuneration Committee of the Company.
 - (e) He shall also be entitled to reimbursement of all legitimate expenses actually and properly incurred by him while performing his duties and such reimbursement will not form part of his remuneration.
 - (f) Being an Executive Director, he shall not be entitled for any sitting fee for attending any meetings of Board or Committees thereof.
 - (g) He shall be liable to retire by rotation. However, retirement by rotation and re- appointment shall not be deemed to be a break in service.
 - (h) There is no contract of service in writing with Mr. B K Narula. The terms set out in the resolution may be treated in compliance of Section 190 of the Companies Act, 2013;

RESOLVED FURTHER THAT pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the Members of the Company be and is hereby accorded for continuation of holding of office as Chairman and Managing Director (“KMP”) by Mr. B K Narula (DIN: 00003629) upon attaining the age of 70 (Seventy) years on February 28, 2024;

RESOLVED FURTHER THAT in the event of inadequacy or absence of profits in any financial year or years, the remuneration as approved herein be paid as minimum remuneration to Mr. Bhushan Kumar Narula, subject to receipt of requisite approvals, if required, under the Companies Act, 2013 and other applicable provisions;

RESOLVED FURTHER THAT the Board of Directors and/or Nomination and Remuneration Committee of Directors be and is hereby authorized to vary and/or revise the remuneration of Mr. BK Narula, within the aforesaid limits; settle any question or difficulty in connection therewith and incidental thereto; to do all such acts, deeds, matters and things as may be deemed necessary and take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company.”

4. To consider and approve re-appointment of Mrs. Rita Narula (DIN: 00006096), Whole-Time Director of the Company

To consider, and if thought fit, to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (‘the Act’) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as applicable) (including any statutory modification(s) or re-enactment thereof for the time being in force), and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be required or imposed by any of the authorities’ while granting such approvals, permissions and sanctions, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the Members of the Company be and is hereby accorded to the re-appointment of Mrs. Rita Narula (DIN: 00006096) as Whole Time Director and Key Managerial Personnel (“KMP”) of the Company, who is also a Promoter and whose current term of office is expiring on March 31, 2023, for a further period of 3 years with effect from April 01, 2023, at such terms as approved by Nomination and Remuneration Committee with liberty thereto for varying the terms and conditions of said appointment as it may deem fit and acceptable to Mrs. Rita Narula within the maximum limits of remuneration for Whole Time Director as approved by the members of the Company in the foregoing resolution and the explanatory statement annexed thereto:

1. Period of Appointment: 3 Years (From April 01, 2023 to March 31, 2026).
2. Annual Remuneration and other terms:
 - (a) Annual Fixed Pay (inclusive of basic salary, perquisites, allowances and other benefits): ₹9,00,000/- (Rupees Nine Lakhs only), payable on monthly basis, as may be determined by the Board of Directors and/or Nomination and Remuneration Committee of Directors.
 - (b) Variable Pay (Performance Linked Incentive) to be paid as per PLVR Scheme of the Company or such sum as may be determined by the Board and/or Nomination and Remuneration Committee of Directors of the Company, from time to time.
 - (c) Retirement / Other benefits: Gratuity, provident fund, leave encashment, group personal accident insurance, mobile phone expenses, medical insurance and other benefits as per the applicable policies and rules of the Company.
 - (d) She shall also be entitled to such annual increment as may be determined by the Nomination and Remuneration Committee of the Company.
 - (e) She shall also be entitled to reimbursement of all legitimate expenses actually and properly incurred by her while performing her duties and such reimbursement will not form part of her remuneration.
 - (f) Being an Executive Director, she shall not be entitled for any sitting fee for attending any meetings of Board and Committees thereof.
 - (g) She shall be liable to retire by rotation. However, retirement by rotation and re- appointment shall not be deemed to be a break in service.
 - (h) There is no contract of service in writing with Mrs. Rita Narula. The terms set out in the resolution may be treated in compliance of Section 190 of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event of inadequacy or absence of profits in any financial year or years, the remuneration as approved herein be paid as minimum remuneration to Mrs. Rita Narula, subject to receipt of requisite approvals, if required, under the Companies Act, 2013 and other applicable provisions;

RESOLVED FURTHER THAT the Board of Directors and/or Nomination and Remuneration Committee of Directors be and is hereby authorized to vary and/or revise the remuneration of Mrs. Rita Narula, within the aforesaid limits; settle any question or difficulty in connection therewith and incidental thereto; to do all such acts, deeds, matters and things as may be deemed necessary and take such further steps in this regard, as may be considered desirable or expedient by the Board in the best interest of the Company.”

Registered Office:
Hemkunt Chambers,
Flat No.620, 89, Nehru Place,
New Delhi-110019

Date: September 03, 2022

Place: Noida

**By Order of the Board of Directors
For Orosil Smiths India Limited**

**Dinky Bansal
(Company Secretary)
ACS: 58858**

Notes:

1. In view of the continuing outbreak of the COVID-19 pandemic and restrictions on the movements apart from social distancing, MCA (Ministry of Corporate Affairs) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021 read with its General Circular No. 02/2022 dated 5th May, 2022; in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as the “**MCA Circulars**”), and other Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (SEBI) in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and vide its new Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13th May, 2022 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID-19 pandemic” (collectively referred to as “**SEBI Circulars**”), has permitted to hold their Annual General Meeting (“AGM”) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue during the calendar year 2022.

In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 28th AGM of the Company is being held through VC / OAVM Facility. The detailed procedure for participating in the meeting through VC/OAVM Facility is mentioned hereunder in this notice. The deemed venue for the 28th AGM shall be the Registered Office of the Company.

In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for FY 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the RTA/ Company/Depositories. In terms of the MCA Circulars and SEBI Circular, the Notice of the 28th AGM will be available on the website of the Company at www.orosil.com, on the website of the BSE Limited at www.bseindia.com and also on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2021-22 and Notice of the 28th AGM of the Company, he/she may send request to the Company’s email address at cs@orosil.com mentioning Folio No./ DP ID and Client ID.

The transcript of AGM will also be uploaded on the website of the Company at <https://orosil.com/pages/investor-other-disclosures>.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since, this AGM is being held pursuant to the MCA Circulars and the SEBI Circulars through VC / OAVM Facility, physical attendance of Members has been dispensed with.

However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members such as the Body Corporate, President of India or the Governor of a State can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

Accordingly, the facility for appointment of proxies by the Members will not be available for the 28th AGM of the Company and therefore the Proxy Form and Attendance Slip are not annexed to this Notice.

Since, 28th AGM of the Company will be held through VC / OAVM Facility, therefore Route Map is not annexed to this Notice.

3. Attendance of the Members of the Company, participating in the 28th AGM through VC / OAVM Facility will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of the SEBI Listing Regulations read with the MCA Circulars and the SEBI Circulars, Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI"), the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the 28th AGM and facility for those Members participating in the 28th AGM to cast vote through e-Voting system during the 28thAGM.

For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the 28th AGM will be provided by NSDL.

In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in remote e-voting on resolutions placed by the Company in the AGM Notice.

5. M/s. PNG & Co., Chartered Accountants (Firm Registration No. 021910N), Statutory Auditors, were appointed to hold office from the conclusion of the 24th Annual General Meeting for a term of consecutive five years till conclusion of the 29th Annual General Meeting.

The ratification of their appointment, pursuant to Section 139 of the Act, is not required, in terms of Notification No. S.O. 1833(E) dated May 7, 2018, issued by the Ministry of Corporate Affairs and accordingly, such item has not been included in this AGM Notice.

6. The relevant details as required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings ("SS-2") of the persons seeking appointment/ re-appointment as Director under Item No. 2, 3 & 4 of the Notice, respectively, are also attached. The Company has received relevant disclosures / consents from the Director seeking re-appointment and/ or increase in remuneration.
7. An Explanatory Statement pursuant to Section 102 of the Act relating to special businesses to be transacted at the meeting is annexed hereto.
8. Pursuant to Section 91 of the Act and Regulation 42 of the SEBI Listing Regulations, the Register of Members and the Share Transfer books of the Company will remain closed from **Saturday, September 24, 2022 to Friday, September 30, 2022 (both days inclusive)** for the purpose of 28th

AGM of the Company.

9. The Securities and Exchange Board of India ('SEBI') has mandated submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.
10. Non-Resident Members are requested to inform the Company immediately about:
 - (a) The Change in the Residential Status on return to India for permanent settlement.
 - (b) The Particulars of NRE Bank Account maintained in India with complete name and address of the bank, if not furnished earlier.
11. **SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Skyline Financial Services Private Limited, for assistance in this regard.**
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
13. Pursuant to the MCA Circulars and the SEBI Circulars, in view of the prevailing situation, owing to the difficulties involved in dispatching of physical copies of the Notice of the 28th AGM and the Annual Report for the year 2021-22 including therein the Audited Financial Statements for financial year ended March 31, 2022, are being sent only by email to the Members. Members who have not registered their email addresses with the Company or with their respective Depository Participant/s and who wish to receive the Notice of the 28th AGM and the Annual Report for the year 2021-22 and all other communication sent by the Company, from time to time, can now register for the same by submitting a duly filled-in request form mentioning their folio number, complete address, email address to be registered along with scanned self-attested copy of the PAN Card and any document (such as Driving License, Passport, Bank Statement, Aadhaar Card) supporting the registered address of the Member, by email to the Company/ Registrar. Members holding shares in demat form are requested to register their email addresses with their Depository Participant(s) only.
14. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on the **cut-off date i.e. Friday, September 23, 2022** and as per the Register of Members of the Company. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.

Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his / her existing user ID and password for casting the vote.
15. Only registered members of the Company may attend and vote at the AGM through VC/OAVM facility. In case of joint holders, attending the Meeting, only the Member whose name appears first will be entitled to vote.
16. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before **Friday, September 23, 2022** through email on cs@orosil.com. The same will be replied by the Company suitably. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.

17. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Act and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Act and relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to cs@orosil.com.
18. The Members can join the AGM in the VC/OAVM mode at least 15 minutes before and till 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
19. The Company has appointed Ms. Kanchan Gupta, Proprietor of Kanchan Gupta & Associates, (ICSI Membership No. 45470), Practicing Company Secretary as Scrutinizer for conducting and scrutinize the voting and e-voting process in fair and transparent manner.
20. The Scrutinizer shall after the conclusion of voting at the general meeting, first download the votes cast at the AGM and then will unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 Hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e., Friday, September 30, 2022.

21. The results declared along with the Scrutinizer's Report shall be placed on Company's website at www.orosil.com immediately after the result is declared by the chairman or a person authorized by him in writing and the same will be communicated to the BSE Limited (BSE) where the shares of the Company are listed.

EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

Item No. 3

Mr. B K Narula (DIN: 00003629) has spearheaded the Company since its inception. He is a Promoter and holds position on the Board of Directors of the Company.

Mr. B K Narula was re-appointed as a Managing Director of the Company with effect from April 01, 2020, by the shareholder of the Company in their 26th Annual General Meeting held on December 30, 2020, for a period of 3 (Three) years from the expiry of his previous term which expired on March 31, 2020. His current tenure of appointment as a Managing Director of the Company is expiring on March 31, 2023.

Further, Section 196 of the Act, 2013, provides that no company shall appoint or continue the directorship of any person as Managing Director who has attained the age of 70 (Seventy) years, unless a Special Resolution is passed to that effect and justification thereof is disclosed in the explanatory statement annexed to the Notice for such appointment. Accordingly, for continuation of holding of office of Managing Director by Mr. B K Narula (DIN: 00003629) upon attaining the age of 70 (Seventy) years on February 28, 2024, is recommended by way of Special Resolution in compliance of the Act. The Board of Directors, on the recommendation of Nomination and Remuneration Committee has approved the same.

His performance evaluation was based on various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc.

Considering Mr. Narula's experience in industry, the trend in the industry, skills, experience, knowledge and positive outcome of performance evaluation and the substantial contribution made by Mr. Narula during his tenure as Managing Director of the Company, the terms of his remuneration are considered to be fair, just and reasonable and are commended for your approval.

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company, subject to approval of members, passed a resolution at its meeting held on September 03, 2022 approving re-appointment of Mr. Narula as the Chairman and Managing Director, liable to retire by rotation and a Key Managerial Personnel, for a further period of consecutive three years commencing from April 01, 2023 to March 31, 2026, on the terms and conditions including remuneration as recommended by the NRC Committee and approved by the Board in accordance with the provisions of Section 196, 197 and 203 read with Schedule V to the Companies Act, 2013 (the "Act").

Mr. Narula is not disqualified from being re-appointed as a Managing Director in terms of Section 164 of the Companies Act, 2013. He has communicated his willingness to be re-appointed and has given his consent to act as Managing Director of the Company and satisfies all the conditions of Section 196(3) of the Companies Act, 2013 and Part-I of Schedule V thereof and hence, is eligible for re-appointment. Also, in compliance with the SEBI Order dated June 14, 2018 to the Stock Exchanges and further SEBI Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, this is to confirm that Mr. Narula has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority.

A brief profile of Mr. Narula to be re-appointed as a Managing Director is given under the heading "Details of Directors proposed to be appointed and re-appointed, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries

of India” or elsewhere in the Notice. This Statement may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and SS-2 on General Meetings issued by the Institute of Company Secretaries of India.

Mr. Narula is interested in the resolution set out at Item No. 3 of the Notice with regard to his appointment and remuneration payable as a Managing director.

Except, Mr. Narula himself and Mrs. Rita Narula and Mr. Karan Suri, being his relatives, no other Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this resolution. The relatives of Mr. Narula may be deemed to be interested in this resolution to the extent of their shareholding, if any, in the Company.

Your Board recommends the special resolution set out at item no. 3 of the accompanying Notice for the approval by the members.

Item No. 4

Mrs. Rita Narula (DIN: 00006096) is a Promoter and holds position on the Board of Directors of the Company w.e.f. June 01, 1994, i.e. since incorporation of the Company.

Mrs. Narula was re-appointed as a Whole Time Director of the Company with effect from April 01, 2020, by the shareholder of the Company in their 26th Annual General Meeting held on December 30, 2020, for a period of 3 (Three) years from the expiry of her previous term which expired on March 31, 2020. Her current tenure of appointment as a Whole Time Director of the Company is expiring on March 31, 2023.

Her performance evaluation was based on various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company’s business, understanding of industry and global trends, etc.

Based on the skills, experience, knowledge and positive outcome of performance evaluation and the substantial contribution made by Mrs. Narula during her tenure and on the recommendation of the Nomination, Remuneration and Compensation Committee, the Board of Directors of the Company, subject to approval of members, passed a resolution at its meeting held on September 02, 2022 approving re-appointment of Mrs. Narula as a Whole Time Director, liable to retire by rotation and a Key Managerial Personnel, for a period of consecutive three years commencing from April 01, 2023 to March 31, 2026, on the terms and conditions including remuneration as recommended by the NRC Committee and approved by the Board in accordance with the provisions of Section 196, 197 and 203 read with Schedule V to the Companies Act, 2013 (the “Act”).

Mrs. Narula is not disqualified from being reappointed as a Whole Time Director in terms of Section 164 of the Companies Act, 2013. She has communicated her willingness to be re-appointed and has given her consent to act as Whole Time Director of the Company and satisfies all the conditions of Section 196(3) of the Companies Act, 2013 and Part-I of Schedule V thereof and hence, is eligible for re-appointment. Also, in compliance with the SEBI Order dated June 14, 2018 to the Stock Exchanges and further SEBI Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, this is to confirm that Mrs. Narula has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority.

A brief profile of Mrs. Narula to be re-appointed as a Whole Time Director is given under the heading “Details of Directors proposed to be appointed and re-appointed, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries

of India” or elsewhere in the Notice. This Statement may also be regarded as a disclosure under Regulation 36(3) of the Listing Regulations and SS-2 on General Meetings issued by the Institute of Company Secretaries of India.

Mrs. Narula is interested in the resolution set out at Item No. 4 of the Notice with regard to her appointment and remuneration payable as a Whole Time director.

Except, Mrs. Narula herself and Mr. B K Narula and Mr. Karan Suri, being her relatives, no other Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this resolution. The relatives of Mrs. Narula may be deemed to be interested in this resolution to the extent of their shareholding, if any, in the Company.

Your Board recommends the special resolution set out at item no. 4 of the accompanying Notice for the approval by the members.

Minimum Remuneration: Where in any financial year, during the currency of the tenure of Mr. and Mrs. Narula as Managing Director and Whole-Time Director respectively, the Company has no profits or its profits are inadequate, the Company will pay remuneration to them by way of salary, perquisites and allowances as specified in the resolution being item no. 3 & 4 of the accompanying Notice as minimum remuneration, subject to the limits and conditions as prescribed under Schedule V to the Act, as may be amended from time to time.

