

# Focusing on the Core, Building the Future

**Kokuyo Camlin Limited**  
76<sup>th</sup> Annual Report 2022-23

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### Financial Highlights 2022-23

 **₹ 77,494 Lakhs**  
Revenue From Operations

 **₹ 2,445 Lakhs**  
Profit After Tax

 **₹ 2.44**  
Earnings per Share

# Focusing on the Core, Building the Future

At Kokuyo Camlin, we are building the future by strengthening our core and innovating to enrich the user experience. Today, even in the age of digital, we remain true to our legacy of delivering the joy of art across generations in India.

We aspire to be their partner of choice for creative expression. In the process, we are building India's largest art community by providing access to our wide range of stationery, scholastic, and artistic products.

With focused strategic initiatives, we are re-energising the brand to further augment our appeal to millennials and Gen Z and strengthening our relevance for tomorrow and beyond. Further, we are continuously creating opportunities to make art and artistic expression possible.

We believe everyone is an artist in India, and we strive to add colour to their lives every day with an unbridled passion for innovation.



# Building on the Legacy That India Loves

Kokuyo Camlin Limited is one of India's leading stationery companies. Beginning our journey in 1931, we have built a dynamic brand that has not only stood the test of time but also continues to enjoy strong recall among artists, students, designers, and office goers alike.

A growing creative community of **5 Million** artists

## Corporate Philosophy

### Customer first, always

We constantly deliver superior quality while meeting the diverse demands of our community.

### You can see through us

We maintain absolute transparency by conducting every operation with honesty and integrity.

### Working with pride

We believe in equal opportunities for professional excellence and great working conditions.

### Business based on trust

We establish long-lasting bonds with all stakeholders to augment mutual cooperation.

### Leadership with meaning

We nurture a corporate culture that implements policies to promote ethical behaviour.

**Camel**   
All things art



**camlin**  
All things stationery



## Delivering the Joy of Art Across India

We manufacture a wide variety of scholastic and artistic products from our three plants – two in Maharashtra and one in Jammu and Kashmir. Our strong distribution network enables us to reach every nook and corner of the country, enabling creativity to thrive every day.

**Tarapur Plant, Maharashtra** – The Tarapur Plant is our oldest facility and has the capacity to manufacture crayons, artist products, mechanical pencil leads, etc. A state-of-the-art R&D centre for colour products is an integral part of this facility. We have installed a 500 kWp solar power plant in this facility with Zero Liquid Discharge.

**Patalganga, Maharashtra** – Patalganga plant is our largest facility, producing at a huge capacity. This facility has Japanese-tech injection moulding machines with robotics. Camlin stationery products are manufactured at this facility and distributed in both Indian and Japanese markets. It has an in-house R&D centre specialised in stationery products and Japanese workplace manpower tools like 5s and Kaizen. The facility also has a 50-Lakhs-litre open water storage pond. We have installed a 564 kWp solar power plant to reduce our energy consumption from non-renewable sources and contribute towards lowering our carbon footprint.



**Samba Plant, Jammu** – This facility is the prime producer of our colour categories like poster colours, water colours, liquid acrylic colours, etc.



Brands and Products

# Catalysing Creative Expression

We are a catalyst in our customers' ever-expanding universe of artistic ingenuity. Our wide range of products across the two brands—Camel and Camlin—ensures that they are adequately equipped to bring their imagination to life across mediums and forms. In the process, our products transform from mere tools into partners in everything creative.

## Camel Products

### Colour

The collection consists of Artist acrylic colours, Artist HD Acrylics, Artist water colours, Artist oil colours, Student oil colours, Premium poster colours, Drawing inks, Transparent photo colours, Art powders, Redimix tempera colours, Fabrica acrylic colours, and Fluid acrylic colours. These items are available in various sizes and amounts.

### Mediums

Most arts are defined by the mediums used to create them. The Camel brand offers a wide artist's range of Acrylic mediums, Oil mediums, Dry mediums, and Hobby mediums.



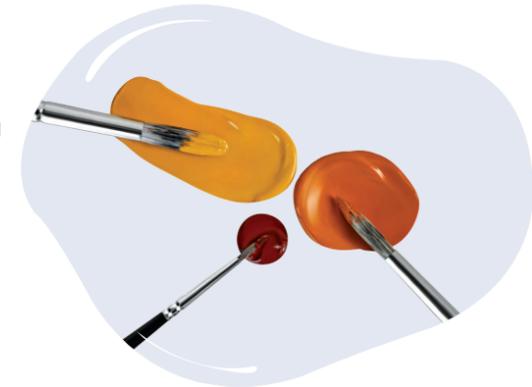
### Drawing Materials

Our brand supplies the basic needs of an emerging artist, from brush paints to charcoal. Some of the essential art materials for drawing are – artist brush pens, Artist Soft pastels, Artist Oil pastels, Drawing pencils, charcoal and Drawing inks.



### Canvases

Every prominent artist starts with a small canvas. A canvas portrays the artist's true self and is a showcasing medium for any art the artist wants to show. Camel provides various options for choosing the one most suited for the artist, like Canvas rolls, Canvas pads, Stretched canvases, Canvas boards, Art boards, and Oil sketching papers.

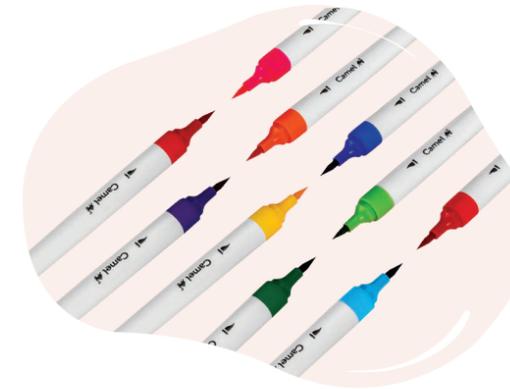


### Brushes

The texture of any painting is often determined by the brush strokes used in it, which vary from one kind of brush to another. Some of its types are white bristle brushes, artist brushes, synthetic gold brushes, hobby brushes, and champ brushes.

### Painting Kits

Painting kits are convenient tools for any artist. Our kits are one-of-a-kind, with each containing a variety of art materials. Some of them are fluid acrylic colour kits, DIY colouring for grownups, drawing kits, and painting kits.



### Kids

The trail of thoughts of the younger generation is often best traced through the kind of art they create. We offer painting kits, drawing kits, student oil pastels, crayons, student poster colours, student water colours, sketch pens, student brush pens, colour pencils, and drawing books.



### Hobby

We care for our peers with a budding interest in art and help them find what they need to pursue their hobbies. Several Camel products become their best companions, such as Fabrica acrylic colours, glass colours, fluid acrylic colours, fluid acrylic colour kits, DIY colouring for grownups, sparkle colours, hobby brushes, hobby mediums, and fabric glue.