In view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V to the Act, which prescribes that in case of no profits or inadequate profits, the remuneration can be paid by the Company to its managerial personnel as minimum remuneration within the limits arrived at in accordance with the requirements of Section II, subject to the following:

- (i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.
- (ii) There is no default in repayment of any of its debts or interest payable thereon.

The Nomination and Remuneration Committee at its meeting held on September 03, 2022, has already approved the above remuneration payable to Mr. and Mrs. Narula, Managing Director and Whole-time Director of the Company, respectively. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

The remuneration above is well in conformity with the relevant provisions Section 197 and Schedule V to the Act.

Registered Office:

Hemkunt Chambers,
Flat No.620, 89, Nehru Place,
New Delhi-110019

Date: September 03, 2022

Place: Noida

**By Order of the Board of Directors
For Orosil Smiths India Limited**

**Dinky Bansal
(Company Secretary)
ACS: 58858**

ANNEXURE-I TO THE NOTICE

Information as required in terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India for Item Nos. 2, 3 & 4:

Brief Profile of Mr. B K Narula, Managing Director:

Name:	Mr. Bhushan Kumar Narula
DIN:	00003629
Designation:	Chairman & Managing Director
Qualification & Brief Resume:	<p>Mr. Bhushan Kumar Narula, is a Graduate and has business experience of around 3 decades.</p> <p>He was the Chairman of Jewellery Design & Technology Institute (JDTI) a model institute set up to provide the much needed skilled professionals to the ever growing industries, was conceptualized by its parent Company Orosil Smiths India Limited.</p> <p>He is one of the Promoter of the Company and also holds the position of Chairman and Managing Director, since its inception.</p> <p>Accordingly, his appointment is recommended as it is felt that his association as Managing Director would be of immense benefit and in the best interest of the Company.</p>
Date of Birth/ Age:	28/02/1954; 68 Years
Date of first Appointment:	01/06/1994
Terms and conditions of appointment & remuneration:	The terms and conditions of appointment of Mr. Narula as Chairman & Managing Director has been set out in the resolution itself.
Last Drawn Remuneration:	₹30,000/- per month (Mr. Narula waived-off 50% of his remuneration during the Financial Year 2021-22).
Directorship held in other Listed or Non-Listed Companies	Four (4): - 1. Sridhi Infra Private Limited; 2. Sukarma Finance Limited; 3. Privy Corporate and Fiscal Advisors Limited; 4. Xtremis Retails Private Limited.
Listed entities from which the person has resigned in the past three years	NIL
Membership/Chairmanship of Board Committee in other Listed Companies	NIL
Nature of expertise in specific functional Area	Finance and Jewellery
Disclosure of relationship between directors inter-se	<ul style="list-style-type: none"> ➤ Mrs. Rita Narula, Whole Time Director, Spouse. ➤ Mr. Karan Suri, Non-Executive Director, Son-in-law. <p>Except above, he is not related with any other Director or Key Managerial Personnel of the Company.</p>
Shareholding in the Company	70,40,000 equity shares (17.04%) (Significant Beneficial Interest of 49% approx.)

Number of Board Meetings held/ attended during the year	5/5
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Brief Profile of Mrs. Rita Narula, Whole Time Director:

Name:	Mrs. Rita Narula
DIN:	00006096
Designation:	Whole Time Director
Qualification & Brief Resume:	<p>Mrs. Rita Narula is a Jewellery Designer having a vast experience of approximately 30 years in designing of jewellery and enriching knowledge of Gems and Stones.</p> <p>She is also involved in Divya Chaya Trust as a convener of School which is being run, for last 10 years, and continuously contributing to the Company since inception.</p>
Date of Birth/ Age:	16/07/1958; 64 Years
Date of first Appointment:	01/06/1994
Terms and conditions of appointment & remuneration:	Please note that the terms and conditions of appointment of Mrs. Narula as Whole Time Director has been set out in the resolution itself.
Last Drawn Remuneration:	₹45,000/- per month till September 30, 2021, ₹75,000/- per month From October 01, 2021, as approved by the Members in their meeting held on September 29, 2021.
Directorship held in other Listed or Non-Listed Companies	Four (4): - 1. Sridhi Infra Private Limited; 2. Sukarma Finance Limited; 3. Privy Corporate and Fiscal Advisors Limited; 4. Xtremes Retails Private Limited.
Listed entities from which the person has resigned in the past three years	NIL
Membership/Chairmanship of Board Committee in other Listed Companies	NIL
Nature of expertise in specific functional Area	Designing of jewelry and gems and stones
Disclosure of relationship between directors inter-se	<ul style="list-style-type: none"> ➤ Mr. B K Narula, Managing Director, Spouse. ➤ Mr. Karan Suri, Non-Executive Director, Son-in-law. <p>Except above, she is not related with any other Director or Key Managerial Personnel of the Company.</p>
Shareholding in the Company	62,56,735 equity shares (15.14%) (Significant Beneficial Interest of 45% approx.)
Number of Board Meetings held/ attended during the year	5/5

Statement containing the information as required under Part-II of Section-II of Schedule V to the Companies Act, 2013

<u>I. General Information:</u>		
Nature of Industry:	Bullion Industry. The Company is engaged in the business of Gems and Jewellery. However, the Company has amended its MOA for expanding the business in Textile too. The Company is still looking for more opportunities.	
Date or expected date of Commencement of Commercial production	Already existing in business.	
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA	
Financial performance based on given indicators:	Particulars	FY 2021-22 (₹ in Lakh)
	Paid-Up Capital	522
	Reserve & Surplus	(285.79)
	Total Revenue from Operations	93.73
	Total Expenses	122.23
	Profit before Tax	(19.35)
	Tax Expenses including Deferred Tax	-
	Profit after Tax	(19.35)
	Total Comprehensive Income	(20.51)
Foreign Investments or collaborations, if any.	There is no Foreign Collaboration in the Company. However, NRIs are holding 0.16% of total paid-up share Capital of the company as on March 31, 2022.	

II. A) Information about Appointee: Mr. B K Narula

Background details:	Mr. Bhushan Kumar Narula, Managing Director of Orosil Smiths India Limited since inception. He has experience of around 3 decades in the relevant field. He is a Graduate and was Chairman of Jewelry Design & Technology Institute (JDTI) a model institute set up to provide the much needed skilled professionals to the ever growing industries, was conceptualized by its parent Company Orosil Smiths India Limited.
Past Remuneration (per month):	₹30,000/- per month (Mr. Narula waived-off 50% of his remuneration during the Financial Year 2021-22).
Recognition or Awards	NA
Job profile and his suitability	As a Managing Director, Mr. Narula, is entrusted with to perform such duties and exercise such powers as have been or may from time to time be entrusted or conferred upon them him by the Board.

	Mr. Narula is of proven caliber and skill and are having wide ranging experience in the finance and in Jewelry industry.
Remuneration proposed	₹60,000/- per month.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of her origin)	Taking into consideration the size of the Company, the profile of Mr. Narula, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid commensurate with the remuneration being paid by the Companies comparable size in the industry in which the Company operates.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel ¹(or other director), if any	Besides the remuneration, Mr. Narula does not receive any pecuniary benefit from the Company; except certain transactions on Arm Length Basis as specified in Notes to Financial Statements annexed with the report. Mr. Narula, is related to Mrs. Rita Narula and Mr. Karan Suri, as relative. Mr. Narula, belongs to the Promoter Group. The shareholding of Mr. B K Narula holds 70,40,000 equity shares (17.04%) and Significant Beneficial Interest of 49% (approx.) in the paid-up share capital of the Company.

II. B) Information about Appointee: Mrs. Rita Narula

Background details:	Mrs. Rita Narula has been on the board of the company since 1994. She is having a vast experience of approximately 30 years in manufacturing and designing of jewellerys and enriching knowledge of Gems and Stones. She is also involved in Divya Chaya Trust as a convener of School which is being run, for last 10 years, and continuously contributing to the company since incorporation.
Past Remuneration (per month):	(₹45,000/- per month till September 30, 2022. ₹75, 0000/- per month From October 01, 2022, as approved by the Members in their meeting held on September 29, 2021)
Recognition or awards	Awarded as Best Convener of Divya Chaya Trust
Job profile and suitability	As a Whole Time Director, Mrs. Rita Narula, is entrusted with to perform such duties and exercise such powers as have been or may from time to time be entrusted or conferred upon them him by the Board. Mrs. Narula is of proven caliber and skill and are having wide ranging experience in the industry. Mrs. Narula, shall have all powers and duties as the Board may determine from time to time.
Remuneration proposed	₹75,000/- per month.
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case	The remuneration proposed to be paid to Mrs. Rita Narula, Whole-time Director is purely based on merit. Further, the Nomination and Remuneration Committee

expatriates the relevant details would be w.r.t. the country of her origin)	constituted by the Board, perused the remuneration of managerial person in other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Mrs. Rita Narula before recommending the remuneration as proposed hereinabove.
Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel ¹(or other director), if any	<p>Besides the remuneration, Mrs. Narula does not receive any pecuniary benefit from the Company; except certain transactions on Arm Length Basis as specified in Notes to Financial Statements annexed with the report.</p> <p>Mrs. Narula, is related to Mr. B K Narula and Mr. Karan Suri, as relative. Mrs. Narula, belongs to the Promoter Group. The shareholding of Mrs. Rita Narula holds 62,56,735 equity shares (15.14%) and Significant Beneficial Owner of 45% (approx.) in the paid-up share capital of the Company.</p>

III. Other Information

Reasons of loss or in adequate Profits	The Company is running in loss due to lower sales and high operating expenses.
Steps taken or proposed to be taken for improvement	The Company is always looking forward to take all such steps and measures including expansion, diversification, restructuring which are in the best interest of the Company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins.
Expected increase in productivity and profits in measurable terms	The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms.



INSTRUCTIONS FOR E-VOTING:

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars the Company is pleased to provide its members the facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as “ABSTAINED”.

Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

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

The remote e-voting period begins on Tuesday, September 27, 2022 at 09:00 A.M. and ends on Thursday, September 29, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, September 23, 2022 may cast their vote electronically.

The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 23, 2022.

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

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “ Beneficial Owner ” icon under “ Login ” which is available under ‘ IDeAS ’ section, this will

prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “**Access to e-Voting**” under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsd.com>. Select “**Register Online for IDeAS Portal**” or click at <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp>
3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



App Store



Google Play



Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are:
<https://web.cdslindia.com/myeasi/home/login>
or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
3. If the user is not registered for Easi/Easiest, option to register is available at:
<https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.

	4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

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

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

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

General Guidelines for shareholders

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

Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on “**Upload Board Resolution/ Authority Letter**” displayed under “**e-Voting**” tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: [1800 1020 990](tel:18001020990) and [1800 22 44 30](tel:1800224430) or send a request at evoting@nsdl.co.in. Members may also write to the Company Secretary at the Company’s email address cs@orosil.com.

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

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

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “**VC/OAVM link**” placed under “**Join meeting**” menu against the Company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@orosil.com. The same will be replied by the company suitably.

Instructions for Shareholders to Speak during the Annual General Meeting:

1. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at cs@orosil.com, at least 7 days in-advance.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company. The same will be replied by the company suitably.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name for speaking.

FOR ATTENTION OF SHAREHOLDERS

1. Those Members, who hold shares in physical form or who have not registered their email address with the Company and who wish to participate in the 28th AGM or cast their vote through remote e-Voting or through the e-Voting system during the meeting, may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning the name, folio number and complete address; and (ii) self-attested scanned copy of the PAN Card and any document (such as Driving Licence, Bank Statement, Election Card, Passport, Aadhar Card) in support of the address of the Member as registered with the Company; to the email address of the Company cs@orosil.com.

In case shares are held in demat mode, Members may obtain the login ID and password by sending scanned copy of (i) a signed request letter mentioning their name, DP ID-Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID); (ii) self-attested scanned copy of client master or Consolidated Demat Account statement; and (iii) self-attested scanned copy of the PAN Card, to the email address of the Company cs@orosil.com.

2. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, changes of address, change of name, email address, contact numbers etc., to their depository participant (DP).

Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company / Company's Registrar and Transfer Agent (“RTA”), i.e. Skyline Financial Services Private Limited, to provide efficient and better services.

Members holding shares in physical form are requested to intimate such changes to the RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021. The Company has sent communication to shareholders in this regard.

To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for a long time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time. Members can send their requests, if any, to cs@orosil.com and info@skylinerta.com.

3. Members may please to note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates/folios; transmission and transposition.

Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, on the website of the Company's RTA. It may be noted that any service request can be processed only after the folio is KYC Compliant.

4. SEBI vide its notification dated 24th January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
5. As per provisions of the Companies Act, 2013 read with relevant Rules thereof, facility for making nominations is available to individuals holding shares in the Company. Members holding shares in physical form may obtain Nomination Form No. SH-13 from the Company's RTA. Members holding shares in electronic form are required to approach their DPs for the nomination.

If a member desires to opt out or cancel the earlier Nomination and record a fresh Nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Skyline Financial Services Private Limited, RTA of the Company, in case the shares are held in physical form.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN), KYC details by every participant in securities market by March 31, 2023, and linking PAN with Aadhar by March 31, 2022 vide its circular dated November 03, 2021 and December 15, 2021. Members holding shares in electronic form are therefore, required to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
7. The Company's equity shares are compulsorily traded in dematerialized form by all investors Shareholders are requested to get the shares dematerialized in their own interest.
8. The Company has an Email Id. cs@orosil.com, which is being used for the purpose of redressing the complaints of the investors.
9. Members should quote their Folio No. / DP Id-Client Id, email addresses, telephone / fax numbers to get a prompt reply to their communications.
10. Your attention is invited on the Companies (Significant Beneficial Ownership) Amendment Rules, 2019 issued by the Ministry of Corporate Affairs on 8 February, 2019. A person is considered as a Significant Beneficial Owner (SBO) if he /she, whether acting alone, together or through one or more individuals or trust holds a beneficial interest of at least 10% or more or refer the provisions as amended. The beneficial interest could be in the form of a Company's shares or the right to exercise significant influence or control over the Company. If any member holding shares in the Company on behalf of other or fulfilling the criteria, is required to give a declaration specifying the nature of his / her interest and other essential particulars in the prescribed manner and within the permitted timeframe.

11. Mandatory updating of PAN and Bank details against your physical holding:

The Securities and Exchange Board of India (SEBI) vide its circular SEBI/HO/DOP1/CIR/P/2018/73 dated 20th April, 2018, mandated that the companies through their Registrar and Transfer Agents (“RTA”) should take special efforts for collecting copies of PAN and bank account details for the security of the holders holding securities in physical form. Those security holders whose folio(s) do not have complete details relating to their PAN and Bank Account, or where there is any change in the bank account details provided earlier, have to compulsorily furnish the details to RTA/ Company for registration/updating.

You are therefore requested to submit the following to update the records:

- KYC Format duly filled in and signed by the shareholder/ or all the shareholders (in case of Joint holders).
- Self-attested copy of PAN Card of the shareholder/ or all the shareholders.
- Cancelled Cheque leaf with name (if name is not printed, self-attested copy of the pass book showing the name of the account holder) of the shareholder/ or first holder.
- Address proof (self-attested Aadhar-card) of the shareholder/ or first holder.
- Any change in the name of the holders.

Note: You are requested to ignore this communication if you have already updated you details with RTA/ Company.

Green Initiative: To support the ‘Green Initiative’, members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company’s RTA in case the shares are held by them in physical form. All such members are requested to kindly get their e-mail addresses updated immediately which will not only save your Company’s money incurred on the postage but also contribute a lot to save the environment of this Planet.



Board Report

Dear Members

Your Directors have pleasure in presenting 28th Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2022.

1. FINANCIAL SUMMARY/ HIGHLIGHTS

Your Company's financial performance for the financial year ended March 31, 2022 is summarized below:

Particulars	(₹ in Lakhs)	
	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Revenue from Operations	93.73	49.93
Other Income	9.76	0.18
Total Income	103.49	50.11
Total expenditure excluding Depreciation	109.57	72.83
Add: Depreciation	12.66	12.44
Total Expenditure	122.23	85.28
Profit/ (Loss) Before Tax & Exceptional Item	(18.74)	(35.16)
Exceptional Item	0.61	5.26
Profit/ (Loss) Before Tax	(19.35)	(40.43)
Tax Expenses	-	-
Profit / (Loss) after Tax	(19.35)	(40.43)
Other Comprehensive Income	(1.16)	5.06
Total Comprehensive Income	(20.51)	(35.37)

2. FINANCIAL PERFORMANCE/OPERATIONAL REVIEW

The revenue from operations and other income for financial year under review were ₹103.49 Lakhs as against ₹50.11 Lakhs for the previous financial year, registering an increase of 51.58% in the current year. The net loss was ₹19.35 Lakhs for the financial year under review as against loss of ₹40.43 Lakhs for the previous financial year.

In accordance with the provisions of Section 136 of the Companies Act, 2013 (the "Act"), the Annual Report of the Company, containing its Standalone Financial Statements will be made available on the website of the Company at the web link: <https://orosil.com/pages/investor-annual-report>.

Further, a detailed analysis of the Company's performance is included in the Management Discussion & Analysis Report, which forms part of this Annual Report.

3. STATE OF THE COMPANY'S AFFAIRS

Orosil Smiths India Limited is a public listed company incorporated on June 01, 1994, primarily engaged in the business of manufacturing, fabrication, sale, purchase, trading/dealing in all kinds of Gold, Silver, Silver Ornaments/Utensils and all other items of Gold, Silver and allied business.

Due to growth of trade in jewellery in the online medium, the Company is offering sale of Jewellery on its own website, namely: <https://orosil.com>. The Company is offering silver jewellery under “**Kuhjohl**” brand and gold jewellery under “**Sincere**” brand.

The Company altered its Memorandum of Association in the annual general meeting held on September 30, 2019, to expand its operations in the textile sector, however, the operations under the said sector has not been started yet. The management is still looking for the potential opportunity to grow in this sector. The Company has also registered its Trademark “**mingALL**” under class 25 for trading of Apparels, Footwear and Headgear.

Your Directors expect that there will be further improvement in overall performance in the coming years and looking for expansion of business in the sector of manufacturing and trading of all kinds of fashionable garments.

The Directors are making efforts to enhance the business activities and can only hope to regain the business activities in future when situation becomes stable. We expect business loss to reduce in the upcoming years as situation improves in the economy and the management is closely analyzing the situation.

Impact of Covid-19

The Corona Virus Disease-2019 (‘COVID-19’), a pandemic declared by the World Health Organization, has pushed the global economy and humanity into a disaster. In an attempt to control this pandemic, the governments of various countries imposed a nationwide lockdown. Although the lockdown may have assisted in limiting the spread of the disease, it has brutally affected the country, unsettling the complete value chains of the most important industries.

The Company has taken into account all the possible impacts of COVID-19 pandemic in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption and recoverable values of its financial and non-financial assets. The Company has carried out an assessment based on available internal sources of information up to the date of approval of these financial statements and believes that the impact of the COVID-19 pandemic is not material to these financial statements.

However, the impact assessment of this pandemic is a continuing process given the uncertainties associated with its nature and duration. Accordingly, the Company will continue to monitor any material changes to future economic conditions. Given the criticalities and uncertainties associated with the nature, condition, and duration of COVID-19, the impact assessment on the Company's financial health will be continuously made and provided for as required.

4. DIVIDEND AND TRANSFER TO RESERVE

In view of the losses incurred by the Company, no dividend is declared for the financial year under review. The Company has not transferred any amount to General Reserve.

5. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In accordance with the applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, which remain unpaid or unclaimed for a period of seven years, from the date of transfer to Unpaid Dividend Account.

Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of the Investor Education and Protection Fund Authority ("IEPF Authority").

During the year under review, no amount of the unclaimed/unpaid dividend and any such share in the Company, was due to be transferred to the IEPF Authority, as Company has not declared any dividend for years.

6. INDIAN ACCOUNTING STANDARDS (IND-AS)

Financial Statements of your Company, for the financial year ended March 31, 2022, are prepared in accordance with Indian Accounting Standards (Ind-AS), as notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

7. DEPOSITS

During the Financial Year 2021-22, your Company has not accepted/received any Deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Further, there was no outstanding public deposits and unclaimed deposits as at March 31, 2022.

However, the Company has accepted the amount from its Directors at NIL rate of interest, subject to the receipt of declaration that amount given is owned by them and is not borrowed amount. The details of the same is also given in Financials.

8. SHARE CAPITAL

As on March 31, 2022, the Authorized Share Capital of your Company is ₹5,50,00,000 (Rupees Five Crore Fifty Lakhs only), divided into 44,116,000 equity shares of ₹1 each and 10,88,400 preference shares of ₹10 each.

The Issued, Subscribed and Paid-up Share Capital as on March 31, 2022 is ₹5,22,00,000 (Rupees Five Crore Twenty-Two Lakhs only) comprising 41,316,000 (Four Crore Thirteen Lakhs Sixteen Thousand only) equity shares of face value of ₹1/- each and OCCPS 10,88,400 preference shares of ₹10 each.

Your Company has issued 10,88,400, 3.5% Optionally Convertible Cumulative Preference Share ("OCCPS") of face value ₹10/- each at a premium of ₹10/- each, convertible after 5 years from the date of issue. Now, OCCPS are convertible at any time, however, till now no request has been received by the Company from any of the OCCPS holders for such conversion.

There was no buy back of equity shares, public issue of securities, rights issue, bonus issue or preferential issue etc. during the year under review. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

9. CORPORATE GOVERNANCE

Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Corporate Governance provisions as specified in Regulation 17 to 27, clauses (b) to (i) of Regulation 46(2) and Paragraph C, D and E of Schedule V does not apply on the companies whose paid-up share capital and net worth is less than Rupees Ten Crore and Rupees Twenty-Five Crore, respectively, as on the last day of the previous financial year.

Since, the paid-up share capital and net worth of the Company is less than the aforesaid threshold limits, the Company is not required to comply with the above mentioned Corporate Governance provisions

10. HOLDINGS, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Holdings, Subsidiary, Joint venture or Associate Company. There were no companies which have become or ceased to be its holdings, subsidiaries, joint ventures or associate companies during the year under review.

11. CERTIFICATIONS, QUALITY STANDARDS AND TRADEMARK

As per the quality control order called as the Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020, as amended, for mandatory hallmarking of gold jewellery/artefacts, issued by the Ministry of Consumer Affairs, Food and Public Distribution on January 15, 2020, every jeweller who wants to sell hallmarked jewellery with effect from June 16, 2021, has to obtain a registration from the Bureau of Indian Standards (BIS).

Accordingly, the Company also registered its hallmark named as “**ORO**” under the BIS and is now eligible to sell the hallmarked jewellery under the same hallmark.

During the Financial Year 2021-22, the Company has registered its Trademark “**mingALL**” under Class 25 as a brand name for trading of Apparels, Footwear and Headgear.

12. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the year under review, there has been no change in the nature of business of your Company.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Board of Directors comprises of the following Directors as on March 31, 2022:

- | | |
|------------------------------|------------------------------------|
| 1. Mr. Bhushan Kumar Narula | Managing Director (Chairman) |
| 2. Mrs. Rita Narula | Whole-Time Director |
| 3. Ms. Bhavana Sampath Kumar | Non-Executive Independent Director |
| 4. Mr. Vinit Aggarwal | Non-Executive Independent Director |
| 5. Mr. Karan Suri | Non-Executive Director |

Your Company has following Key Managerial Personnel as on March 31, 2022:

- | | |
|-----------------------------|-------------------------------|
| 1. Mr. Bhushan Kumar Narula | Managing Director (Chairman) |
| 2. Mrs. Rita Narula | Whole-Time Director |
| 3. Mr. Chandar Prakash* | Chief Financial Officer (CFO) |
| 4. Ms. Dinky Bansal | Company Secretary (CS) |

*Appointed w.e.f. June 28, 2021.

During the year under review, Appointments, Re-appointments and Resignations were as follows:

Pursuant to Section 152(6) of the Companies Act, 2013, Mr. Bhushan Kumar Narula, Managing Director (Chairman) of the Company was liable to retire by rotation and being eligible offered himself for re-appointment, was re-appointed by the Members of the Company at the 27th Annual General Meeting of the Company held on September 29, 2021. The shareholders at their meeting held on the same day had approved the increase in payment of remuneration from ₹45,000/- per month to ₹75,000/- per month, w.e.f. October 01, 2021 to Mrs. Rita Narula, Whole Time Director for the remaining period of her tenure ending on March 31, 2023, on the recommendation of Nomination & Remuneration Committee and Board of directors.

Mr. Sanjay Bana, Chief Financial Officer of the Company resigned from the post of Chief Financial Officer (CFO), w.e.f. March 01, 2021. Thereafter, the Company had appointed Mr. Chandar Prakash as the Chief Financial Officer w.e.f. June 28, 2021.

Mr. B K Narula and Mrs. Rita Narula, are the Managing Director and Whole Time Director of the Company, respectively and their present term of appointment is expiring on March 31, 2023, are proposed to be re-appointed as Managing Director and Whole Time Director, respectively, by the Board on the recommendation of Nomination and Remuneration Committee at their respective meeting held on September 03, 2022, for a period of 3 years w.e.f. April 01, 2023, subject to the approval of Members of the Company. Accordingly, their re-appointment has been proposed for approval of Members at the 28th Annual General Meeting ("AGM").

Also, in accordance with the provisions of the Act, Mrs. Rita Narula, is liable to retire by rotation at the ensuing AGM and being eligible, offers herself for re-appointment.

Brief resumes of the abovementioned Directors being appointed / re-appointed, nature of their expertise in specific functional areas, details of Directorship in other companies, membership/ chairmanship of committees of the board and other details, as stipulated under Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard-2 issued by the Institute of Company Secretaries of India, are given in the Notice forming part of the Annual Report.

Your Board of Directors comprises of the following Directors as on date of this Report:

- | | |
|------------------------------|------------------------------------|
| 1. Mr. Bhushan Kumar Narula | Managing Director (Chairman) |
| 2. Mrs. Rita Narula | Whole-Time Director |
| 3. Ms. Bhavana Sampath Kumar | Non-Executive Independent Director |
| 4. Mr. Vinit Aggarwal | Non-Executive Independent Director |
| 5. Mr. Karan Suri | Non-Executive Director |

Your Company has following Key Managerial Personnel as on date of this Report:

- | | |
|-----------------------------|-------------------------------|
| 1. Mr. Bhushan Kumar Narula | Managing Director (Chairman) |
| 2. Mrs. Rita Narula | Whole-Time Director |
| 3. Mr. Chandar Prakash* | Chief Financial Officer (CFO) |
| 4. Ms. Dinky Bansal | Company Secretary (CS) |

* Appointed w.e.f. June 28, 2021.

Declaration by the Company

The Company has issued confirmation to its Directors, confirming that it has not made any default under Section 164(2) of the Act, as on March 31, 2022.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of the Act, read with the Schedules and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and that they are independent of management.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and are independent of management.

All the Independent Directors of the Company have registered their names in the data bank for Independent Directors maintained by the Indian Institute of Corporate Affairs (IICA), Manesar (*notified under Section 150(1) of the Companies Act, 2013 as the institute for the creation and maintenance of data bank of Independent Directors*) and paid requisite therefor.

Familiarization Programme for Independent Directors

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company and related matters are put up on the website of the Company at the web-link: <http://orosil.in/investors/sebi-policies/famili-prog-for-indep-director.pdf>.

14. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the prescribed format and annexed herewith as '**Annexure - A**' to this Report.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, doesn't form part of this Report. Having regard to the provisions of the second proviso to Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for e-inspection during working hours of the Company and any member interested in obtaining such information may write to the Company Secretary of the Company and the same will be furnished on request.

15. BOARD AND COMMITTEE MEETINGS**Board Meetings**

During the year under review, 05 (Five) meetings of the Board of Directors were held on June 28, 2021, July 16, 2021, August 18, 2021, November 13, 2021 and January 18, 2022.

The Notices and Agenda for these meetings was prepared and circulated in advance to the Directors and few meetings were held at shorter notices. Necessary quorum was present in all the meetings.

The gap between any two meetings was not more than one hundred and twenty days as prescribed under Companies Act, 2013. The details of the Board meetings and attendance of the Directors are as follows:

S. No.	Name of Directors	No. of Board Meeting Held	No. of Board Meetings attended
1.	Mr. B.K Narula	5	5
2.	Mrs. Rita Narula	5	5
3.	Ms. Bhavana Sampath Kumar	5	4
4.	Mr. Vinit Aggarwal	5	4
5.	Mr. Karan Suri	5	5

Separate Meeting of Independent Directors

During the financial Year ended March 31, 2022, separate meetings of the Independent Directors of the Company was held on June 28, 2021 and March 11, 2022, without the presence of Executives and Non-Independent Directors, *inter alia*, to discuss:

- a) Review of performance of Non- Independent Directors and the Board as a whole;
- b) Review of performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non- Executive Directors.

The quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

As on March 31, 2022, your Board has 03 (three) mandatory Committees, namely,

- 1) Audit Committee,
- 2) Nomination & Remuneration Committee,
- 3) Stakeholder Relationship Committee.

Audit Committee

The Audit Committee of the Company is duly constituted in accordance with the provisions of Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee covers the areas mentioned in Section 177 of the Act.

05 (five) meetings of the Audit Committee were held during the financial year under review, June 28, 2021, July 16, 2021, August 18, 2021, November 13, 2021 and January 18, 2022.

The composition of the Audit Committee along with meeting & attendance details of each member at the Audit Committee Meetings held during the financial year ended March 31, 2022 are as follows:

S. No.	Name	Designation	Category	Meetings held	Meetings attended
1.	Mr. Vinit Aggarwal	Chairman	Non-Executive Independent Director	5	4
2.	Ms. Bhavana S. Kumar	Member	Non-Executive Independent Director	5	4
3.	Mr. Karan Suri	Member	Non-Executive Director	5	5
4.	Mr. B K Narula	Member	Managing Director	5	5

The Committee *inter-alia* reviews the adequacy of Internal Financial Controls and Financial Statements before they are submitted to the Board for its approval.

All the recommendations made by the Audit Committee were accepted by the Board.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Act.

Nomination and Remuneration Committee, amongst others, is responsible for determining the Company’s policy on recruitment and remuneration of Directors/KMPs, Senior Management Personnel and other employees of the Company. The terms of reference of the NRC Committee covers the areas mentioned in Section 178 of the Act.

During the year ended March 31, 2022, 03 (three) meetings of the Nomination and Remuneration Committee were held on June 28, 2021, August 18, 2021 and January 18, 2022.

The composition of the Nomination and Remuneration Committee and attendance details are given below:

S. No.	Name	Designation	Category	Meetings held	Meetings attended
1.	Ms. Bhavana S. Kumar	Chairman	Non-Executive Independent Director	3	3
2.	Mr. Vinit Aggarwal	Member	Non-Executive Independent Director	3	3
3.	Mr. Karan Suri	Member	Non-Executive Director	3	3
4.	Mr. B K Narula	Member	Managing Director	3	3

POLICY ON DIRECTORS’ APPOINTMENT AND REMUNERATION AND OTHER DETAILS

In accordance with the provisions of Section 178 of the Act, the Board of Directors has, on the recommendation of the Nomination and Remuneration Committee, adopted a Policy for selection and appointment of Directors, Senior Management, their remuneration and their evaluation including criteria for determining qualifications, positive attributes, independence of a director, key managerial personnel, senior management personnel and other employees of your Company. The Policy on Board Diversity and Director Attributes has been framed to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board.

The Remuneration Policy for Directors, Key Managerial Personnel and all other employees is aligned to the philosophy on the commitment of fostering a culture of leadership with trust. The Policy aims to ensure that the level and composition of the remuneration of the Directors, Key Managerial Personnel and all other employees is reasonable and sufficient to attract, retain and motivate them to successfully run the Company.

The policy on appointment and remuneration to Directors can be accessed from the following link: <http://orosil.in/investors/sebi-policies/Appointment-and-Remuneration-Policy.pdf>.

Stakeholder Relationship Committee (SRC)

The Stakeholder Relationship Committee was duly constituted by the Board of Director of the Company at their meeting held on November 13, 2021, as per the provisions of Section 178 of the Act, 2013 and other applicable provisions, as the total number of Stakeholders of the Company increased from 1000. The terms of reference of the SRC Committee covers the areas mentioned in Section 178 of the Act.

During the year ended March 31, 2022, 1 (one) meeting of the Stakeholder Relationship Committee was held on March 11, 2022.

The composition of the SRC and attendance details are given below:

S. No.	Name	Designation	Category	Meetings held	Meetings attended
1.	Mr. Vinit Aggarwal	Chairman	Non-Executive Independent Director	1	1
2.	Ms. Bhavana S. Kumar	Member	Non-Executive Independent Director	1	1
3.	Mr. Karan Suri	Member	Non-Executive Director	1	1
4.	Mr. B K Narula	Member	Managing Director	1	1

16. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Board of Directors has laid down the code of conduct for all the Board members and members of the Senior Management of the Company. All the Board members and Senior Management personnel have affirmed compliance with the code of conduct. The Declaration of the same is annexed herewith in 'Annexure-B'.

The Directors have also confirmed that they have complied with the Company's Code of Conduct and are not debarred to act as a Director by virtue of any SEBI order or any other authority.

17. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit and loss of the Company for the year ended on that date;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts of the Company on a 'going concern' basis.
- (e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively.
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

18. ANNUAL RETURN

Annual Return as provided under Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the Company's website and can be accessed through the link at <http://orosil.in/investors/other-disclosures/annual-return-2020-21.pdf>

Further, the Annual Return (i.e., e-form MGT-7) for Financial Year 2021 - 22 shall be filed by the Company with the Registrar of Companies, Delhi, within the stipulated period and the same can also be accessed thereafter on the Company's website at: <http://www.orosil.co.in>

19. RELATED PARTY TRANSACTIONS

During the financial year under review, all material contracts or arrangements or transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

However, there was one material Related Party Transaction that was not in Ordinary Course of Business and was placed before the members of the Company at their AGM held on September 29, 2021 and not approved with requisite majority by members of the Company. Accordingly, information of this transaction is given in **form AOC-2** annexed as "**Annexure-C**" of the Annual Report.

There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons, which may have potential conflict with interests of the Company at large.

The details of Related Party Transactions are disclosed in Notes to the Financial Statements attached to and forming part of the Annual Financial Statements.

The policy on materiality of Events is as follows: <http://orosil.in/investors/sebi-policies/policy-on-materiality.pdf>.

20. MANAGEMENT DISCUSSION & ANALYSIS (MD&A) REPORT

The Management Discussion & Analysis Report for the year under review, as stipulated under Regulation 34 of the SEBI Listing Regulations is presented in a separate section as '**Annexure-D**', forming part of the Annual Report.

21. AUDITORS AND AUDIT REPORTS

A) STATUTORY AUDITOR

In accordance with the provisions of the Companies Act, 2013 read with relevant rules there under, M/s PNG & Co., Chartered Accountants having FRN: 021910N, were appointed as Statutory Auditors by the members in their 23rd Annual General Meeting held on July 25, 2017, to fill the casual vacancy in the office of Auditors until the conclusion of the 24th Annual General Meeting. The said appointment of Statutory Auditors in casual vacancy arose due to resignation of M/s Kumar Aggarwal & Associates, Chartered Accountants.

On the recommendation of the Audit Committee, the Board recommended the re-appointment of M/s PNG & Co., Chartered Accountants (FRN: 021910N) as the Statutory Auditors of the Company for a fresh term of 5 consecutive years, i.e. from the conclusion of the 24th Annual General Meeting held on 29th September, 2018 until the conclusion of 29th Annual General Meeting to be held in the year 2023, subject to ratification of the appointment by the members, at every annual general meeting.

As per the notification issued by the Ministry of Corporate affairs (MCA) dated 7th May, 2018 for the Companies (Amendment) Act, 2017 and the Companies (Audit and Auditors) Amendment Rules, 2018, the appointment of Statutory Auditors is not required to be ratified at every annual general meeting,

therefore, no resolution for such ratification is taken in the Notice of the ensuing AGM.

The Statutory Auditor of the Company has raised a qualification on the financial statement in respect of non-current investment.

AUDITORS' REPORT

The Statutory Auditors of the Company have submitted report to the members of the Company for the financial year 2021-22, which is not qualified.

However, the quarterly report for the quarter ended March 31, 2022, containing the remark as follows:

“Investments are stated at the fair value arrived on the basis of last available audited financial statements of the invested entity.”

Management's View: *The Company has valued its investment as per the latest available Financial Statements of the invested entity. The Audited Financial Statements for the Financial Year ended March 31, 2022 are not available with the Company.*

The Audit Report is attached to the Financial Statements forming a part of this Annual Report.

Total fee for all services paid by the Company to the statutory auditors for Statutory Audit & Limited Review is ₹72,500/- only.

B) SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s N K Chandok & Associates (COP No. 12930), Practicing Company Secretaries to conduct Secretarial Audit for financial year 2021-22.

The Secretarial Audit Report for the Financial Year ended March 31, 2022, as received in Form MR-3, is annexed herewith as '**Annexure-E**' forming integral part of this Report. The said report is containing remark which is stated below:

A) Observations/Non Compliances/ Adverse Remarks/ Qualifications in respect of the Companies Act, 2013 and rules made there under are as follows:

As per Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of Directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. The Company has not maintained structured digital database till the closing the March 31, 2022 and is in process of maintaining the same.

Management's View:

The Company is maintaining all the information, w.r.t. timing of sharing the information and any modification thereof, and events in a protected Excel Workbook. The Company has complied with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and ensure the flow of UPSI is without leakage.

However, as on the date of this report, the Company has installed a Structured Digital Database (SDD) named Insilysis, and from now onwards will be maintaining the information in that only. The Company is in the phase of familiarising its Designated Persons with the SDD portal.

C) INTERNAL AUDITOR

In compliance with the provisions of Section 138 of the Companies Act, 2013 read with rule 13 of Companies (Accounts) Rules, 2014 the Board of Directors on the recommendation of Audit Committee had appointed M/s D M A R K S & Associates, Chartered Accountants (FRN: 006413N) as Internal Auditor of the Company for the financial year 2021-22.

D) COST AUDITOR

The Company was not required to appoint cost auditor for the financial year 2021-22 pursuant to Section 148 of the Companies Act, 2013.

MAINTENANCE OF COST RECORDS UNDER SECTION 148 OF THE COMPANIES ACT, 2013

The Company was not required to maintain cost records under Section 148 of the Act and accordingly, such accounts and records are not made and maintained.

22. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance, performance of its Committees and of the Directors individually, as per the criteria laid down by the Nomination and Remuneration Committee. The evaluation was carried out based on various parameters.

During the year under review, Independent Director met on June 28, 2021 and March 11, 2022, without the presence of non-independent directors and members of the management, to discuss the evaluation of the Board, Committees and the Non-Executive Directors. The discussions covered both strategic and operational aspects of the Board functioning, as well as the quality, content and timeliness of the flow of information between the Management and the Board. The inputs from the meeting were shared with the Nomination and Remuneration Committee. The performance evaluation of the Independent Directors was carried out by the entire Board.

The Directors expressed their satisfaction with the evaluation process.

23. RISK MANAGEMENT POLICY

The Business Risk Evaluation and Management is an on-going process within the Organization. The Company has a structured Risk Management Policy to identify, monitor and minimize risks and also identify business opportunities.

The Company has put in place risk minimization and assessment procedures, in order to effectively and efficiently manage risk and address challenges.

The objective of Risk Management at Orosil Smiths India Limited is to create and protect shareholder value by minimizing threats or losses and identifying and maximizing opportunities. An enterprise wide risk management framework is applied so that effective management of risks is an integral part of every employee's job.

Risk Management Policy adopted by the Company can be accessed at the following web link: <http://orosil.in/investors/sebi-policies/risk-management-policy.pdf>.

24. PARTICULARS OF LOANS GIVEN, GUARANTEES OR INVESTMENTS BY THE COMPANY UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not given any Loan and guarantee to any person or body corporate during the financial year. The details of investments made by the Company are in Note No. 3 of the Audited Financial Statements.

25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS DURING THE FINANCIAL YEAR 2021-22

During the year Financial Year 2021-22, there was no significant material order passed by the Regulators or Courts or Tribunals that could impact the going concern status of the Company and its future operations.

However, there are certain prior events which are as mentioned below:

-The company has given Bank Guarantee to Sales Tax authorities amounting to ₹1,15,000/- as at March 31, 2020.

-The Income Tax Demand relating to A.Y 2017-18 wherein order demanding ₹56.52 lakh was passed by Income Tax Department, Delhi. However, the Company has filed an appeal against the same and the final order is yet to be passed by the authority.

-TDS demand of ₹56,000 is pending for the FY 2019-20 and previous FY under Income Tax Act, 1961.

Further, the Promoter and Promoter Group (as specified in the Shareholding Patterns filed to the BSE), has received Notices dated February 22, 2022 and July 21, 2022, from SEBI, in the matter of Orosil Smiths India Limited regarding violation of the provisions of Regulation 11(2) read with Regulation 14, 15 and 18 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997. The Company has made the requisite disclosure dated February 24, 2022 and August 01, 2022, respectively, of the said notices to BSE. The Noticees are taking corrective measures in this regard, but the final order is yet to come.

However, there is no monetary or non-monetary impact on the Company of the said notices received by Promoter & Promoter Group.

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

There are no particulars as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy, research & development, technology absorption during the year under review, as the Company does not engage in manufacturing activity involving energy intensive processes. However, the Company has taken sufficient steps towards general energy saving techniques and conservation.

Further, there was no Foreign Exchange earnings and outgo during the financial year 2021-22.

27. ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has an Internal Control System, which commensurate with the size, scale and complexity of its operations. M/s D M A R K S & Associates, Chartered Accountants, was appointed as Internal Auditors of the Company during the year under review.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

28. CODE FOR PREVENTION OF INSIDER TRADING

The Company has formulated a Code of practices and procedures for fair disclosure of unpublished price sensitive information. The objective of this Code is to protect the interest of shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, designated employees and other employees.

The code is uploaded on the website of the Company at: <http://orosil.in/investors/code-of-fair-disclosure/Code-of-Fair-Disclosure.pdf>.

29. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has established a Vigil Mechanism (Whistle Blower Policy) as per the requirements of Section 177 of the Companies Act, 2013 for all the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behavior, violation of the Company's code of conduct and leak of unpublished price sensitive information etc. or any other event which would adversely affect the interests of the business of the Company and which provides reassurance that they will be protected from reprisals or victimization for whistle blowing.

During the year under review, the Company had not received any complaint under the policy and no complaint was pending as on March 31, 2022.

Whistle Blowers may send their concerns/ complaints to the Chairman of Audit Committee directly for appropriate action. The details of establishment of such mechanism have been also disclosed on the website of the Company. It is affirmed that no personnel have been denied access to the Audit Committee. The vigil mechanism (Whistle Blower Policy) may be accessed on the Company's website at www.orosil.com.

30. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments affecting financial position of your Company have occurred between the end of the financial year of the Company to which Financial Statements relate and the date of this Report.

31. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The criteria of Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013 is not applicable on the Company during the financial year 2021-22.

32. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (POSH ACT)

The Provisions of Prevention of Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 are not applicable on the Company, as the Company doesn't have minimum number of employees of its payroll as stipulated under the POSH Act.

33. FRAUDS REPORTED BY AUDITORS

There are no such frauds reported by the Auditors to the Audit Committee or the Board of Directors, which are committed against the Company by officers or employees of the Company under Section 143(12) of the Companies Act, 2013.

34. INSOLVENCY AND BANKRUPTCY CODE, 2016

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the FY22.

35. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

During the year under review, the Company has not availed any loan from Banks and Financial Institutions, hence question of settlement doesn't arise.

36. COMPLIANCE WITH SECRETARIAL STANDARDS

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with. Your Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

37. POLICY FOR PRESERVATION OF DOCUMENTS

In accordance with regulation 9 of SEBI (Listing Obligations and Disclosures) Regulations, 2015 the board has adopted a policy for preservation of documents which has been uploaded on the website of the company under the web link <http://orosil.in/investors/sebi-policies/policy-for-preservation-of-docs.pdf>

38. ANNUAL REPORT

The Annual Report containing, inter-alia, the audited financial statements, Boards' Report, Auditors' Report, Management Discussion & Analysis (MD&A) Report and other important information is circulated to shareholders and other stakeholders and is also available on the Company's website at <https://orosil.com/pages/investor-annual-report>.

39. LISTING OF SHARES

The equity shares of the Company are listed at the BSE Limited. The Annual Listing Fee for the financial year 2021-22 has been paid to the Stock Exchange where the Shares of the Company are listed.

40. DEPOSITORY SYSTEMS

The Company's shares are traded in Demat form only. Your Company's Scrip has come under compulsory dematerialization w.e.f. November 29, 1999 for Institutional Investors and w.e.f. January 17, 2000 for all Investors. So far, 98.91% of the equity shares have been dematerialized.

The ISIN allotted to the equity shares of the Company is INE628B01034.

41. IMPLEMENTATION OF CORPORATE ACTION

During the year under review, the Company has not failed to implement any Corporate Action within the specified time limit.

42. REPORTING PERIOD

The Financial Information is reported for the period April 01, 2021 to March 31, 2022. Some parts of the Non-Financial Information included in this Board's Report are provided as on the date of this Report.

43. CAUTIONARY STATEMENT

Statements in the report of Board of Directors and Management Discussions & Analysis Report describing the Company's projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand supply conditions, raw material prices, changes in government regulations, tax regimes and economic developments within the country and abroad and such other factors.

44. PERSONNEL

Your Directors wish to place on record their sincere appreciation for the devoted services of all the employees and workers at all levels and for their dedication and loyalty, which has been critical for the Company's success.

ACKNOWLEDGEMENT

Your Directors would like to express their gratitude for the valuable assistance and co-operation received from shareholders, bankers, government authorities, customers and vendors. Your Directors also wish to place on record their appreciation for the committed services of all the employees of the Company.

**On behalf of the Board of Directors
For Orosil Smiths India Limited**

Place: Noida

Date: September 03, 2022

Rita Narula

(Whole-Time Director)

DIN: 00006096

Add: D-92, 1st Floor,

Defence Colony,

New Delhi-110024

B. K. Narula

(Chairman & Managing Director)

DIN: 00003629

Add: D-92, 1st Floor,

Defence Colony,

New Delhi-110024

'Annexure-A' to Directors' Report

A. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 (AS AMENDED)

I. Ratio of the remuneration of each director to the median remuneration of all the employees of your Company for the FY22 is as follows: -

S. No.	Name of Director/KMP	Designation	Total Remuneration (₹)	Ratio of remuneration of Director to the Median remuneration
1.	Mr. B.K. Narula*	Managing Director	3,60,000	13.97:1
2.	Ms. Rita Narula	Whole-Time Director	7,20,000	27.93:1
3.	Ms. Bhavana Sampath Kumar	Non-Executive Non-Independent Director	NIL	NA
4.	Mr. Vinit Aggarwal	Non-Executive Non-Independent Director	NIL	NA
5.	Mr. Karan Suri	Non-Executive Director	NIL	NA

*Mr. B K Narula has waived off his 50% remuneration during the FY 2021-22.

II. Percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer, other Executive Directors and Company Secretary during the FY22: -

S. No.	Name of Director/KMP	Designation	% increase in remuneration during the financial year 2021-22
1.	Mr. B.K. Narula	Managing Director	Please refer to the Note 1 below.
2.	Ms. Rita Narula	Whole-Time Director	66.67%, Refer Note 1 below.
3.	Mr. Chandar Prakash	Chief Financial Officer	100%, as appointed in the FY2021-22.
4.	Ms. Dinky Bansal	Company Secretary	20%

Note: 1. The shareholders of the Company in their AGM held on 30th December, 2020 had approved payment of remuneration of ₹60,000/- per month to Mr. BK Narula, Managing Director of the Company, w.e.f. 01st April, 2020. Mr. Narula had voluntarily forgone his 50% remuneration for the financial year 2021-22. Also, remuneration of Mrs. Rita Narula, Whole Time Director of the Company has been increased from ₹45,000 per month to ₹75,000 per month, by the members of the Company, w.e.f. October 01, 2021.

2. Since Non-executive directors received no remuneration during the financial year 2021-22, the required details are not applicable.

3. The remuneration paid to Directors is within the overall limits approved by the shareholders.

4. Median remuneration of the Company for all its employees is ₹25,775/- as at March 31, 2022.

III. The percentage increase in the median remuneration of employees in the financial year 2021-22:

As on March 31, 2021, there are three whole-time Key Managerial Personnel (KMP) in the Company and one general staff.

During the FY 2021-22, 01 KMP has joined the Company on June 28, 2021. As on March 31, 2022, there are four whole-time Key Managerial Personnel in the Company and three general staff (Two of them joined on February 16, 2022). Information is not comparable and hence, not stated.

IV. Number of permanent employees on the rolls of the Company as on March 31, 2022: 07 (seven).

V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Refer the Point III above.

VI. Affirmation: It is hereby affirmed that the remuneration paid during the year under review is as per the Remuneration Policy of the Company.

B. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE ACT READ WITH RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 (AS AMENDED)

A. Names of top ten employees in terms of remuneration drawn during the financial year 2021-22: The said information is available for e-inspection during working hours of the Company.

B. Employees employed throughout the financial year and were in receipt of remuneration for that year which, in the aggregate, was not less than ₹1,02,00,000/- during the financial year 2021-22: Not Applicable

C. Employees employed for the part of the year and were in receipt of remuneration aggregating to not less than ₹8,50,000/- per month during the financial year 2021-22: Not Applicable

D. if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: Not Applicable

E. None of the employees is related to any Director of the Company

Annexure- 'B' to Directors' Report

DECLARATION OF COMPLIANCE OF CODE OF CONDUCT

[In terms of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

**To
The Members
Orosil Smiths India Limited**

This is to declare that to the best of my knowledge and belief all the members of the Board and the Senior Management Personnel of the Company have affirmed their respective Compliance with the Company's Code of Conduct and Ethics for the financial year ended March 31, 2022.