Brands and Products

## Camlin Products

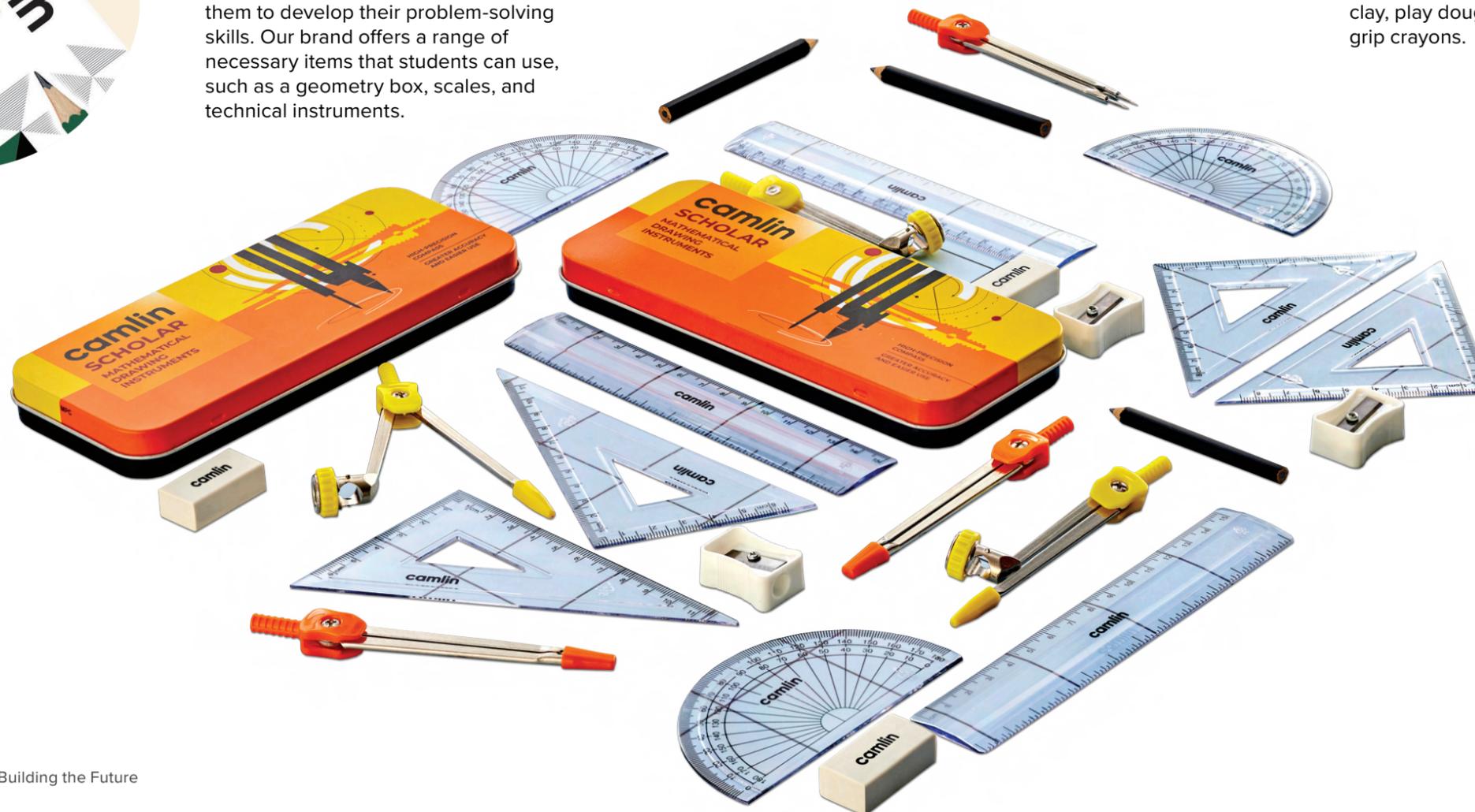
### Pencils and Accessories

The Camlin brand offers items for day-to-day necessities, such as wooden pencils, mechanical pencils, mechanical pencil leads, artist pencils, erasers, sharpeners, exam pads, and scales.



### Geometry Box

Geometry forms the primary concept of shapes among students. The geometry box is an essential tool used for scholastic purposes. It teaches them about the principles of geometry and encourages them to develop their problem-solving skills. Our brand offers a range of necessary items that students can use, such as a geometry box, scales, and technical instruments.



### Adhesives

Adhesives act as crafting hacks; their appropriate use shapes many masterly creations. Some adhesive items under our brand are gums and pastes, white glues, and glue sticks. Camlin glue sticks are a staple in many households in India.



### Early Learning

Anything bright and colourful attracts the eyes of younger ones. Our brand encourages their tiny grips with items like finger crayons, modelling clay, play dough, and child grip crayons.



### Office Supplies

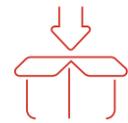
Although offices now operate digitally, they still need the materials to put professional input into their work. Some of the most commonly used office stationery items that our brand produces are whiteboard markers, permanent markers, highlighters, wooden pencils, correction pens, stamp pads and inks, carbon papers, adhesives, and scales.

# Visualising a Brighter Future

The changing times have upended many a tradition. In the digital era, we are transforming ourselves to deliver the real in an increasingly virtual world, especially to the younger generation, which is constantly looking for new experiences and new mediums of expression. We are using digital platforms to gain more insights into their preferences and aspirations and deliver what they need for unbridled creativity.

## Revitalising the Brand, Augmenting User Experience

We are expanding our presence across digital platforms and revitalising the brand to make it future-ready.



### Refining the Packaging Design

**Impact:** Keeping the needs of our customers in mind, we refined our packaging design. In 2022-23, we were able to launch the Young Artist and Camlin product lines to the market.



### Organising Workshops and Contests

**Impact:** Young minds are the most creative, so they need to be nurtured well. We organise various workshops and contests for the eager ones to provide minute details of creating art and a better understanding of our products.



### Brand Campaign 'We Are Changing'

**Impact:** The campaign was launched to celebrate international style and fresh artwork design in all art and stationery products of the Company. This campaign specified the distinction between the brands Camel (All Things Art) and Camlin (All Things Stationery). Within a month, the campaign was able to reach 110 Million individuals, and the films had an average of 4 Million views on YouTube.



### Revamping Our Website for Improved User Experience

**Impact:** We are providing better clarity for our community members about our brands and products. The incorporation of new data collected from our consumers into the website design has been completed. Artists have a distinct platform to showcase their talent and creativity with us through our website.



### Expanding Social Media Engagement

**Impact:** Our customers live and breathe social media these days, especially the younger generation. So, we are improving our interactivity through multimedia platforms and using them to perfect our brand's voice and visual identity, thus creating deeper engagement with our growing community of artists.

We collaborated with 75+ art enthusiasts on Instagram and YouTube, who shared their innovative and captivating interpretation of 'Camel is All Things Art while Camlin is All Things Stationery.'



### Optimising Our Portfolio

**Impact:** Our commitment to customers is demonstrated through their experience with our products. So, we have implemented measures to streamline our portfolio by introducing updated products and concentrating our efforts to generate greater appeal for our offerings.



### Strengthening Distribution and Reach

Kokuyo Camlin's strong legacy has always been supported by a versatile distribution model, one of our core strengths. We are investing in technology to further strengthen this robust ecosystem.



#### Building Omnichannel Presence

**Impact:** During the pandemic, offline sales hit a major setback but facilitated our exploration of the online market, thus providing at-home services.

We are able to serve personally through both online and offline platforms with improved communication.



#### Capturing Customer Feedback

**Impact:** We welcome our customers' suggestions to improve and evolve.

### Embracing Innovation

We ensure that our products are designed to capture the tastes and preferences of our customers to the minute detail. We constantly innovate to make products that are relevant to them today, tomorrow, and beyond.



#### Prioritising Consumer Preferences

**Impact:** Our customers provide insights as feedback through social media posts or website, giving us better understanding of which kind of art or product they prefer thus enabling us to customise our products accordingly.



#### Innovating Sustainably

**Impact:** The products we make are made with materials that are as environmentally sustainable as possible. We avoid using harmful chemicals.

### Operating with Excellence

Our customers trust us to provide reliable and innovative products and we take that responsibility seriously. As we continue to lead the market in the areas where we have decades of experience, we understand that it is essential to stay true to delivering value for money.