**Place: Noida
Date: May 07, 2022**

**Rita Narula
(Whole Time Director)
DIN: 00006096**

Annexure- 'C' to Directors' Report

FORM NO. AOC-2

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

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

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

(a)	Name(s) of the related party and nature of relationship	NIL (All contract or arrangement or transactions with related parties are at arm's length basis)
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any	
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

(a)	Name(s) of the related party and nature of relationship	Clamp Shoes Private Limited ("CSPL") (Mr. Karan Suri, Non-Executive Non-Independent Director of the Company, is one of the Director & Shareholder in CSPL.)
(b)	Nature of contracts/ arrangements / transactions	Leasing of Office Space.
(c)	Duration of the contracts/ arrangements/ transactions	July 01, 2021 to September 30, 2021
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Leasing of Office Space at ₹2,00,000/- per month.
(e)	Date(s) of approval by the Board/ Committee, if any	August 18, 2021. However, the said transaction is not approved by the members in their meeting held on September 29, 2021.
(f)	Amount paid as advances, if any	NA

**On behalf of the Board of Directors
For Orosil Smiths India Limited**

Rita Narula
(Whole-Time Director)
DIN: 00006096
Add: D-92, 1st Floor,
Defence Colony,
New Delhi-110024

B. K. Narula
(Chairman & Managing Director)
DIN: 00003629
Add: D-92, 1st Floor,
Defence Colony,
New Delhi-110024

Place: Noida
Date: September 03, 2022

Management Discussion and Analysis Report



GLOBAL ECONOMY

Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January, as per IMF (International Monetary Fund). Beyond 2023, global growth is forecast to decline to about 3.3 percent over the medium term.

Following a strong rebound in 2021, the global economy is entering a pronounced slowdown amid fresh threats from virus variants, the Russia-Ukraine war, a rise in inflation, debt, and income inequality that could endanger the recovery in emerging and developing economies, according to the World Bank's Global Economic Prospects report. Inflation—which began after the pandemic led to supply chain disruptions, and then exacerbated due to the war in Ukraine and the subsequent sanctions on Russia—has emerged as the toughest challenge for economies around the world.

INDIAN ECONOMY:

Due to COVID pandemic, Financial Year 2021-22 turned out to be another challenging year for the Indian economy, marked by heightened uncertainty and volatility. The year began with the second wave of the pandemic having a devastating impact in the country followed by a sharp drop in its intensity, which aided smart recovery in economic activity that reached pre-pandemic levels towards the end of the second quarter, with the easing of lockdown restrictions from June onwards.

Despite all this, India continues to remain the fastest-growing economy in the world in FY 2021-22. India's Gross Domestic Product (GDP) has grown by 8.7% in FY 2021-22 as against a contraction of 6.6% in the previous fiscal, and growth is expected at 8.2% in FY 2022- 23. With the socio-economic scenario improving, several investments and developments have been made across various sectors of the economy. India is primarily a domestic demand-driven economy, with consumption and investments contributing 70% to the country's economic activity.

According to World Bank, India must continue to prioritize lowering inequality while also launching growth-oriented policies to boost the economy. Also, Inflation remained a persistent problem in India throughout the pandemic. High prices of food, followed by fuel prices that started rising in 2021. Most importantly, rising prices of commodities and raw materials globally have also seeped into the economy through imports. The Indian government and the RBI have a tough time balancing growth and inflation concerns.

INDUSTRY REVIEW: INDIAN GEMS AND JEWELLERY INDUSTRY

FY 2021-22 has been a bounce back year for the Indian gem & jewellery export sector. India's gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.14% rise from the previous year. In April 2022, India's overall gems and jewellery exports were at US\$ 3.23 billion. The Government of India is aiming at US\$ 70 billion in jewellery export in the next five years (until 2025), up from US\$ 35 billion in 2020. India ranks first among the top exporters in cut & polished diamonds, and second in gold jewellery, silver jewellery and lab-grown diamonds.

Being amongst the fastest-growing economies in the world, India is emerging as the preferred destination for the gems and jewellery industry. The ready availability of highly skilled labour and strong support by the government will aid the growth of the Indian gems and jewellery sector. India is the global leader in the cutting and polishing of diamonds. India's Gems and Jewellery sector has been a major foreign exchange generator for the country. Cumulative FDI inflows in diamond and gold ornaments in India stood at US\$ 1,213.05 million between April 2000-March 2022, according to the Department for Promotion of Industry and Internal Trade (DPIIT). The Sector is globally recognized for the craftsmanship and variety that it offers.

In the coming years, growth in Gems & Jewellery industry would be largely contributed by the development of large retailers / brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provide variety in terms of products and designs. Online sale is expected to account for 1-2% of the fine jewellery segment soon.

Industry Outlook

The Government of India has viewed the sector as a thrust area for export promotion, considering its tremendous contribution and growth potential. The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. The Government has permitted 100% FDI in the sector under the automatic route, wherein no prior approval from the Reserve Bank or Government of India, is required.

Having recently signed trade agreements with UAE, India is poised to gain referential access for gem and jewellery products in these important growth markets. Another key global outreach initiative is GJEPC's first-ever in-country International Gem & Jewellery Show (IGJS), an exclusive show for international buyers in Jaipur. And with several new exciting projects in the pipeline, the Council's untiring efforts will hopefully usher in another golden era of global fascination with India-made jewellery.

In India, gold jewellery personifies a deep emotional quotient and is considered much auspicious. Now, the jewellery purchase is not only limited to weddings and festivals. With growing Westernization and increasing disposable income, the demand for fashion jewellery in precious metal and precious stones is growing, too. Also, Women being primary consumers of jewellery, their increasing entry into the workforce and disposable income would drive demand.

The rise in urbanization has resulted in changing consumer behavior related to accessories, switching from wearing more pieces of jewelry to keeping it minimal and sophisticated while maintaining the style statement. Such evolving factors have led to a substantial demand for single-stoned stud earrings, pendants, and rings.

The gems and jewelry market is expected to register a CAGR of 5.2% during the forecast period, over the next 5 years (2022-27).

The increase in cross-cultural designs is one of the latest trends gaining popularity in the gems and jewelry market. The demand for jewelry inspired by Italian, European, and Egyptian cultures is expected to drive the market studied over the forecast period.

Domestic Jewellery Industry updates demand:

India is the most preferred country in terms of gems and jewellery export. The Indian Gems and jewellery sector is one of the largest in the world, contributing around 29% to the global jewellery consumption and 7% to the country's GDP.

- The sector employs over 4.64 million employees and is home to over 3,00,000 gems and jewellery players. India is the world's second-largest gold consumer and the world's largest diamond cutting and polishing centre.
- India is the world's second largest gold consumer.
- India's gems and jewellery exports reached US\$ 39.14 billion in 2021-22, a 54.13% rise from the previous year. In FY22, cut and polished diamonds accounted for the highest share of exports (62.42%), followed by gold jewellery (23.57%) and silver jewellery (6.95%).
- In April 2022, India's overall gems and jewellery exports was at US\$ 3.23 billion.
- In April 2021, India imported gems & jewellery worth US\$ 1.97 billion. According to the Gem and Jewellery Export Promotion Council, gold bar imports stood at US\$ 1,372 million and Gold jewellery stood at US\$ 166.75 million between April-October 2021. India's gold demand stood at 797.30 tonnes in 2021 and is expected to be in a range of 800-850 tonnes by 2022.
- In the fourth quarter of 2021, demand for gold rose by 93% over the same period a year ago to 265 tonnes. The second quarter of 2021 has been better for businesses as establishments were better prepared for lockdowns compared with 2020. Total jewellery demand in terms of volume increased by 25% YoY to 55 tonnes in the second quarter of 2021. Revised SEZ act is also expected to boost exports of gems and jewellery.
- The Government of India is aiming at US\$ 70 billion in jewellery export in the next five years (until 2025), up from US\$ 35 billion in 2020.
- India has 10 special economic zones (SEZ) for gems & jewellery. These zones have more than 500 manufacturing units, which contribute 30% to the country's total exports.
- According to a recent report by the World Gold Council (WGC), India will be the fourth-largest gold recycling country in 2021, recycling 75 tonnes, or 6.5% of all gold recycled globally. According to the WGC report, 11% of India's gold supply originated from 'old gold' during the last five years, driven by changes in the gold price, future gold price forecasts, and the wider economic outlook.

Source: References - Various industry and media reports and websites including GJEPC, CRISIL, CARE, DIPP, IBEF, internet etc.

COMPANY'S STRUCTURE

Your Company is engaged in the manufacturing and sale of silver jewellery, gold jewellery as well as plain and trading of Silver Articles. The Company launched two brands by the name "**Kuhjohl**" and "**Sincere**" for semi-precious and precious stones studded in gold and silver.

It's been a tough year for all. The management is planning to move forward in this business of Gold, silver and jewellery and other various steps to take forward the business of the Company at greater heights. However, the COVID-19 was an unprecedented situation that disrupted the Indian gems and jewellery industry, like other industries world over, pushing its boundaries of resilience. But, with the global economy gradually turning around again and gradually opening for business, the industry got the required encouragement to grow further.

It was accepted by the Indian industry that with the pandemic, which had overtaken the global business scenario, things will never be the same again. So, to bring back the industry to working mode again, the workforce is brought back.

As per the Quality control order called the **Hallmarking of Gold Jewellery and Gold Artefacts Order, 2020, as amended**, for mandatory hallmarking of gold jewellery/artefacts, issued by the **Ministry of Consumer Affairs, Food and Public Distribution** on 15 January, 2020, every jeweller who wants to sell hallmarked jewellery with effect from 16th June, 2021, has to obtain a registration from Bureau of Indian Standards. Mandatory hallmarking will ensure the purity of Gold and hence, transparency can be maintained.

Accordingly, Our Company **Orosil Smiths India Limited** registered its Hallmark named as **"ORO"** under Bureau of Indian Standards having registration no. **8890028608** and is now eligible to sell the hallmarked jewellery under the same hallmark.

Also, the Company expanded its business in Textile area by altering its Memorandum of Association its annual general meeting held on 30th September, 2019. The management However, the management is still looking into potential opportunities to commence business in this sector. The Company has also registered its Trademark **"mingALL"** under class 25 for trading of Apparels, Footwear and Headgear.

A. OPPORTUNITY AND THREATS

The gems and jewelry market is highly competitive with the presence of key players. Key players are focusing on online distribution channels for the online marketing and branding of their products to expand their geographical reach and increase their customer base. Leading manufacturers in the gems and jewelry market are focusing on leveraging the opportunities posed by the emerging markets of Asia-Pacific, like China and India, to expand their revenue base because of the rising income levels and their religious traditions, as they consider giving jewelry ornaments as auspicious. The key brands are embarking on innovation and new product developments infused with the latest technology to provide the luxury feeling and perfect craftsmanship to their product offerings.

Opportunities

Growing Industry: In the coming years, growth in gems and jewellery sector would be largely contributed by the development of large retailers/brands. Established brands are guiding the organized market and are opening opportunities to grow. Increasing penetration of organized players provides variety in terms of products and designs. India has well established capabilities in manufacturing handmade jewellery and traditional as well as modern designs because of low cost skilled labor.

As per Capita Income has increased, the demand for jewellery was also increased, as jewellery is treated as a symbol of status. Customized service gives a unique identity to the Company distinct from other players.

Increased Government Support & Policy: The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or Government of India. The Government has made hallmarking mandatory for gold jewellery and artefacts.

The Government has reduced custom duty on cut and polished diamond and colored gemstones from 7.5% to 5% and NIL. Presenting the Budget for 2022-23 in the Lok Sabha, Mrs. Sitharaman also announced that the government will facilitate export of jewellery through e-commerce for which it will implement a "simplified regulatory framework" this year. Also, the Gem and Jewellery Export Promotion Council (GJEPC) undertakes direct promotional activities, including joint participation in international jewellery shows, sending and hosting trade delegations, and sustained image-building exercises.

Secure investment: Gold is considered as one of the best performing and most stable assets across the globe, providing high returns over a long period of time.

E-Commerce: Rapid internet penetration and availability of multiple online platforms has expanded the presence of e-commerce in India. Online jewellery buying has gained immense popularity and have discovered a novel way to reach a wider public, particularly in the pandemic-related disruptions and work-from-home era, supported by the use of technology, flexible payment methods, and easy returns policies. Online sales are expected to increase by 2022-23. Also, Your Company has wide range of products to offer to its customers and it is providing the easy access through its website.

Threats:

Frequent change in Trends and Customer Preferences: The Gems and Jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle. Jewellery being a vital fashion and lifestyle statement, demands the players to be more agile, and responsive to the constantly evolving trends and consumer preferences.

Unpredicted price movements and its impact on profit margin: The prices of the precious metals are highly fluctuating, which in turns lead to unpredictable profit margin on products.

Regulatory Framework: Changes in regulation and stringent compliance may cause burden.

Liquidity Crisis: Due to COVID-19, the liquidity crisis was very high due to lower sales and high operating expenses and the working capital cycle was badly affected.

Domination of Un-organized sector in Jewellery Industry: The un-organized sector dominates the gems and jewellery industry in India and affects the profit margins drastically. These players are mostly family jewellers having strong and long-standing relationship with middle-class consumers.

However, the COVID-19 pandemic, the business of the Company has been impacted. The Company is not able to fetch the work orders and requirements of the customers because of unavailability of resources, resulting which the Company is not able to do business properly during this period.

Jewellery consumption in India is influenced by region, income, and cultural beliefs, and it differs widely across states. Customer service expectation also varies from one region to other.

The Company in order to identify and mitigate risks to minimize its impact on business, ensures that prudent risk management practices are followed during the decision-making process. Moreover, any slowdown in the economic growth in India could cause the business of the Company to suffer. The growth of industrial production has been variable.

Your Company is looking forward to the new opportunities in the Gems & Jewellery and Textile Sector to expand and diversify the business into new areas and looking for a bright future of the Company, subject to the stability of the Conditions.

B. SEGMENT –WISE OR PRODUCT WISE PERFORMANCE

The Company operates in only single segment. The Company is operating in two brands by the name “**Kuhjohl**” and “**Sincere**” for semi-precious and precious stones studded in gold and silver.

Currently, the Company operating in one segment only and has not yet started its operations in Textile Sector. However, the management was looking for the potential opportunity to grow in this segment. Now, we planned to start the business in this area and for the same purpose the Company has registered

a Trademark named “mingALL” for trading of Apparels, Footwear and Headgear. Also, the Company is venturing to provide an online web-store to the new entrant and designers to promote their designs and to showcase their skills and talent, in order to bring them closer to their potential customers, subject to keeping in view the effects of Covid-19 pandemic.

C. RISKS AND CONCERNS

The fluctuation in prices of the precious metals, long operating cycle, working capital requirements, difficulties of securing retail store locations are the matter of concern for the Company. Further, various restrictions imposed by the Government in respect to the pandemic, the operations of the Company also closed substantially, resulting into adverse effect on the business. Moreover, slowdown in the economic growth in India could cause the business of the Company to suffer.

The Company in order to identify and mitigate risks to minimize its impact on business, ensures that prudent risk management practices are followed during the decision-making process. The Company expects to make full use of the opportunities available to it, however, the challenges are inevitable in any industry. Your company is taking all precautions to offset the associated risks.

D. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has maintained a proper and adequate system of internal controls. This ensures that all Assets of the Company are safeguarded and protected against loss from unauthorized use or disposition. The Audit Committee and Independent Internal Auditors regularly review the operating systems and procedures for efficiency and effectiveness. Based on the assessment carried out by Internal Auditor and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has adequate internal controls over financial reporting that are operating effectively as of March 31, 2022.

Your Company’s internal control systems do commensurate with the nature and size of its business operations. The Company’s Policy and process corrections are undertaken based on inputs from the internal auditors.

E. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review financial performance of your Company involves the Income from operations which is ₹93.73 Lakhs (Previous Year: ₹49.93 Lakhs). Profit after Tax (PAT) has been a loss of ₹19.35 Lakhs as compared to a loss of ₹40.43 Lakhs in previous year. The Company has no Bank Borrowings.

The Directors are making efforts to enhance the business activities and can only hope to regain the business activities in future when situation became stable. But we expect business loss to reduce, though it is too early to forecast the situation.

Details of any change in Return on Net Worth as compared to the immediately previous financial year:

Particulars	FY2022 (₹)	FY2021 (₹)
Paid-up Share Capital	52,200,000	52,200,000
Other Equity	(28,579,154)	(26,528,310)
Net Worth	23,620,846	25,671,690
Profit after Tax	(1,935,866)	(4,042,909)

Significant changes in Key Financial Ratios:

Particulars	FY 2021-22	FY 2020-21	% Change from previous year	Reason for change
Debtors Turnover Ratio	NA	NA	NA	The Company has no receivables as at March 31, 2022.
Inventory Turnover Ratio (in times)	0.73	0.26	182%	Due to increase in sales.
Interest Coverage Ratio	NA	NA	NA	The Company has no Interest Expenses.
Current Ratio (in times)	5.27	13.12	-59.8%	Due to increase in Current Liabilities (i.e. Short Term Borrowings).
Debt-Equity Ratio	NA	NA	NA	As the Company has no outside Debt from any Bank or Financial Institution.
Operating Profit Margin (%)	(16.90)	(45.86)	(63)	Due to decline in loss. As the Company's sales and other income increased during the FY2021-22 as compared to previous fiscal year.
Net Profit Margin (%)	(22)	(71)	(69)	
Return on Net Worth (%)	(8.19)	(15.75)	(48)	

F. MATERIAL DEVELOPMENT IN HUMAN RESOURCES

There have been no material developments in Human Resource and Industrial Relations front during the FY22. Given the nature of business your Company is engaged in; it does not require Human Resources at a large level. As on March 31, 2022 the Company had seven (7) full time employees. The Company has engaged service of Consultants on contractual basis during the year 2021-22, as and when required. The industrial relations within the Company have remained harmonious throughout the year.

The Company acknowledges that its employees are its principal asset and believes in building a strong performance and competency driven culture amongst its employees with greater sense of accountability and responsibility.

Adapting work culture to suit the dynamic balancing of people requirements and employee needs is an ongoing process. During the spread and continuance of Covid-19 keeping in view the safety of its employees, the Company adopted work from home policy to the extent possible.

The Board of Directors of your company would like to place on record their sincere appreciation for the efforts and contribution made by all the employees of the Company in the challenging environment.

CAUTIONARY STATEMENT:

Certain Statements in the Management Discussion & Analysis Report describing the Company's view about the industry, expectations, objectives, etc. may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Factors like changes in government regulations, tax laws and other factors such as industrial relations and economic developments or like current pandemic COVID-19, etc. may further influence the Company's operations.

References - Various industry reports and websites including GJEPC, CRISIL, CARE, DIPP, IBEF, internet etc.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
OROSIL SMITHS INDIA LIMITED
Hemkunt Chambers, Flat No. 620 89,
Nehru Place-110019, New Delhi

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Orosil Smiths India Limited** having CIN L74110DL1994PLC059341 and having registered office at Hemkunt Chambers, Flat No. 620 89, Nehru Place-110019, New Delhi and (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, We certify that none of the directors on the board of Orosil Smiths India Limited as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company	Disqualified under Section 164 of the Companies Act, 2013	Deactivation of DIN Due to Non-Filing of DIR-3 KYC
1	BHUSHAN KUMAR NARULA	00003629	01/06/1994	N.A	N.A
2	RITA NARULA	00006096	01/06/1994	N.A	N.A
3	VINIT AGGARWAL	00539344	30/04/2015	N.A	N.A
4	KARAN SURI	01193500	09/11/2016	N.A	N.A
5	BHAVANA SAMPATH KUMAR	05260084	28/05/2012	N.A	N.A

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

Thanking You
For Kanchan Gupta & Associates
Company Secretaries

Sd/-
Kanchan Gupta
ACS 45470,
COP No. 19810
UDIN: A045470D000908411
Date: 03.09.2022

COMPLIANCE CERTIFICATE**[IN RESPECT OF FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022]**

To

The Board of Directors,
Orosil Smiths India Limited,
CIN: L74110DL1994PLC059341
Hemkunt Chambers, Flat No. 620,
89, Nehru Palace,
New Delhi – 110019

We hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended on the March 31, 2022 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting, and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) there were no significant changes in internal control over financial reporting during the year ended March 31, 2022;
 - (2) the changes, if any, in accounting policies during the year ended March 31, 2022, and the same have been disclosed in the notes to the financial statements; and
 - (3) there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
BK Narula
(Chairman & Managing Director)
DIN: 00003629
Place: Noida
Date: May 07, 2022

Sd/-
Chandar Prakash
(Chief Financial Officer)
PAN: DBVPP7815M

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

The Members

OROSIL SMITHS INDIA LIMITED

Hemkunt Chambers, Flat No. 620 89,
Nehru Place, New Delhi-110019

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **Orosil Smiths India Limited** (hereinafter called "**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of SEBI (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (including erstwhile Regulation); **Not applicable**;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not applicable**;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not applicable**;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **Not applicable**;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (including erstwhile regulation); **Not applicable**;
- (vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on the Sectors/ Industry are:
 - (i) Bureau of Indian Standards Act, 2016 (Hallmarking)

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

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

B) Observations/ Non Compliances/ Adverse Remarks/ Qualifications in respect of the SEBI Act, Regulations, Rules, Guidelines, Notifications, Circulars made there under are as follows:

1) As per Regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015, the board of directors shall ensure that a structured digital database is maintained containing the names of such persons or entities as the case may be with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. The Company has not maintained structured digital database till the closing the March 31, 2022 and is in process of maintaining the same.

We further report that,

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period the Company has no specific event/action having major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any, etc.

For N.K. Chandok & Associates

Company Secretaries

Navneet Kaur

Proprietor

Membership No. F10055

Certificate of Practice No. 12930

UDIN: F010055D000898624

Date: 02.09.2022

Place: Delhi

Note:

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

Annexure-A to Secretarial Audit Report

The Members

OROSIL SMITHS INDIA LIMITED

Hemkunt Chambers, Flat No. 620 89,
Nehru Place, New Delhi-110019

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For N.K. Chandok & Associates

Company Secretaries

Navneet Kaur

Proprietor

Membership No. F10055

Certificate of Practice No. 12930

UDIN: F010055D000898624

Date: 02.09.2022

Place: Delhi

Independent Auditor's Report

**TO
THE MEMBERS OF
OROSIL SMITHS INDIA LIMITED**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **OROSIL SMITHS INDIA LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

There is no Key Audit Matters requiring information to the members of the company.

Emphasis of Matter

There is no Emphasis of Matter requiring information to the members of the company. Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

Management's Responsibilities for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as-a whole is 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 based on these financial statements.

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows are in agreement with the with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) During the course of our audit, we have not come across any observations or comment on financial transactions on matters which have any adverse effect on the functioning of the company.
- f) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has not paid/provided for any managerial remuneration.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations on its financial position in its financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

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

For PNG & CO

Chartered Accountants

(Firm's Registration No.021910N)

Prabhat Kumar

Partner

(Membership No. 087257)

UDIN: 22087257AISAU03238

Place: New Delhi

Date: 07.05.2022

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

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

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

We have audited the internal financial controls over financial reporting of **OROSIL SMITHS 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal financial 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 ICAI. The Internal control weakness observed in the handling of material lying at third party location, consequent upon detection of fraud, has been cured by the management by strengthening the process for such handling.

For PNG & CO

Chartered Accountants
(Firm's Registration No.021910N)

Prabhat Kumar

Partner
(Membership No. 087257)
UDIN: 22087257AISAU03238

Place: New Delhi
Date: 07.05.2022

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Orosil Smiths India Limited of even date)

1. In respect of the Company's Property, Plant and Equipment's:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The Company has maintained proper records showing full particulars of Intangible assets.
- (c) The Company has a regular program of physical verification of its Property, Plant & Equipment by which Property, Plant & Equipment are verified in a phased programme designed to cover all the items over the period of 3 year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, the discrepancies noticed on such verification has been properly dealt in the preparation of the Financial Statements for the subsequent year.
- (d) According to the information and explanations given to us, the records examined by us and based on the examination of the record, the title deeds of all the immovable properties of land and buildings are held in the name of the Company as at the balance sheet date.
- (e) According to the information an explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year because company is following cost model.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

2. In respect of Inventories

- (A) The physical verification of inventory excluding for goods-in-transit & stocks with third parties has been conducted at reasonable intervals by the management during the year. No discrepancies were noticed on physical verification of inventory 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 given to us and on the basis of our examination of the records of the Company, the Company not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets.

3. In respect of Investments, Advances and Guarantee and Loans made by the Company

In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments,

provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year.

4. In respect of Loans to Directors and Investment made by the Company

In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the company has not granted any loan or provided any guarantees or security to any party covered under section 185 of the act. The Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

5. In respect of Deposits

In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed thereunder apply. Thus, paragraph 3(v) of the Order is not applicable to the Company.

6. In respect of maintenance of Cost Records

Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under subsection (1) of the section 148 of the act in respect to its products.

7. In Respect of Reporting of Statutory Due

According to the information and explanations given to us, in respect of statutory dues:

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities

Nature of the Statute	Nature of Dues	Period to which the amount relates	Amount (in Lakhs)
Income Tax Act,1961	TDS Demand	F/Y 19-20 and prior to F/Y 19-20	0.56

- b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues amounting to Rs. 56.52/- Lakhs, in respect of service tax, Central Sales Tax including Value added tax, and other material statutory dues were in arrears which have not been deposited on account of dispute, are as follows:

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Disputed Amount (in Lakhs)
Income Tax Act, 1961	Income Tax	CIT(A)	A.Y. 2017-18	56.52

8. In respect of Unrecorded Income

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

9. In respect of Repayment of Loan

(A) According to the records of the company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date.

(B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(C) According to the information and explanations given to us by the management, the Company has not obtained any term loans. Accordingly, clause 3(ix) (c) of the Order is not applicable.

(D) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis by the Company has been utilized for short term purpose only.

(E) According to the information and explanations given to us, the company has no subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix) (e) and (f) of the Order is not applicable.

10. In respect of utilization of IPO, further public offer & term loans

(A) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

(B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable

11. In respect of Reporting of Fraud

(A) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the year.

(B) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(C) According to the information and explanations given to us, no whistle blower complaints received by the Company during the year.

12. In respect of reporting in a Nidhi Company

The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

13. In respect of Related Party Transactions

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties have been entered into by the company in its ordinary course of business on an arm's length basis and are in complied with provisions of section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24 related party disclosures specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules 2014.

14. In respect of reporting of Internal Audit System

(A) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(B) We have considered the internal audit reports of the Company issued till date for the period under audit.

15. In respect of reporting of Non-Cash Transactions

In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013.

16. In respect of reporting of Registration u/s 45-IA of RBI Act, 1934

(A) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, provisions of clause (xvi) of paragraph 3 of the Order are not applicable.

(B) The Company has not conducted any Non- Banking Financials or housing Finance Activities. Accordingly, clause 3(xvi) (b) of the Order is not applicable.

(C) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) (c) of the Order is not applicable.

(D) According to the information and explanations provided to us during the Course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi) (d) are not applicable.

17. In respect of reporting of Cash Losses

According to the information and explanations provided to us the Company has not incurred cash losses in the current and in the immediately preceding financial year.

18. In respect of reporting of Resignation of Statutory Auditors

There has been no resignation of the statutory auditors during the year. Accordingly, clause 3 (xviii) of the Order is not applicable.

19. In respect of reporting of Financial Ratios

According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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. In respect of reporting of Corporate Social Responsibility

In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project.

For PNG & CO

Chartered Accountants
(Firm's Registration No.021910N)

Prabhat Kumar

Partner
(Membership No. 087257)
UDIN: 22087257AISAU03238

Place: New Delhi

Date:07.05.2022

Balance Sheet as at March 31, 2022

(Amount in ₹)

Particulars	Schedule No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non- Current Assets			
Property, plant and equipment	1	11,116,698	12,223,749
Other Intangible assets	2	2,022	3,331
Financial Assets			
Investments	3	2,223,094	2,223,094
Other Non- current assets	4	153,737	153,737
Total Non-Current Assets		13,495,551	14,603,911
Current assets			
Inventories	5	10,011,922	10,329,365
Financial assets			
a) Trade receivables	6	-	-
b) Cash and cash equivalent	7	1,031,178	437,857
c) Other Financial Assets	8	70,943	70,943
Other current assets	9	1,660,850	1,224,984
Total Current Assets		12,774,893	12,063,149
Total Assets		26,270,443	26,667,059
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	10	52,200,000	52,200,000
Other equity	11	(28,579,154)	(26,528,310)
Total Equity		23,620,846	25,671,690
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings		-	-
Provisions	12	226,454	75,958
Total Non-Current Liabilities		226,454	75,958
Current liabilities			
Financial Liabilities			
Borrowings	13	2,000,000	500,000
Provisions	14	-	1,437
Other current liabilities	15	423,143	417,974
Total Current liabilities		2,423,143	919,411
Total liabilities		2,649,597	995,369
Total Equity and Liabilities		26,270,443	26,667,059
SIGNIFICANT ACCOUNTING POLICIES			
21 to 34			

The accompanying notes are integral part of these financial statements, As per our Report of even date

For **PNG & CO.**

Chartered Accountants

Firm Registration Number: 021910N

Prabhat Kumar

Partner

Membership No. 087257

Place: Delhi

Date: May 07, 2022

For and on behalf of Board of Directors

B.K.Narula

Chairman and Managing Director

DIN:00003629

Rita Narula

Whole Time Director

DIN:00006096

Chandar Prakash

Chief Financial Officer

PAN: DBVPP7815M

Date: May 07, 2022 Place: Noida

Dinky Bansal

Company Secretary

M. No.: ACS58858

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

(Amount in ₹)

Particulars	Schedule No.	For the period ended	For the period ended
		31-Mar-22	31-Mar-21
INCOME			
Revenue from operations	16	9,373,335	4,993,427
Other income	17	975,962	18,230
Total Income		10,349,297	5,011,657
EXPENSES			
Cost of material Consumed	18	1,854,592	766,000
Purchases of Stock-in-Trade	19	5,298,810	687,360
Changes in Inventories of Finished goods and stock in trade	20	298,073	1,431,963
Employee benefits Expense	21	1,955,695	584,291
Depreciation and amortization	1&2	1,265,528	1,244,818
Other Expenses	22	1,550,561	3,813,686
Total Expense		12,223,259	8,528,118
Profit/(loss) before exceptional and prior period items		(1,873,962)	(3,516,461)
Prior Period Items		61,305	526,448
Profit/(loss) before tax		(1,935,266)	(4,042,909)
Current Tax Expense		-	-
Adjustment of tax relating to earlier periods		-	-
Deferred tax (credit)/charge		-	-
Income tax expense		-	-
Loss for the period		(1,935,266)	(4,042,909)
Other Comprehensive Income			
A (i) Item that will not be reclassified to profit or loss		(115,578)	505,803
(ii) Income tax relating to items that will not be reclassified to profit or loss			
B (i) Item that will be reclassified to profit or loss			
(ii) Income tax relating to items that will be reclassified to profit or loss			
Total Other Comprehensive Income		(2,050,844)	(3,537,106)
Earning per equity share of ₹ 10 each			
Basis (₹)		(0.05)	(0.09)
Diluted (₹)		(0.05)	(0.09)
SIGNIFICANT ACCOUNTING POLICIES	21-34		

The accompanying notes are integral part of these financial statements,

As per our Report of even date

For **PNG & CO.**

Chartered Accountants

Firm Registration Number: 021910N

Prabhat Kumar

Partner

Membership No. 087257

Place: Delhi

Date: May 07, 2022

For and on behalf of Board of Directors

B.K.Narula

Chairman and Managing Director

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Rita Narula

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Chief Financial Officer

PAN: DBVPP7815M

Dinky Bansal

Company Secretary

M. No.: ACS58858

Date: May 07, 2022

Place: Noida

Cash Flow Statement for the Financial Year ended on March 31, 2022

(Amount in ₹)

Particulars	31 March 2022	31 March 2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	(1,935,266)	(4,042,909)
Adjustments for:		
Depreciation and amortization expenses	1,265,528	1,244,818
Re-measurement of Gain/ (Loss) on Actuarial Valuation & Investment in equity	(115,578)	836,790
Interest (Income)	(17,968)	(18,230)
Other (Income)	(743,325)	-
Operating profit before working capital changes	(1,546,609)	(1,979,531)
Adjustments for:		
(Increase)/decrease in trade & other receivables	-	343,377
(Increase)/decrease in other assets	(435,866)	188,429
(Increase)/decrease in other liabilities	1,505,169	616,564
(Increase)/decrease in inventories	317,443	1,552,489
(Increase)/decrease in provisions	149,059	(401,426)
	(10,804)	319,902
Less: Direct tax paid (net of refund)	-	-
	(10,804)	319,902
Less: Exceptional items		
Net cash flows (used in)/ generated from operating activities after exceptional items	(10,804)	319,902
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(157,169)	(55,074)
Rental Income	740,250	-
Interest received	17,968	18,230
Dividend Received	3,075	
Sale (purchase) of Investment	-	(450,831)
Net cash flows (used in)/ generated from investing activities	604,124	(487,675)
CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from short term borrowings	-	-
Net cash flows (used in)/ generated from financing activities	-	-
Net Increase/(Decrease) in Cash and Bank balance	593,320	(167,773)
Add: Cash and cash equivalence at beginning of the year	437,857	605,630
Cash and cash equivalence at end of the year	1,031,178	437,858
Cash and Cash Equivalence as per above comprises of the following		
	31.03.2022	31.03.2021
Cash and Cash Equivalence (Refer Schedule No.7)	1,031,178	437,857

The accompanying notes are integral part of these financial statements,
As per our Report of even date

Notes: 1. The cash flow statement has been prepared under the Indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

For PNG & CO.