#### Introducing Innovative Packages

**Impact:** The products that our customers prefer come in various ranges and sizes according to their requirements, making the products economically feasible for them.

We also suggest to our community members what they might need by providing kits containing different products that are cost-effective.



#### Being Cost-Optimum

**Impact:** We offer the best value for our customers' money as we strive to lead the industry with our low-cost, high-quality products to remain competitive.



#### Maintaining High Quality of Our Products

**Impact:** Our customers have access to high-quality products and yet it has enabled us to keep our production costs low.

We are investing in technology and minimising the use of resources.



#### Understanding Latest Industry Trends

**Impact:** The industry trends are traced and applied by our workforce for better fitting of products for our customers. We remain open to change and continuous innovation.

Community

# Democratising Art, Empowering Artists

At Kokuyo Camlin, we have built a strong community of creative minds by fostering a relationship of trust through continuous engagement. Our field team members play a key role in promotions, taking our branding communication to our community members and collecting their feedback to help us make informed decisions.

## Driving Creative Expression

We are committed to growing art in its truest sense and creating the most significant art community in the world through exciting activities. The All India Camel Colour Contest, media-run contests, and exhibitions are some of the initiatives taken by Kokuyo Camlin to encourage art in schools, connect hobby artists, and hunt for talent. Camel's various products, such as Crylin and Camel Artist Acrylic Colours, have helped democratise art and increase the income and prosperity of artists and artisans.



### Camel Art Foundation (CAF) – Celebrating the Silver Jubilee

Established in 1998, we are celebrating 25 glorious years of the completion of CAF with our community artists. The foundation has been built on the vision of bringing out the 'hidden artist' in children and helping them grow their interests ever since.

We have organised a one-of-a-kind National Art Camp and Art Exhibition to celebrate our milestone year.

Our success in arranging this art camp and exhibition is a testament to the continued efforts of Kokuyo Camlin and the Camel Art Foundation in promoting and nurturing India's art and artists.



“Opportunities like these are extremely significant for artists to understand their own culture, see art across the country by their contemporaries.”

**Vishwanath Sable**  
Dean  
Sir J.J. School of Art

### National Art Camp – Inspiring Artists Today with Ajanta Caves' Stories

Our Ajanta chapter was a four-day camp filled with knowledge-gathering lectures from Ajanta Caves' specialist historians and art professors. In association with the Sir J.J. School of Art, we organised a camp where students were invited to make paintings based on Ajanta frescoes. This resulted in the creation of 80 masterpieces inspired by Buddhist art in the caves. The artists used creative techniques and picked up innovative patterns of creation, showcasing individuality. Their creations earned spots for themselves on the walls of the Jehangir Art Gallery.

**80**  
Artists from

**44**  
Government art institutes joined the camp



“It is a matter of great pride to all of us at Kokuyo Camlin, as well as a source of personal satisfaction to me.”

**Subhash Dandekar**  
Chairman Emeritus  
Kokuyo Camlin Limited

### National Art Exhibition – Jehangir Art Gallery

We embarked on a journey to unite art lovers by arranging an exhibition on our milestone occasion. The art of the students from the Ajanta Art Camp was encouraged and portrayed as a source of inspiration for many. The artworks represented the traditions seen in Ajanta's murals—tales from the Jataka—and also the themes of survival and equanimity. These creations were showcased in the exhibition and sold to art enthusiasts.

Our People

# Caring for Our Employees

We organise activities to celebrate occasions by providing a friendly space for our employees.

## Commemorating Women’s Day

On 8<sup>th</sup> March, we celebrated International Women’s Day to empower our workplace culture. The day aimed at building an equitable environment at work while remembering women past, present, and future who made strides towards the achievement of equity through their courage, resilience, and bravery.

We arranged different colourful fun competitions for our female employees, such as rangoli, poster drawing, and essay writing in Patalganga and telly games and mimicry in Tarapur. Some of our female employees performed a skit displaying the bravery of women leaders in Indian history.

The management arranged a session on embracing equity, shedding light on the challenges and experiences of women who are still forming the path forward.



## Celebrating National Safety Day or Week

We celebrated the 52<sup>nd</sup> National Safety Day on the 4<sup>th</sup> March, to mark our foundation day. The theme this year was ‘Our Aim – Zero Harm’ to generate awareness of safety protocols. The day started with the employees taking a safety oath, which was followed by several competitions such as a safety skit, a hydrant drill, a safety poems and elocution, a safety poster, and a safety slogan and essay. Our CEO sensitised the employees on various improved safety measures undertaken by the Company.

### Objectives

- To spread the Safety, Health, and Environment (SHE) movement to various parts of the country and promote the participation of the employees in these activities.
- To promote SHE management systems at workplaces and cover voluntary factors driving the movement.
- To motivate and inspire employers, employees, and others to move towards a safer workplace.

CORPORATE OVERVIEW

## Annual Day Celebrations

We, Camlinites, celebrated our annual day with great enthusiasm, bidding farewell to 2022 and welcoming 2023. The event began with an HR presentation on trust and integrity, followed by a business plan overview presented by our CEO, Mr. Satish Veerappa, highlighting achievements and teamwork. "Extra Miler" award winners were recognised, and a cultural event featuring performances followed. The event took place on 23<sup>rd</sup> December 2022, at the Hotel Kohinoor Continental in Andheri (E), and was considered a resounding success thanks to employee participation and dedication. It concluded with an appreciation for long-serving employees and a vibrant display of talent.



## Inter-Unit Cricket Matches

On 15<sup>th</sup> January 2023, inter-unit cricket matches were organised at Tarapur for the first time in our Company’s history. Tarapur, Patalganga, Sales, and Head Office teams participated in the tournament, and team Tarapur came out victorious on its home ground.



## Annual Sports at Patalganga

A two-week-long event with multiple sports activities engaging both our male and female employees took place. The event started with a ‘Tug of War’ competition, binding the audiences with the nerve of the game. The events that followed were the ‘Kabaddi’ competition and a women’s cricket match, engaging the employees and the audiences to their best.

## Igniting the Team Spirit

We believe sporting events are the best way to keep up team spirit and disrupt notions of discrimination among the employees with involved all-in engagements. These events aim at promoting unity, teamwork, and cheerfulness.



## Sports Day at the Head Office

Our head office celebrated an indoor sports event on 14<sup>th</sup> November 2022, and was a month-long affair with chess and carom tournaments going on till 21<sup>st</sup> December 2022. 10<sup>th</sup> December 2022 marked the outdoor sports event featuring telly matches, cricket tournaments, skipping matches, and relay races.



## Tennis Ball Tournament

Kokuyo Camlin Limited tennis ball tournament was organised between employees from two of our facilities – Patalganga and Tarapur. Both teams displayed amazing sporting spirit, with the Patalganga team emerging as the winner.



## Corporate Information

### Chairman Emeritus

**Mr. Subhash Dandekar**

### Board of Directors

**Mr. Dilip Dandekar**, Chairman & Non-executive Director

**Mr. Shriram Dandekar**, Vice Chairman & Executive Director

**Mr. Koji Higashiguchi**, Senior Vice Chairman & Non-executive Director (up to 12/05/2023)

**Mr. Masaharu Inoue**, Senior Vice Chairman & Non-executive Director (w.e.f. 12/05/2023)

**Mr. Nobuchika Doi**, Non-executive Director (up to 01/01/2023)

### Independent Directors

**Mr. Shishir Desai**

**Mr. Venkataraman Sriram**

**Ms. Nandini Chopra**

**Mr. Yasuyuki Kanebako** (up to 01/01/2023)

### Chief Executive Officer

**Mr. Satish Veerappa**

### Chief Financial Officer

**Mr. Chetan Badal**

### Company Secretary & Compliance Officer

**Ms. Hinal Chheda** (up to 12/05/2023)

### Compliance Officer

**Mr. Vipul Bhoy** (w.e.f. 13/05/2023)

### Registered Office

48/2, Hilton House, Central Road,  
M.I.D.C., Andheri (East),  
Mumbai – 400 093.  
Maharashtra, India  
CIN: L24223MH1946PLC005434

### Works

**Patalganga:** Plot No. F/8,  
Additional Patalganga MIDC,  
Village – Chavane, Taluka – Panvel,  
Dist. - Raigad – 410 220.

**Tarapur:** M.I.D.C., Boisar, Tarapur,  
Dist.- Thane – 401 506.

**Jammu:** Industrial Growth Centre,  
Samba Phase I, Jammu, J&K State.

### Auditors

**M/s. BSR & Co. LLP**

Chartered Accountants  
Mumbai

### Bankers

**Mizuho Bank Ltd.**

**The Bank of Tokyo-Mitsubishi UFJ Ltd.**

**Sumitomo Mitsui Banking Corporation**

**HDFC Bank Ltd.**

### Registrar & Transfer Agents

**Link Intime India Pvt. Ltd.**

C-101, 247 Park,  
LBS Marg, Vikhroli (West),  
Mumbai – 400 083.

Tel: 91-022-4918 6270

Fax: 91-022-4918 6060

Email: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

### Audit Committee

**Mr. Shishir Desai**, Chairman

**Mr. Venkataraman Sriram**, Member

**Ms. Nandini Chopra**, Member

**Mr. Yasuyuki Kanebako**, Member (up to 01/01/2023)

**Mr. Koji Higashiguchi**, Member (up to 12/05/2023)

**Mr. Masaharu Inoue**, Member (w.e.f. 12/05/2023)

### Stakeholders' Relationship Committee

**Mr. Shishir Desai**, Chairman

**Mr. Shriram Dandekar**, Member

**Mr. Nobuchika Doi**, Member (upto 01/01/2023)

**Mr. Koji Higashiguchi**, Member (upto 12/05/2023)

**Mr. Masaharu Inoue**, Member (w.e.f. 12/05/2023)

### Remuneration & Nomination Committee

**Mr. Shishir Desai**, Chairman

**Mr. Dilip Dandekar**, Member

**Ms. Nandini Chopra**, Member

**Mr. Venkataraman Sriram**, Member

### Corporate Social Responsibility Committee

**Ms. Nandini Chopra**, Chairperson

**Mr. Shriram Dandekar**, Member

**Mr. Yasuyuki Kanebako**, Member (upto 01/01/2023)

**Mr. Koji Higashiguchi**, Member (upto 12/05/2023)

**Mr. Masaharu Inoue**, Member (w.e.f. 12/05/2023)

### Risk Management Committee

**Mr. Shriram Dandekar**, Chairman

**Ms. Nandini Chopra**, Member

**Mr. Nobuchika Doi**, Member (upto 01/01/2023)

**Mr. Koji Higashiguchi**, Member (upto 12/05/2023)

**Mr. Masaharu Inoue**, Member (w.e.f. 12/05/2023)

**Mr. Satish Veerappa**, Member

## Notice

NOTICE is hereby given that the 76<sup>th</sup> Annual General Meeting of the Members of Kokuyo Camlin Limited, will be held on Friday, the 28<sup>th</sup> July, 2023 at 11:00 a.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 for the financial year ended 31<sup>st</sup> March, 2023 and the Reports of the Directors and Auditors thereon.
2. To declare dividend of ₹ 0.50 per equity share of ₹1/- each (50%) for the financial year ended 31<sup>st</sup> March, 2023.
3. To appoint a Director in place of Mr. Dilip D. Dandekar (DIN: 00846901), who retires by rotation and being eligible offers himself for re-appointment.

### SPECIAL BUSINESS:

4. **Appointment of Mr. Masaharu Inoue (DIN: 10154904) as Non-Executive Director of the Company.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 149,152,160 and such other applicable provisions, if any of the Companies Act, 2013 (“Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the Articles of Association of the Company and pursuant to the recommendation of the Remuneration and Nomination Committee and the Board of Directors, Mr. Masaharu Inoue (DIN: 10154904), who was appointed as an Additional Non-Executive Director of the Company by the Board of Directors with effect from 12<sup>th</sup> May, 2023 and who holds the office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing under Section 160 (1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Director of the Company and that his term of office shall be liable to retirement by rotation.”

**RESOLVED FURTHER THAT** any one of the Directors namely, Mr. Dilip D. Dandekar, Chairman & Non-Executive Director, Mr. Shriram S. Dandekar, Vice-Chairman & Executive Director or Mr. Satish Veerappa, Chief Executive Officer be and are hereby severally authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

5. **Payment of remuneration by way of perquisites to Mr. Dilip D. Dandekar (DIN: 00846901), Chairman & Non-Executive Director.**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and other applicable provisions if any, read with Schedule V of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 17(6)(ca) and other applicable provisions, if any, of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and on the recommendation of Remuneration & Nomination Committee and the Board of Directors, the consent of the members be and is hereby accorded for the payment of remuneration to Mr. Dilip D. Dandekar, Chairman and Non- Executive Director of the Company by way of perquisites in the form of Annual Subscription towards club membership and Provision of Car and Driver with maintenance expenses upto an amount not exceeding ₹14,00,000/- (Rupees Fourteen Lakhs) per annum.”

**RESOLVED FURTHER THAT** the above mentioned total remuneration shall be in addition to the fees payable to him for attending the meetings of the Board/ Committees thereof or for any other purpose whatsoever as may be decided/ approved by the Board of Directors (including any Committee thereof) and reimbursement of various expenses incurred in performance of his duties including travelling and other out-of-pocket expenses as required from time to time.

**RESOLVED LASTLY THAT** Mr. Shriram S. Dandekar, Vice-Chairman & Executive Director or Mr. Satish Veerappa, Chief Executive Officer be and are hereby severally authorised to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

#### Regd. Office:

Kokuyo Camlin Limited  
CIN: L24223MH1946PLC005434  
48/2, Hilton House,  
Central Road, M.I.D.C.,  
Andheri (East),  
Mumbai-400 093  
Dated: 12<sup>th</sup> May, 2023

#### By Order of the Board

**Dilip D. Dandekar**  
Chairman &  
Non-Executive Director

## Notice (Contd.)

### NOTES:

1. Pursuant to General Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 read with General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020 and General Circular Nos. 14/2020 & 17/2020 dated 8<sup>th</sup> April, 2020 & 13<sup>th</sup> April, 2020 respectively, issued by the Ministry of Corporate Affairs ('MCA') (collectively referred to as 'MCA Circulars'), and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 read with Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 (collectively referred to as 'SEBI Circulars'), holding of the Annual General Meeting ('AGM') through VC/OAVM, without physical presence of the Members, is permitted. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.
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. However, since this AGM is being held through VC/OAVM, whereby physical attendance of Shareholders has been dispensed with and in line with the said MCA Circulars, THE FACILITY TO APPOINT A PROXY TO ATTEND AND CAST VOTE FOR THE SHAREHOLDER IS NOT MADE AVAILABLE FOR THIS AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

However, in terms of the provisions of Section 112 and 113 of the Act read with the said MCA Circulars, Corporate Members are entitled to appoint their authorized representatives to attend the AGM through VC/OAVM on their behalf and participate thereat, including cast votes by electronic means. 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 [info@jhrasso.co.in](mailto:info@jhrasso.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) not later than 48 hours before the scheduled time of commencement of the AGM. Institutional shareholders 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.