Chartered Accountants

Firm Registration Number: 021910N

Prabhat Kumar

Partner

Membership No. 087257

Place: Delhi

For and on behalf of Board of Directors

B.K.Narula

Chairman and Managing Director

DIN:00003629

Rita Narula

Whole Time Director

DIN:00006096

Chandar Prakash

Chief Financial Officer

PAN: DBVPP7815M

Dinky Bansal

Company Secretary

M. No.: ACS58858

Date: May 07, 2022

Place: Noida

Notes to Financial Statements for the period ended 31 March 2022

(Amount in ₹)

1. Property, plant and equipment											
Particulars	Rate(%)	COST				DEPRECIATION				WDV	
		Total As on 01.04.2021	Addition	Sales / Disposal	Total As on 31.03.2022	As On 1.04.2021	For the year	Adjustment	Total As On 31.03.2022	As on 31.03.2022	As on 31.03.2021
Tangible Assets	-										
Land		4,152,041	-	-	4,152,041	-	-	-	-	4,152,041	4,152,041
Building	0.10	22,607,499	-	-	22,607,499	17,863,096	450,718	-	18,313,815	4,293,684	4,744,402
Lease Hold Improvements		1,141,237	-	-	1,141,237	1,141,237	-	-	1,141,237	-	-
Plant & Machinery	0.18	13,571,536	28,000	-	13,599,536	11,381,807	402,171	-	11,783,978	1,815,558	2,189,729
Furniture & Fittings	0.26	9,021,617	12,947	-	9,034,564	8,704,540	83,423	-	8,787,963	246,601	317,077
Vehicle	0.31	6,201,585	-	-	6,201,585	5,602,988	186,942	-	5,789,930	411,655	598,597
Office Equipments	0.45	6,903,678	64,050	-	6,967,728	6,737,670	97,808	-	6,835,479	132,249	166,008
Computers	0.63	2,227,791	52,172	-	2,279,963	2,171,897	43,157	-	2,215,054	64,910	55,894
Total		65,826,983	157,169	-	65,984,152	53,603,235	1,264,219	-	54,867,454	11,116,698	12,223,748
Previous Year		65,771,910	55,074	-	65,826,983	52,360,574	1,242,662	-	53,603,235	12,223,749	13,411,336

2. Other intangible assets											
Particulars	Rate(%)	COST				DEPRECIATION				WDV	
		Total As on 01.04.2021	Addition	Sales / Disposal	Total As on 31.03.2022	As On 1.04.2021	For the year	Adjustment	Total As On 31.03.2022	As on 31.03.2022	As on 31.03.2021
Intangible Assets											
Web Portal		3,701,140	-	-	3,701,140	3,698,289	1,121	-	3,699,410	1,731	2,851
Softwares		1,524,830	-	-	1,524,830	1,524,351	188	-	1,524,539	291	479
Total		5,225,970	-	-	5,225,970	5,222,640	1,309	-	5,223,949	2,022	3,330
Previous Year		5,225,970	-	-	5,225,970	5,220,484	2,156	-	5,222,640	3,331	5,487

3	Non-Current Investment	As at March 31, 2022	As at March 31, 2021
	Investment in Equity		
	Sridhi Infra Pvt. Ltd. (Unquoted share 3200000 of Rs.1 each)	2,010,387	2,010,387
	Citizen Co-Operative Bank Ltd. (Unquoted share 800 of Rs 10 Each)	212,707	212,707
		2,223,094	2,223,094
4	Other Financial Assets-Non Current		
	Security Deposits	153,737	153,737
		153,737	153,737
5	Inventories		
	Raw Material	5,594	2,074,193
	Finished Goods	10,006,328	8,255,172
		10,011,922	10,329,365
6	Trade receivables		
	Unsecured and considered goods		
	Trade Receivables		
	More than six Month		343,377
	Other	-	-
	Receivables from related parties	-	-
	Less: Provision for doubtful debt		(343,377)
		-	-
7	Cash and cash equivalent		
	Cash in hand	448,457	43,851
	Cash In Bank balance		
	Balances with banks:		
	– On current accounts	272,897	96,211
	–Fixed deposits (under lien)	309,823	297,795
		1,031,177	437,857
8	Other Assets		
	Advance to supplier of services	70,943	70,943
		70,943	70,943
9	Other current assets		
	TDS Receivable	1,190,420	791,294
	GST Receivable	414,693	385,186
	Prepaid Expenses	46,886	48,504
	Others (Recoverable)	8,851	1,032,856
	Less: Provision for doubtful	-	(1,032,856)
		1,660,850	1,224,984

10.	Share Capital		Amount in ₹		
a.	Authorized Share Capital		As at March 31, 2022	As at March 31, 2021	As at March 31, 2020
	44,116,000 equity shares of Rs.1 each		44,116,000	44,116,000	44,116,000
	10,88,400 Preference shares of Rs.10 each		10,884,000	10,884,000	10,884,000
			55,000,000	55,000,000	55,000,000
b.	Issued equity capital		As at '31 March 2022	As at '31 March 2021	As at '31 March 2020
	Equity shares of Rs. 10 each issued, subscribed and fully paid				
	At the beginning of the year 41,316,000 equity shares of Rs. 1 each		41,316,000	41,316,000	41,316,000
	Issued during the year		-	-	-
	At the end of the year		41,316,000	41,316,000	41,316,000
	At the beginning of the year 10,88,400 Preference shares of Rs. 10 each		10,884,000	10,884,000	10,884,000
	Issued during the year		-	-	-
	At the end of the year		10,884,000	10,884,000	10,884,000
			52,200,000	52,200,000	52,200,000
c.	Reconciliation of the shares outstanding at the beginning and at the end of the year				
	Equity Share	As at '31 March 2022		As at '31 March 2021	
		Nos.	Amount	Nos.	Amount
	At the beginning of the year	41,316,000	41,316,000	41,316,000	41,316,000
	Issued during the year	-	-	-	-
	At the end of the year	41,316,000	41,316,000	41,316,000	41,316,000
	Reconciliation of the shares outstanding at the beginning and at the end of the year				
	Preference Share	As at '31 March 2022		As at '31 March 2021	
		Nos.	Amount	Nos.	Amount
	At the beginning of the year	1,088,400	10,884,000	1,088,400	10,884,000
	Issued during the year	-	-	-	-
	At the end of the year	1,088,400	10,884,000	1,088,400	10,884,000
d.	Terms/ rights attached to equity shares				
	The Company has one class of equity shares having par value of Rs. 1 per share. Each holder of equity shares is entitled to one vote per share.				
	Terms/ rights attached to Preference shares				
	The company has issued 10,88,400,3.5% Optional Convertible Cumulative Preference Share ("OCCPS") of face value Rs. 10/- each at a premium of Rs. 10/- each, convertible after 5 years from the date of issue. However, OCCPS holders intimated the company via their letter that they don't want to exercise their right of conversion as of now and these shares are convertible at option of OCCPS holders at any time, the date of which will be notified to the company by giving a prior notice. The OCCPS Shareholders have a right to receive dividend prior to the equity share holder. The dividend proposed by the Board of Directors, if any, on the OCCPS is subject to the approval of the shareholders at the Annual general meeting, except in case of interim dividend. 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 to all preference shareholders. The distribution will be in proportion to the number of equity shares held by the shareholders.				

e. Details of shareholders holding more than 5% shares in the Company				
	Nos.	% Holding	Nos.	% Holding
B K Narula	70,40,000	17.04%	70,40,000	17.04%
Rita Narula	62,56,735	15.14%	62,56,735	15.14%
Sukarma Finance Limited	50,81,400	12.30%	50,81,400	12.30%
B K Narula (HUF)	50,77,240	12.29%	50,77,240	12.29%
Sidhi Narula	30,02,070	7.27%	30,02,070	7.27%
Ridhiiee Suuri	27,38,500	6.63%	27,38,500	6.63%
Xtrems Retails Private Limited	12,15,000	2.94%	12,15,000	2.94%
Sridhi Infra Private Limited	5,67,750	1.37%	5,67,750	1.37%

10. Disclosure of Shareholding of Promoters as at 31st March, 2022						
f.		Nos.	% Holding	Nos.	% Holding	% Change during the year
	B K Narula	70,40,000	17.04%	70,40,000	17.04%	0.00%
	Rita Narula	62,56,735	15.14%	62,56,735	15.14%	0.00%
	Sukarma Finance Limited	50,81,400	12.30%	50,81,400	12.30%	0.00%
	B K Narula (HUF)	50,77,240	12.29%	50,77,240	12.29%	0.00%
	Sidhi Narula	30,02,070	7.27%	30,02,070	7.27%	0.00%
	Ridhiiee Suuri	27,38,500	6.63%	27,38,500	6.63%	0.00%
	Xtrems Retails Private Limited	12,15,000	2.94%	12,15,000	2.94%	0.00%
	Sridhi Infra Private Limited	5,67,750	1.37%	5,67,750	1.37%	0.00%

11	Other Equity	As at March 31, 2022	As at March 31, 2021
	Retained earnings	(43,780,754)	(41,729,910)
	Capital Reserve	4,317,600	4,317,600
	Securities premium account	10,884,000	10,884,000
		(28,579,154)	(26,528,310)

12	Provisions-Non Current		
	Provision for leave encashment	-	-
	Provision for gratuity	226,454	75,958
		226,454	75,958

13	Borrowings-Current		
	Loans from related parties	2,000,000	500,000
		2,000,000	500,000

14	Provisions-Current		
	Provision for leave encashment	-	-
	Provision for gratuity	-	1,437
		-	1,437

15	Other current liabilities		
	Statutory Liabilities	74,623	65,328
	Other Liabilities	348,521	352,646
		423,144	417,974

16	Revenue from operations		
	Sale of Product	9,373,335	4,993,427
		9,373,335	4,993,427

17	Other income		
	Interest Income	17,968	18,230
	Rental Income	740,250	-
	Discount Received	3,075	-
	Miscellaneous Income	214,669	
		975,962	18,230

18	Cost of materials consumed		
	Opening Stock		
	Raw Materials	2,074,193	2,194,719
		2,074,193	2,194,719
	Add : Purchase		
	Raw Materials	1,836,902	645,474
	Transferred to FG/Trading Goods	(2,049,229)	
	Consumables	(1,680)	
		(214,007)	645,474
	Less: Closing Stock		
	Raw Materials	5,594	2,074,193
	5,594	2,074,193	
	1,854,592	766,000	

19	Purchase of Stock-in-trade		
	Purchase	5,298,810	687,360
		5,298,810	687,360

20	Changes in inventories of finished goods, work-in-progress and stock-in-trade		
	Inventories at the end of the year		
	Finished Goods	7,957,099	8,255,172
	Transferred to FG/Trading Goods	2,049,229	
		10,006,328	8,255,172
	Inventories at the beginning of the year		
	Finished Goods	8,255,172	9,687,135
		8,255,172	9,687,135
	Net (Increase) / Decrease	298,073	1,431,963

21	Employee benefits expense		
	Salaries, wages and bonus	834,189	495,323
	Director's Remuneration	1,080,000	852,000
	Provision for Gratuity and leave encashment	33,481	88,530
	Staff welfare expenses	8,025	438
		1,955,695	1,436,291

22	Other expenses		
	Payment to auditor's		
	-Tax Audit	-	-
	- Statutory Audit	72,500	72,500
	Communication expenses	46,856	35,476
	Meeting Expenses	-	1,500
	Electricity & water Charges	250,625	256,327
	Insurance	64,592	73,846
	Provision for Doubtful debts	-	1,331,469
	Rate & Taxes	17,229	73,258
	Labour Charges	18,250	
	Repair & maintenance other	65,404	79,817
	Rent	60,000	60,000
	Printing & Stationery	22,048	33,508
	Sundry Balance W/off	(89,434)	4,250
	Legal & professional charges	110,534	62,272
	Membership fees & Subscription	328,712	460,680
	Vehicle Running & maint.	91,620	21,212
	Bank Charges	5,338	15,194
	Registrar & Transfer Agent expenses	28,713	-
	Sales Promotion and marketing Expenses	63,812	57,465
	IT Expenses	57,576	
	Security charges	288,000	288,000
	Packaging Expenses	12,573	-
	Miscellaneous expenses	35,614	34,912
		1,550,561	2,961,686

NOTES TO THE FINANCIAL STATEMENTS**For The Financial Year Ended March 31, 2022****Note: - 23 – STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES****I. Corporate Information**

Orosil Smiths India Limited was incorporated on June 01, 1994, having its Registered Office at Hemkunt Chambers, Flat No. 620 89, Nehru Place New Delhi-110019 and corporate office at A-89, Sector-2, Noida-201301, Uttar Pradesh Its equity shares are listed on the Bombay Stock Exchange (“BSE”). The Company is principally engaged in operating in Gems and Jewellery sector.

The Company altered its Memorandum of Association in the annual general meeting held on 30th September 2019, to expand its operations in the textile sector, however, the operations under the said sector has not been started yet. The management is still looking for the potential opportunity to grow in this sector.

Authorization of Financial Statements

The audited Annual Financial Statements along with Notes to Accounts and Statutory Auditor’s Report thereon are adopted and approved by Board in its adjourned Meeting held on May 07, 2022, that was originally scheduled to be held on May 06, 2022.

Significant Accounting Policies followed by the Company**(a) Basis of preparation and presentation of Financial statements****(i) Compliance with Ind AS**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (‘Act’) read with of the Companies (Indian Accounting Standard) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Historical cost convention

The financial statements have been prepared on the basis of going concern under the historical cost convention using the accrual method of accounting basis, except for the following items:

- 1) Defined benefit plans – Plan assets are measured at Fair Value;
- 2) Investment in Equity share of the companies measures at fair value.

(iii) Current Vs Non-current classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle (twelve months) and other criteria set out in the Schedule III to the Act.

(iv) Rounding off

All amount disclosed in the financial statements and notes have been rounded off to the nearest Rupees Thousands as per the requirement of Schedule III, unless otherwise stated.

(b) Use of estimates and judgments

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factor (including expectations of future events) that the Company

believes to be reasonable under the existing circumstances. Difference between actual result and estimates are recognized in the period in which the results are known/materialized.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognized in the period in which the estimates are revised, and future periods are affected

(c) Measurement of Fair Value

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

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and lowest priority to Unobservable inputs (Level 3 inputs).

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

(d) Property, plant and equipment

The Company had applied for the onetime transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under Ind-AS. Hence regarded as historical cost.

Freehold Land is carried at cost. All other items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The cost of PPE includes borrowing costs directly attributable to acquisition, construction or production of qualifying assets. Qualifying assets are assets which necessarily take a substantial period of time to get ready for its intended use.

Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

De-recognition

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the item. Any gain or loss arising on disposal or retirement of item of PPE is determined as the difference between the sale proceeds and the carrying amount of the item and is recognized in the statement of profit or loss in the period in which the PPE is derecognized.

(e) Intangible Assets

Intangible Assets are recognized initially at acquisition cost and subsequently carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets are amortized on a Written Down Value basis over the estimated lives.

Intangible Assets consist of rights under licensing agreement and software licenses which are amortised over license period.

Gains or Losses arising from the retirement or disposal proceeds and the carrying amount of the assets are recognized as income or expense in the Statement of Profit & Loss.

Depreciation methods, estimated useful lives and residual value

Depreciation on Building, Plant and Equipment, is provided on a pro-rata basis on written Down Value Method (WDV) over the estimated useful life of assets. Leasehold land is amortized over the period of lease. Leasehold improvements are amortized over the period of lease or estimated useful life, whichever is lower. The company depreciates its property, plant and equipment over the useful life in the manner prescribed in Schedule II to the Act, and management believe that useful life of assets are same as those prescribed in Schedule II to the Act. The residual values are not more than 5% of the original cost of the assets. The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. In case of pre-owned assets, the useful life is estimated on a case to case basis. Gain and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of Profit and Loss.

Type of Assets Block	Use full-life (In Year)	WDV Rate
Vehicle	8	31.23%
Building (other than factory buildings) other than RCC Frame Structure	30	9.50%
Computer	3	63.16%
Software	6	39.30%
Furniture & Fittings	10	25.89%
Office Equipment	5	45.07%
Plant & Machinery	15	18.10%
Die	1	100%

(f) Cash and Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, bank overdraft, deposits held at call with financial institution, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subjected to an insignificant risk of changes in value.