3. The explanatory statement as required under Section 102 of the Act in respect of the business referred to under item no. 4 & 5 is annexed hereto. The Board of Directors of the Company at its meeting held on 12<sup>th</sup> May, 2023 considered that the business under item no. 4 & 5, being unavoidable, be transacted at the 76<sup>th</sup> AGM of the Company.
4. The Shareholders can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Shareholders on 'first come first serve' basis. This will not include large Shareholders (i.e. Shareholders holding 2% or more), Promoters, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Remuneration and Nomination Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.
5. The attendance of the Shareholders attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. The Register of Members and Share Transfer Book will remain closed from Saturday, 22<sup>nd</sup> July, 2023 to Friday, 28<sup>th</sup> July, 2023 (both days inclusive) for the purpose of dividend and AGM.
7. The dividend of ₹0.50 per equity share of ₹1/- each (50%), as recommended by the Board of Directors, if approved at the AGM, would be paid subject to deduction of tax at source, as may be applicable, after 28<sup>th</sup> July, 2023, to those persons:
  - a. Whose names appear as beneficial owners as at the end of business hours on Friday, 21<sup>st</sup> July, 2023 in the list of beneficial owners to be furnished by the National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) in respect of the shares held in electronic form;
  - b. Whose names appear as Members in the register of Members of the Company as at the end of business hours on Friday, 21<sup>st</sup> July, 2023 in respect of the shares held in physical form.

## Notice (Contd.)

8. Pursuant to the Income Tax (IT) Act, 1961, as amended by the Finance Act, 2020, dividend income has become taxable in the hands of the Members with effect from 1<sup>st</sup> April, 2020. Therefore, the Company is required to deduct TDS from the dividend paid to the Members at prescribed rates. Members are requested to update their residential status, PAN, category as per the IT Act with their Depository Participants (DPs) or in case, shares are held in physical form, with the Company/Registrar & Share Transfer Agent (RTA) of the Company viz. Link Intime India Pvt. Ltd on or before 21<sup>st</sup> July, 2023.

SEBI has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the RTA for payment of dividend to Members electronically. As directed by SEBI, the Members holding shares in physical form are requested to submit particulars of their bank account in Form ISR-1 along with the original cancelled cheque bearing the name of the Member to the Company/RTA to update their bank account details. Members may please note that their bank details as furnished by the respective Depositories/RTA to the Company will be considered for remittance of dividend as per the applicable regulations and the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs.

Further, please note that instructions if any, already given by Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.

Members who are unable to receive the dividend directly in their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank mandate, the Company shall dispatch the dividend warrant/ Banker's cheque/ demand draft to such members.

9. In compliance with Section 124(6) of the Act, the shares in respect of which dividend was unclaimed for a period of seven years or more have been transferred in the name of 'Investor Education and Protection Fund' (IEPF) established by the Central Government. Members may claim the said shares and unpaid dividend by making an application to IEPF Authority in Form IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

10. As per the provisions of Investor Education and Protection Fund (Uploading of Information regarding Unpaid and Unclaimed Amounts lying with Companies) Rules, 2014, the Company has placed on its website ([www.kokuyocamlin.com](http://www.kokuyocamlin.com)) the information on dividend which remains unclaimed with the Company for the financial year ended 31<sup>st</sup> March, 2009 and thereafter. The information is also available on the website of the Ministry of Corporate Affairs ([www.mca.gov.in](http://www.mca.gov.in)).
11. Members can avail of the facility of making nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to RTA viz. Link Intime India Private Limited. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
12. As per Regulation 36(3) of the Listing Regulations and Secretarial Standard-2, details in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting forms integral part of the notice.
13. Shareholders, who would like to express their views/ have questions may send their questions in advance at least seven working days prior to the meeting mentioning their name, demat account number/folio number, email id, mobile number at [investorrelations@kokuyocamlin.com](mailto:investorrelations@kokuyocamlin.com). The same will be replied by the Company suitably.
14. Members who would like to register themselves as a speaker at the AGM shall send a request to the Company at [investorrelations@kokuyocamlin.com](mailto:investorrelations@kokuyocamlin.com) from 17<sup>th</sup> July, 2023 to 21<sup>st</sup> July, 2023. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time for the AGM.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Accordingly, members holding shares in electronic form are requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company/ RTA.
16. In compliance with the provisions of Section 108 of the Act and the rules framed thereunder and Regulation 44 of the Listing Regulations, the members are provided with

## Notice (Contd.)

- the facility to cast their votes electronically, through the e-voting services provided by NSDL, on the resolutions set forth in this notice. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the notice of AGM and holding shares as on the cut-off date i.e. 21<sup>st</sup> July, 2023 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Instructions for e-voting are given hereunder. Resolution(s) passed by the members through e-voting is/ are deemed to have been passed as if they have been passed at the AGM.
17. Since the AGM is held through VC/OAVM, the facility for voting through Ballot paper shall not be made available at the AGM.
  18. The Board of Directors of the Company, at its meeting held on 12<sup>th</sup> May, 2023 has appointed Mr. J. H. Ranade, Partner failing which Mr. Sohan J. Ranade, Partner failing which Ms. Tejaswini Jogal, Partner of M/s. JHR & Associates as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner. Upon completion of the scrutiny of the e-voting, the Scrutinizer will submit his report to the Chairman & Non-Executive Director of the Company. The results will be declared on or before 29<sup>th</sup> July, 2023 and communicated to the Stock Exchanges, Depository, RTA and displayed on the Company's website at [www.kokuyocamlin.com](http://www.kokuyocamlin.com).
  19. In compliance with aforesaid MCA and SEBI circulars, the Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice calling AGM and Annual Report 2022-23 are available on the website of the Company at [www.kokuyocamlin.com](http://www.kokuyocamlin.com), on the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of National Securities Depository Limited (NSDL) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com). Company's web-link on the above will also be provided in advertisement being published in newspaper having wide circulation in India (English Language) and local newspaper (Marathi Language).
  20. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.
  21. SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 mandated the listed Companies to issue the securities only in dematerialized form while processing the service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificate / folios, Transmission and Transposition. In view of this, to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Link Intime India Pvt. Ltd., (RTA) for assistance in this regard.
  22. Pursuant to the Circular no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March, 2023, the SEBI mandated the listed Companies to record the PAN, Nomination, KYC details and Bank account details of all the shareholders holding physical securities till 1<sup>st</sup> October, 2023, failing which the account shall be frozen. Members holding shares in physical form are requested to provide their details as mentioned above. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://www.kokuyocamlin.com/updates-forms>.
  23. 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 not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant ('DP') and holdings should be verified from time to time.
  24. 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 RTA in case the shares are held by them in physical form.

## Notice (Contd.)

### THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 25<sup>th</sup> July, 2023, at 09:00 A.M. and ends on Thursday, 27<sup>th</sup> July, 2023 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. 21<sup>st</sup> July, 2023, 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 21<sup>st</sup> July, 2023.

### 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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 <b>e-Voting service provider i.e. NSDL</b> 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 &amp; voting during the meeting.</li> <li>Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

**NSDL Mobile App is available on**



## Notice (Contd.)

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then use your existing my easi username &amp; password.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
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 <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
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 <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**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?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

## Notice (Contd.)

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.nsd.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.nsd.com](http://www.evoting.nsd.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsd.com](http://www.evoting.nsd.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](mailto: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.

## Notice (Contd.)

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 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. 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](http://www.evoting.nsdl.com) to reset the password.

2. 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](http://www.evoting.nsdl.com) or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

#### **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 [investorrelations@kokuyocamlin.com](mailto:investorrelations@kokuyocamlin.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 [investorrelations@kokuyocamlin.com](mailto:investorrelations@kokuyocamlin.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](mailto: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 9<sup>th</sup> December, 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.

## Notice (Contd.)

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

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

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name.

2. You are requested to click on VC/OAVM link placed under Join 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. 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.

#### Regd. Office:

Kokuyo Camlin Limited  
 CIN: L24223MH1946PLC005434  
 48/2, Hilton House,  
 Central Road, M.I.D.C,  
 Andheri (East),  
 Mumbai-400 093  
 Dated: 12<sup>th</sup> May, 2023

#### By Order of the Board

**Dilip D. Dandekar**  
**Chairman &**  
**Non-Executive Director**

# Annexure forming part of the Notice

## Explanatory Statement

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

### Item No.4

The Board of Directors at its meeting held on 12<sup>th</sup> May, 2023, on the recommendation of Remuneration and Nomination Committee, had appointed Mr. Masaharu Inoue as an Additional Non-Executive Director with effect from 12<sup>th</sup> May, 2023, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the Act), read with Article 128 of Articles of Association of the Company. He holds the office upto conclusion of this Annual General Meeting and is eligible to be appointed as Non-Executive Director whose term of office shall be liable to retirement by rotation.

The Company has received a notice in writing under the provisions of Section 160 (1) of the Companies Act, 2013 from a member proposing the candidature of Mr. Masaharu Inoue for the office of Director. The Board considers that his association would be of immense benefit to the Company and it is desirable to avail services of Mr. Masaharu Inoue as a Director.

The details regarding the proposed appointment of Mr. Masaharu Inoue as a Director and his brief resume has been given in the Annexure forming part of this Notice for information to the Members.

Mr. Masaharu Inoue is eligible to be appointed as a Director in terms of Section 164(2) of the Act, A declaration to that effect and a consent to act as a Director subject to appointment by members has been received from him. He has also confirmed that he was not debarred from holding office of Director pursuant to any order of SEBI or such other authority.

None of the Directors/Key Managerial Personnel (KMP) of the Company and their relatives except the appointee is concerned or interested in the resolution. Mr. Inoue is not related to Director or KMP of the Company.

The Directors recommends the ordinary resolution as set out at item no.4 of this Notice for your approval.

### Item No.5

The Board of Directors on the recommendation of Remuneration & Nomination Committee at its meeting held on 6<sup>th</sup> May, 2022, approved the remuneration to Mr. Dilip D. Dandekar, Chairman & Non-Executive Director by way of perquisites in the form of annual subscription towards club membership and provision of Car and Driver with maintenance expenses not exceeding ₹12,00,000/- (Rupees Twelve Lakhs only). The aforesaid remuneration was further approved by the Shareholders at the 75<sup>th</sup> Annual General meeting held on 29<sup>th</sup> June, 2022 by passing a special resolution.

The Company now proposes to pay a remuneration to Mr. Dilip D. Dandekar, Chairman and Non-Executive Director by way of aforesaid perquisites not exceeding ₹14,00,000/- (Rupees Fourteen Lakhs Only) per annum. The above mentioned remuneration shall be in addition to the fees payable to him for attending the meetings of the Board/ Committees thereof or for

any other purpose whatsoever as may be decided/ approved by the Board of Directors (including any Committee thereof) and reimbursement of various expenses incurred in performance of his duties including travelling and other out-of-pocket expenses as required from time to time.

Mr. Dilip D. Dandekar is associated and holds various positions with industry bodies namely, Indian Merchants' Chamber, Federation of Indian Chambers of Commerce & Industry (FICCI), International Chambers of Commerce (ICC) and World Chambers Federation which has benefited the Company from time to time. It is in the interest of the Company to continue to avail his services and guidance.

As per the provisions of Regulation 17(6)(ca) and other applicable provisions, if any, of the Listing Regulations, the approval of Members by special resolution shall be obtained every year, in which the annual remuneration payable to a single Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Directors, giving details of the remuneration thereof.

Since the payment of remuneration to Mr. Dilip D. Dandekar exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Directors, the Company seeks your approval by way of special resolution for the payment of remuneration as mentioned above.

The aforesaid payment of remuneration was approved by the Board of Directors in their meeting held on 12<sup>th</sup> May, 2023 based on the recommendation of the Remuneration and Nomination Committee and subject to the approval of Members.

The information as required under Part II of Section II of Schedule V of the Companies Act, 2013.

## I. GENERAL INFORMATION:

### i. Nature of Industry:

The Company is a Manufacturer of Consumer Products (Art Materials and Stationery).

### ii. Date or expected date of commencement of commercial production:

The Company was incorporated on 24<sup>th</sup> December 1946 as a Private Limited Company and has been operative since then.

### iii. Financial Performance based on given indicators

		(₹ In Lakhs)		
Sr. No.	Particulars	2022-23	2021-22	2020-21
1	Revenue from operations (Net)	77494.32	50847.23	40312.37
2	Profit /(Loss) before tax	3514.48	(472.85)	(1816.29)
3	Profit / (Loss) after tax	2444.73	(472.85)	(1461.84)

## Annexure forming part of the Notice (Contd.)

### iv. Foreign Investments or Collaborations, if any.

During the year, the Company has not entered into any Foreign Collaborations or made any Foreign Investments.

Kokuyo Co. Ltd., Japan, Promoters and also our holding Company hold 7,46,65,950 Equity Shares of the Company constituting 74.44% of the total paid up Share Capital of the Company.

## II. INFORMATION ABOUT MR. DILIP D. DANDEKAR:

### i. Background Details:

Mr. Dilip D. Dandekar (71) G.C.D, is one of the promoter of the Company. He is associated with the Company since 1971 and was later appointed as Whole-time Director in the year 1979 and as Chairman & Managing Director of the Company from 1<sup>st</sup> June, 2002. The Board of Directors in its meeting held on 1<sup>st</sup> February, 2013 appointed Mr. Dilip D. Dandekar as Chairman & Executive Director of the Company. Further, the Board of Directors approved his re-designation as 'Chairman & Non-Executive Director' with effect from 1<sup>st</sup> September, 2021.

### ii. Past Remuneration:

- a) ₹9.01 Lakhs by way of perquisites in the form of Annual subscription towards club membership and Provision of car and Driver with maintenance expenses; and
- b) ₹3.10 Lakhs by way of sitting fees.

### iii. Recognition & Awards:

Not applicable.

### iv. Job Profile and his suitability:

Mr. Dilip D. Dandekar has wide experience of over 52 years in the field of Marketing, Administration and overall Management of the Company. With his long standing experience and knowledge, he has successfully and in a sustained way contributed towards the growth of the Company. Mr. Dilip D. Dandekar is associated and held various positions with industry bodies namely, Indian Merchants' Chamber, FICCI and International Chambers of Commerce (ICC), World Chambers Federation which has benefited the Company from time to time. It is in the interest of the Company to continue to avail his services and guidance.

### v. Remuneration Proposed:

As stated in the Explanatory Statement.

### vi. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

Taking into consideration, the size of the Company, the profile of Mr. Dilip D. Dandekar and the industry

benchmarks, the remuneration proposed to be paid is commensurate with the remuneration paid to Non-Executive Chairman in other Companies.