(g) Inventories

Inventories of Raw Materials, Work-in-Progress, Stores and spares, Finished Goods and Stock-in-trade are stated 'at cost or net realizable value, whichever is lower'. Goods-in-Transit are stated 'at cost'. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out'. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

(h) Non-Current Investments and other non- current assets**(i) Classification**

The company classifies its financial assets in following measurement categories:

- (1) Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit and Loss), and
- (2) Those measured at amortized cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value, Transaction costs of financial assets carried at fair value through the Profit and Loss are expensed in the Statement of Profit and Loss.

Equity instruments:

The Company measures its equity investment other than in subsidiaries, joint ventures, and associates at fair value either through other comprehensive income, or through the Statement of Profit and Loss

(iii) Impairment of financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(iv) Significant Estimates:

The carrying value of exposure is determined by an independent valuer. The company uses judgement to select from variety of methods and make assumptions which are mainly based on market conditions existing at the end of each reporting period.

(i) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment or more frequently if event or changing circumstances indicate that they might be impaired. Other assets are tested for impairment whenever event or changing circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the assets carrying amount exceeds it recoverable amount. The recoverable amount is the higher of an assets fair value less cost of disposal and value in use. For the purpose of assessing impairment assets are grouped at the lowest level for which there are separately identifiable cash inflow which are largely independent of the cash inflow from other assets or group of assets (cash generating unit). Non – financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(j) Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

Non-current assets are not depreciated or amortized while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal Company classified as held for sale continue to be recognized.

(k) Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Deferred income tax is provided in full, using the liability method on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are excepted to apply when the related deferred income tax assets is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

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

Deferred tax Assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax Assets can be realized.

Current and deferred tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax credit is recognized as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

(l) Manufacturing & Operating expenses

The company classifies separately manufacturing and operating expenses which are directly linked to manufacturing and service activities of the group.

(m) Borrowings

Borrowing is initially recognized at net of transaction costs incurred and measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Preference share, which are mandatorily redeemable on a specific date are classified as liabilities. The dividend on these preference share is recognized in Statement of Profit and Loss as finance costs.

(n) Segment Reporting

The Company operates under single operating segment and hence requirement of Segment reporting is not applicable.

(o) Borrowing Costs

Borrowing cost directly attributable to the acquisition, construction or production of qualifying asset are capitalized during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period which they are incurred and reported in finance costs.

(p) Provisions and contingent liabilities

Provisions are recognized only when there is present obligation, as a result of past event, and when a reliable estimate of amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjust reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligation which will be confirmed only by future events not wholly within the control of the Company; or
- Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized. However, when inflow of economic benefit is probable, related asset is disclosed.

(q) Revenue Recognition

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Therefore, it does not adjust any of the transaction prices for the time value of money.

Revenue from services are recognized as per the contractual arrangement.

Other Income

Interest Income: Interest income is recognized on the time proportion basis taking into account outstanding and the rate applicable.

Dividend income is recognized when right to receive payment is established.

(r) Post-employment, long term and short-term employee benefits**Defined contribution plans**

Provided fund: Contribution towards provided fund for certain employee is made to the regulatory authorities, where the company has no further obligation. Such benefits are classified as Defined contribution schemes as the company does not carry and further obligation, apart from the contribution made on a monthly basis.

Defined benefit plans

Gratuity is post-employment benefit defined under The Payment of Gratuity Act, 1972 and in the nature of defined benefit plan. The liability is recognized in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumption are credit or charged to statement of OCI in the year in which such gains or losses are determined.

Other long-term employee benefits

Liability in respect of compensated absence is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit cost method.

Actuarial gains and losses arising from past experience and changes in actuarial assumption are charged to statement of profit & loss in the year in which such gains or losses are determined.

Short-term employee benefits

Expenses in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which service rendered by the employee.

(s) Foreign currency transaction**(i) Functional and presentation currency**

The financial statement is presented in Indian rupee (INR), Which is Company's function and presentation currency.

ii) Transaction and balances

Transaction in foreign currencies is recognized at the prevailing exchange on the transaction dates. Realized gains and losses on settlement of foreign currency transaction are recognized in the statement of Profit and Loss.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rate and resultant exchange difference is recognized in Statement of Profit and Loss.

(t) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

(u) Earnings per share

Basis earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholder (after deducting attributable taxes) by the weighted average number of equity share outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholder and weighted average number of share outstanding during the period are adjusted for the effects of all dilutive potential equity share.

- (v) The preparation of company's financial statements requires management to make judgements, estimates and assumptions that effect the reported amounts of revenues, expenses, assets, and liabilities, and related disclosures.

Significant management judgements and estimates:

The following are significant management's judgments and estimates in applying the accounting policies of the company that have the most significant effect on the financial statements.

- 1) Deferred tax assets recognition is based on an assessment of the probability of future taxable income against which the deferred tax assets can be utilized.
- 2) The evaluation of applicability of indicators of impairment of assets require assessments of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- 3) At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.
- 4) Management's estimates of the Defined Benefit Obligation (DBO) is based on a number of critical assumptions such as standard rates of inflation, discount rate and anticipation of future salary increase. Variation in this assumption may significantly impact the DBO amount and the annual defined benefit expenses.
- 5) Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instruments. The management uses the best information available. Estimated fair values may vary from the actual price that would be achieved in an arm's length transaction at the reporting date.
- 6) Management reviews its estimates of useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence.

23. Contingent Liabilities

-The company has given Bank Guarantee to Sales Tax authorities amounting to Rs. 115,000/- as at March 31, 2020. During the year it is NIL.

-The Income Tax Demand relating to A.Y 2017-18 wherein order demanding INR 56.52 lakh was passed by Income Tax Department, Delhi. However, the Company has filed an appeal against the same.

24. Related Party Disclosures

(A) List of Related Parties and Relationship

Key Management Personnel

Mr. B.K. Narula, Managing Director

Mrs. Rita Narula, Whole Time Director

Mrs. Bhavana Sampath Kumar, Independent Director

Mr. Vinit Aggarwal, Independent Director

Mr. Karan Suri, Non-Executive Director

Ms. Dinky Bansal, Company Secretary

Mr. Chandar Prakash, Chief Financial Officer (Appointed w.e.f. 28.06.2021)

Relative of Key Management Personnel

Mrs. Ridhiiee Suuri (Also, appointed as Marketing Head of the Company, w.e.f., 18.08.2021)

Mrs. Sidhi Narula

Entities over which Key Management Personnel (KMPs) are able to exercise significant influence

B. K. Narula (HUF)

Xtrems Retails Pvt. Ltd.

Sridhi Infra Pvt. Ltd.

Sukarma Finance Ltd.

Privy Corporate and Fiscal Advisors Limited

Chik Mik Leasing & Investment Co Pvt. Ltd.

Related Party as per clause (iv) of Section 2(76) of the Companies Act, 2013: A private company in which a director or manager [or his relative] is a member or director;

Clamp Shoes Private Limited

(B) The following transaction were carried out with related party in the ordinary course of business:

Particulars	2021-22	2020-21
Remuneration	In ₹	In ₹
Mr. B.K. Narula	3,60,000	3,60,000
Mrs. Rita Narula	7,20,000	4,92,000
Salary, Bonus & Conveyance		
Ms. Dinky Bansal	3,60,000	1,28,333
Mr. Chandar Prakash	1,63,800	Nil
Rent paid		
Mrs. Rita Narula	60,000	60,000
Rent Received		
Sukarma Finance Ltd.	97,500	Nil
Xtrems Retails Pvt. Ltd	42,750	Nil
Clamp Shoes pvt ltd	6,00,000	Nil
Loan taken		
Rita Narula	8,09,225	3,00,000
BK Narula	11,75,000	5,00,000
Loan Repayment		
B K Narula	4,78,000	3,00,000

Mrs. Rita Narula	9,225	Nil
Sales		
B.K.Narula (HUF)	14,72,588	Nil
Ms. Ridhiiee Suuri	Nil	7,50,000
Purchase		
Xtrems Retails Pvt. Ltd	Nil	5,80,407
B.K.Narula	3,92,225	Nil
Reimbursement		
B K Narula	3,92,225	5,65,210
B K Narula (HUF)	14,72,588	Nil
Ms. Ridhi Suri	958	Nil
Sukarma Finance ltd	5,626	Nil
Balance Outstanding as on 31st March 2022		
Chik Mik leasing & Investment Co Pvt. Ltd. (Provision made)	Nil Nil	10,32,856 (10,32,856)
Loan Outstanding	20,00,000	5,00,000

25. Capital and other Commitment

There are no Capital and other commitment outstanding as at March 31, 2022.

26. Remuneration to Director	Current Year (In ₹)	Previous Year (In ₹)
	10,80,000/-	8,52,000/-

Amount Paid to Auditors	Current Year (In ₹)	Previous Year (In ₹)
(a) As Audit Fees	72,500/-	57,500/-
(b) For other service	Nil	15,000/-

26.1 Registration of charges or Satisfaction: There are no charges or satisfaction that are required to be registered with the ROC beyond the statutory period.

26.2 Relationship with Struck off Companies: The Company has not entered into any transactions with the struck off Companies during the year.

27. Ratio Analysis:

S. No.	Ratio	Numerator	Denominator	2021-22	2020-21	%Change from previous year	Reason for change
1.	Current ratio (in times)	Total Current Assets	Total Current Liabilities	5.27	13.12	-59.8%	Current Ratio has decreased to 5.27 due to increase in short-term borrowing by 15,00,000.
2.	Debt-Equity Ratio (in times)	Debt consists of borrowings	Total Equity	NA	NA	NA	Not Required
3.	Debt service coverage ratio (in times)	Earnings for debt service	Debt Service	NA	NA	NA	Not Required
4.	Return on equity ratio (in%)	Profit after Tax	Total Equity	-9%	-14%	-37%	Change is Due to increase in results.
5.	Inventory Turnover Ratio (in times)	Cost of goods sold	Average Inventory	.73	.26	182%	Change is Due to increase in results
6.	Trade receivable turnover ratio (in times)	Revenue from operations	Average Trade Receivable	NA	NA	NA	Not Required
7.	Trade payable turnover ratio (in times)	Cost of goods sold + other direct expenses	Average Trade payable relating to numerator	NA	NA	NA	Not required
8.	Net capital turnover ratio (in times)	Revenue from operations	Total Equity	.40	.19	104%-	Change is Due to increase in results
9.	Net profit ratio (in %)	Profit after tax	Revenue from operations	-22%	-71%	-69%	Change is Due to increase in results
10.	Return on capital employed (in%)	Profit before tax and Finance cost	Capital employed=Total Assets-current liabilities	-8%	-14%	-42.5%	Change is Due to increase in results
11.	Return on investments /Assets (in %)	NA	NA	NA	NA	NA	NA

28. Earnings per Share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Number of share outstanding during the year	4,13,16,000	4,13,16,000
Net profit after tax available for equity Shareholder (rupees)	(19,35,266)	(40,42,909)
Basis/Diluted earning per equity share (in Rupees)	(0.05)/(0.05)	(0.10)/(0.10)

29. Employee Benefits

Defined Benefits plan

(i) Gratuity

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employee who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basis salary per month computed proportionately for 15 days' salary multiplied for the number of years of service. The scheme is unfunded.

The following table summarize the components of net benefit expense recognized in the Statement of Profit and Loss and the amount recognized in the balance sheet.

Particulars	Gratuity Benefits	
	As at 31 March, 2022	As at 31 March, 2021
Total Expenses recognized in the Statement of profit & Loss	33,481/-	81,500/-
Actual contribution and benefit payments for year	Nil	(50,000)
Actual benefit payments	-	-
Actual contributions	-	-
Other comprehensive (income)/- expenses	1,15,578/-	(3,85,956)/-
Net Asset / (liability) recognized in the Balance Sheet (opening)	(77,395/-)	(4,31,851/-)
Present value of defined benefit obligation	-	-
Fair value of plan assets	-	-
Funded status [surplus /(Deficit)]	-	-
Unrecognized past service costs	-	-
Net assets / (liability) recognized in the Balance Sheet	(2,26,454/-)	(4,31,851/-)

Actuarial assumption used

Particulars	As at 31 March 2022	As at 31 March 2021
Discount rate	6.30%	5.88%
Salary Growth rate	10%	10%
Mortality	IALM 2012-14 Ultimate	IALM 2012-14 Ultimate
Expected rate of return	0	0
Withdrawal rate (Per Annum)	5.00%	30%
Retirement Age	60 years	60 years

30. Other Notes:

- a) Based on the information available with the management, there are no outstanding dues to Micro, Small and medium Enterprises as per Micro, Small and Medium Enterprise Development Act, 2006 as at year end (previous year – Nil)
- b) Fair value of investment in equity instruments is taken on the basis of audited financial statement available for the F.Y. 2021-22.
- c) The company does not have any exposure in respect of foreign currency denominated assets and liabilities (not hedged by derivative instruments) as at 31 March, 2022.
- d) Keeping in view the prudence and absence of virtual certainty of future taxable income, the deferred tax assets on unabsorbed business losses and depreciation has not been created as on the reporting date.

31. Previous year figures have been regrouped whenever is necessary.

32. Financial instruments

i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates.

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial assets and liabilities measured at fair value - recurring fair value measurements.

₹ In Rupee

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March 2022				
Financial assets				
Investments at fair value through OCI				
Equity Instruments	-	-	22,23,094	22,23,094
Total	-	-	22,23,094	22,23,094
As at 31 March 2021 through OCI				
Financial assets				
Investments at fair value				
Equity Instruments	-	-	22,23,094	22,23,094
Total	-	-	22,23,094	22,23,094

33. Financial risk management

i) Financial Instruments by Category

₹ In Rupee

Particulars	31 March, 2022		31 March, 2021	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost
Financial assets				
Trade receivable	-	NIL	-	Nil
Cash and Cash Equivalents	-	1,031,178	-	4,37,857
Other Financial assets	-	70,943	-	70,943
Other current assets	-	16,60,850	-	12,24,984
Total	-	27,62,971	-	17,33,784
Financial Liabilities				
Borrowings	-	20,00,000	-	5,00,000
Trade payables	-	-	-	-
Other current liabilities	-	4,23,143	-	4,17,974
Total	-	24,23,143	-	9,17,974

- (a) The carrying value of trade receivables, cash and cash equivalents, other bank balances, other financial and other current assets recorded at amortized cost, is considered to be a reasonable approximation of fair value.
- (b) The carrying value of borrowings, trade payables and other financial liabilities and other current liabilities recorded at amortized cost is considered to be a reasonable approximation of fair value.

ii) Risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

The Company's risk management is carried out by finance department of the Company under policies approved by the Board of Directors. The Board of Directors provide written principles for overall risk management, as well as policies covering specific areas, such as credit risk, liquidity risk and interest rate.

(A) Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognized at reporting date.

The Company continuously monitors defaults of customers and other counterparties, identified either individually or by the Company, and incorporates this information into its credit risk controls.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

The credit risk for cash and cash equivalents, bank deposits and loans is considered negligible, since the counterparties are reputable organizations with high quality external credit ratings.

The Company does not have any expected loss-based impairment recognized on such assets considering their low credit risk nature, though incurred loss provisions are disclosed under each sub-category of such financial assets.

Details of trade receivables that are past due is given below:

₹ In Rupee

Particulars	As at 31 March, 2022	As at 31 March, 2021
Not Due	NIL	NIL
0-30 days past due	NIL	NIL
31-60 days past due	NIL	NIL
61-90 days past due	NIL	NIL
More than 90 days past due	NIL	Nil
TOTAL	NIL	Nil

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Contractual maturities of financial liabilities:

The tables below analysis the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant.

₹ In Rupee

March 31, 2022	Payable on demand	Less than 1 Year	1-2 year	2-3 year	More than 3 years	Total
Non-Derivatives						
Borrowings	-	20,00,000	-	-	-	20,00,000
Trade Payable	-	-	-	-	-	-
Other current Liabilities	-	4,23,143	-	-	-	4,23,143
Total	-	24,23,143	-	-	-	24,23,143

March 31, 2021	Payable on demand	Less than 1 Year	1-2 year	2-3 year	More than 3 years	Total
Non-Derivatives						
Borrowings	-	-	-	-	-	-
Trade Payable	-	-	-	-	-	-
Other Financial Liabilities	-	9,19,411	-	-	-	9,19,411
Total	-	9,19,411	-	-	-	9,19,411

C) Interest rate risk

The Company's policy is to minimize interest rate cash flow risk exposures on long-term financing. As at 31 March, 2022, the Company's exposure to long term borrowing is NIL.

34. Capital Management

The Company's capital management objectives are

- To ensure the Company's ability to continue as a going concern
- To provide an adequate return to share holders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.