### vii. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any:

Besides the remuneration proposed, Mr. Dilip D. Dandekar does not have any other pecuniary relationship with the Company and its managerial personnel except that of Ms. Aditi D. Dighe, daughter of Mr. Dilip D. Dandekar, employed with the Company as General Manager (Marketing) and Mr. Rahul D. Dandekar, son of Mr. Dilip D. Dandekar, employed with Company as General Manager, Business Development (Fine Art & Hobby).

## III. OTHER INFORMATION:

### i. Reasons for loss or inadequate profits:

Not applicable as the Company has made a profit before tax of ₹ 3,514.48 Lakhs for the Financial Year 2022-23. However, the minimum remuneration in the event of inadequate profit is being proposed as abundant caution.

### ii. Steps taken or proposed to be taken for improvement:

Not applicable since the Company has adequate profit.

### iii. Expected increase in productivity and profits in measurable terms:

Not applicable since the Company has adequate profit.

## IV. Disclosures:

With regards to remuneration paid to Directors and Managers, please refer the Corporate Governance Report forming part of the Annual Report.

None of the Directors/ Key Managerial Personnel of the Company and their relatives except Mr. Dilip D. Dandekar is concerned or interested in this resolution. The relatives of the said Director may be deemed to be interested to the extent of their shareholding, if any, in the Company.

The Directors recommends the Special Resolution as set out at item no.5 of this Notice for your approval.

## Annexure to the Notice

### Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting

[Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meeting]

Name	Mr. Dilip D. Dandekar	Mr. Masaharu Inoue
Designation	Chairman & Non-Executive Director	Additional Non-Executive Director
Director Identification Number	00846901	10154904
Age	71 years	55 years
Date of first Appointment on the Board	1 <sup>st</sup> January, 1979	12 <sup>th</sup> May, 2023
Expertise in Specific Functional Area	Over 52 years of wide experience in the field of Marketing, Administration and overall Management of the Company	He has a wide experience in the field of sales, planning, M & A, Management etc.
Qualification	G.C.D.	Commerce Graduate from Kwansai Gakuin University
Terms and Conditions of Re-appointment	Liable to retire by rotation	Liable to retire by rotation
Details of remuneration sought to be paid	₹14,00,000 per annum by way of perquisites	Nil
Last drawn remuneration	a) ₹9.01 Lakhs (Perquisites in the form of Annual subscription towards club membership and provision of car and driver with maintenance expenses. b) ₹3.10 lakhs by way of sitting fees.	Nil
Relationship with other Directors and Key Managerial Personnel	Nil	Nil
Directorship in other Companies	8	Nil
Chairman/Member in the Committees of the Boards of other Listed Companies	2 (Member of the Audit Committee and Nomination & Remuneration Committee of Datamatics Global Services Limited)	Nil
No. of Shares held in the Company	2,00,000 Equity Shares	Nil
Number of meetings of the Board attended during the year	5	Not Applicable

# Directors' Report

To,  
The Shareholders of Kokuyo Camlin Limited

Your Directors have pleasure in presenting the 76<sup>th</sup> Annual Report on the business and operations of the Company together with the audited financial statements for the financial year ended 31<sup>st</sup> March, 2023.

## FINANCIAL RESULTS:

Particulars	(₹ In Lakhs)	
	2022-2023	2021-2022
Gross Sales/Income from Business	82579.32	54817.87
Less : Discount on Sales	5085.00	3970.64
Net Sales/Income from Business	77494.32	50847.23
Other Income	207.93	71.21
Total Income	77702.25	50918.44
Profit Before Interest, Depreciation and Tax	5644.74	1721.98
Less : Interest	444.97	425.49
Less : Depreciation	1685.29	1769.34
Profit /(Loss) Before Tax	3514.48	(472.85)
Less : Provision for Tax		
- Current	846.62	-
- Deferred	223.13	-
- Prior Years (Net)	-	-
Profit /(Loss) after Tax	2444.73	(472.85)
Balance carried to Balance Sheet		
Earnings per share (Basic)	2.44	(0.47)
Earnings per share (Diluted)	2.44	(0.47)

## OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

During the year, the Company reported gross sale/ income of ₹82579.32 Lakhs as compared to ₹54817.87 Lakhs for the previous year reflecting a growth of 50.64% over the corresponding period of the previous year. The Company has reported robust performance in FY23. Fuelling this growth is the Company's thriving retail, modern trade and digital channels, impressive distribution network and innovative products. The Company reported a profit after tax of ₹2444.73 Lakhs for FY 2022-23 in comparison with a Loss after tax of ₹472.85 Lakhs for FY 2021-22.

## DIVIDEND:

Considering the excellent performance of the Company during the financial year under review, the Board of Directors of your Company is pleased to recommend the payment of dividend on equity shares at the rate of 50% viz. ₹0.50 per equity share of ₹1/- each, subject to the approval by the Shareholders at the

ensuing Annual General meeting and the payment is subject to deduction of tax at source as may be applicable. The Board has recommended dividend based on the parameters laid down in the Dividend Distribution Policy. The Dividend Distribution policy is available on the website of the Company at <https://www.kokuyocamlin.com/policies>.

The dividend would result in cash outflow of ₹5,01,51,903/-. This payment represents a dividend payout ratio of 20.51%.

## TRANSFER TO RESERVE:

The Board does not propose to transfer any amount to general reserve and has decided to retain the entire amount of profit for the financial year 2022-23 in the profit and loss account.

## MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis forms an integral part of this report and is presented separately. It gives details of the overall industry structure, economic developments,

## Directors' Report (Contd.)

performance and state of affairs of your Company's operations and their adequacy, risk management systems and other material developments during the financial year 2022-2023.

### SHARE CAPITAL:

During the year under review, there was no change in the share capital structure and the paid-up capital of the Company as on 31<sup>st</sup> March, 2023 was ₹1003.04 Lakhs.

### CONSOLIDATED FINANCIALS STATEMENTS:

The Company does not have any subsidiary, associate or joint venture and hence, the Company is not required to prepare Consolidated Financial Statements.

### SUBSIDIARIES:

At present, the Company does not have any subsidiary. No new subsidiary was incorporated or acquired by the Company during the year under review. Since the Company does not have any subsidiary, associate or joint venture, Form AOC-1 pursuant to the provisions of Section 129(3) of Companies Act, 2013 (the Act) is not applicable to your Company.

### DEPOSITS:

During the year under review, your Company has not accepted any deposits. There are no unclaimed deposits as on date. The Company has filed with the Registrar of Companies (ROC) the requisite returns for outstanding receipt of money / loan by the Company, which is not considered as deposits.

### MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There are no material changes affecting the financial position of the Company subsequent to the close of the FY 2022-23 till the date of this report. There is no change in the nature of the business of the Company.

### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The Company has not granted any Loans, Guarantees or Investments during the financial year ended 31<sup>st</sup> March, 2023.

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure – A".

### RELATED PARTY TRANSACTIONS:

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their review/approval on a quarterly basis. All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, and Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of related party transactions as required under Section 134 (3) (h) of the Act in Form AOC-2 is not applicable to your Company.

The details of transaction with related parties are provided in the accompanying financial statements. The policy on related party transactions as approved by the Board is uploaded on the Company's website at <https://www.kokuyocamlin.com/policies>.

### CORPORATE GOVERNANCE REPORT:

Corporate Governance is all about ethical conduct, integrity and accountability. Good Corporate Governance involves a commitment of the Company to run the business in a legal, ethical and transparent manner and runs from the top and permeates throughout the Organisation. It is a key element improving the economic efficiency of Organisation. As per Listing Regulations, a separate section on Corporate Governance forms part of this report. A Certificate from M/s. JHR & Associates, Secretarial Auditor confirming compliance of Corporate Governance forms part of this Report. Certificate of the CEO and CFO, confirming the correctness of the financial statements, compliance with the Company's Code of Conduct and the Audit Committee in terms of Regulation 17 of the Listing Regulations is attached in the Corporate Governance report and forms part of this report.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL:

#### Re-appointment of Director retiring by Rotation

In terms of the provisions of the Act, Mr. Dilip D. Dandekar, Director of the Company, retires by rotation at the ensuing Annual General meeting and being eligible, offers himself for re-appointment. You are requested to appoint him. The profile of Mr. Dilip D. Dandekar, seeking re-appointment forms part of the Notice.

## Directors' Report (Contd.)

### Appointment / Re-appointment of Directors

Ms. Nandini Chopra was re-appointed as Non-Executive Independent Director by the Board of Directors at its meeting held on 6<sup>th</sup> May, 2022 for a second term of five consecutive years with effect from 3<sup>rd</sup> August, 2022 to 2<sup>nd</sup> August, 2027. The Board considered that her continued association would be of immense benefit to the Company and it was desirable to continue to avail her services as an Independent Director. The said re-appointment was approved by the Members by passing a special resolution at the 75<sup>th</sup> Annual General meeting held on 29<sup>th</sup> June, 2022.

The Board of Directors at its meeting held on 31<sup>st</sup> January, 2023 approved the re-appointment of Mr. Shriram S. Dandekar as 'Vice-Chairman & Executive Director', whose term expired on 31<sup>st</sup> January 2023, for the further period of one (1) year with effect from 1<sup>st</sup> February, 2023 subject to approval of Members. The said appointment was also approved by the Members by passing special resolution through Postal Ballot on 30<sup>th</sup> March, 2023.

Further, Mr. Masaharu Inoue was appointed as Additional Non-Executive Director by the Board at its meeting held on 12<sup>th</sup> May, 2023 to hold the office upto the conclusion of ensuing Annual General Meeting. His proposed appointment as Non-Executive Director forms part of the Notice of the ensuing Annual General Meeting for approval of Members. You are requested to appoint him.

### Cessation

During the year, Mr. Nobuchika Doi, Non-Executive Director and Mr. Yasuyuki Kanebako, Non-Executive Independent Director, resigned with effect from 1<sup>st</sup> January, 2023. The Board placed on record its sincere appreciation for the valuable services rendered by them during their tenure with the Company. Further, the disclosure of detailed reasons for resignation of Mr. Yasuyuki Kanebako, Non-Executive Independent director along with his confirmation that there was no material reasons, other than those provided by him was submitted to the Stock Exchanges.

Further, Mr. Koji Higashiguchi has resigned as Non-Executive Director with effect from close of business hours on 12<sup>th</sup> May, 2023. The Board appreciated the contribution made by Mr. Higashiguchi.

### Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with rules framed thereunder:

1. Mr. Satish Veerappa – Manager designated as Chief Executive Officer
2. Mr. Chetan Badal – Chief Financial Officer
3. Ms. Hinal Chheda – Company Secretary & Compliance Officer (up to 12<sup>th</sup> May, 2023)

The disclosure required under Section 197(12) of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as "Annexure – B" forming an integral part of this report.

### MEETINGS OF BOARD:

During the financial year 2022-23, five Board meetings were held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Act.

### COMMITTEES OF THE BOARD:

As on 31<sup>st</sup> March, 2023, the Board had five committees: Audit committee, Corporate Social Responsibility committee, Remuneration and Nomination committee, Stakeholders Relationship committee and Risk Management Committee. During the year, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report.

### FAMILIARISATION PROGRAM FOR THE INDEPENDENT DIRECTORS:

In compliance with the requirements of Listing Regulations, the Company has put in place a familiarization program for the Independent Directors to familiarise them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The details of the familiarization program are explained in the Corporate Governance Report.

The same is also available on the website of the Company and can be accessed by web link <https://www.kokuyocamlin.com/policies>.

### PERFORMANCE EVALUATION OF THE BOARD:

Pursuant to applicable provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, its Committees and individual Directors. Feedback from Directors was sought by way of structured questionnaire covering various aspects of the

## Directors' Report (Contd.)

Board's functioning viz. Board composition, Board procedure, strategy, flow of information etc. and performance of Directors including but not limited to knowledge, skills, contribution to the discussions, Independence etc. All the Directors submitted their responses. Further, the Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed the performance evaluation of the Non-Independent Directors and the Board as a whole.

### DECLARATION OF INDEPENDENCE:

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the applicable provisions of the Act as well as Listing Regulations. In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company.

The Independent Directors of the Company have registered themselves with the data bank maintained by Indian Institute of Corporate Affairs (IICA).

### REMUNERATION POLICY:

The Board has, on the recommendation of the Remuneration and Nomination Committee framed a policy for selection, appointment and remuneration of Directors and KMPs. The Remuneration Policy is stated in the Corporate Governance Report and is also available on the website of the Company at <https://www.kokuyocamlin.com/policies>.

### DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(3)(c) of the Act, your Directors to the best of their knowledge and belief and according to the information and explanations obtained by them, hereby confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31<sup>st</sup> March, 2023 and of the profit of the Company for the year ended on that date.
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in

accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the Directors had prepared the annual accounts on a going concern basis;
- e) the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to Section 135(1) of the Act, the Company has constituted Corporate Social Responsibility (CSR) Committee. The Composition of the CSR Committee is disclosed separately in the Corporate Governance report forming part of this Annual Report. The Company has in place, the CSR policy which outlines Company's philosophy towards Company's CSR program implementation. The CSR policy is available on the Company's website <https://www.kokuyocamlin.com/policies>. However, during the year under review, the Company was not required to spend on CSR activities as prescribed under Section 135(5) of the Act due to losses in two out of three previous financial years. An annual report on CSR containing details as required under rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as "Annexure – C" and forms part of this report.

### AUDITORS & AUDITORS REPORT:

#### STATUTORY AUDITORS:

Pursuant to the provisions of Section 139(2) of the Act read with Companies (Audit and Auditors) Rules, 2014, M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W100022) were appointed as the Statutory Auditors of the Company for a second term of five consecutive years to hold office from the conclusion of 75<sup>th</sup> Annual General meeting held on 29<sup>th</sup> June, 2022 till the conclusion of 80<sup>th</sup> Annual General meeting of the Company.

#### AUDITORS REPORT:

The observation of the Auditors in their report read with relevant notes to the accounts are self-explanatory and therefore do not require further explanations. The Auditors Report to the Members on the financial statements of the Company for the year ended 31<sup>st</sup> March, 2023 does not contain any qualifications, reservations or adverse remarks. There have been no instances

## Directors' Report (Contd.)

of fraud reported by the Statutory Auditors under Section 143 (12) of the Act and the Rules framed thereunder either to the Company or to the Central Government.

### SECRETARIAL AUDIT:

M/s. JHR & Associates, a firm of Company Secretaries were appointed as Secretarial Auditor for the financial year 2022-23 pursuant to Section 204 of the Act. The Secretarial Audit Report submitted by them in the prescribed form MR-3 is attached as "Annexure – D" and forms part of this report.

There are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in the Secretarial Audit/Compliance Report issued by them for the financial year 2022-23.

### RECONCILIATION OF SHARE CAPITAL AUDIT:

As directed by the Securities and Exchange Board of India (SEBI), Reconciliation of Share Capital Audit has been carried out at the specified period, by a Practising Company Secretary.

### ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Act re-emphasizes the need for an effective Internal Financial Control System (IFC) in the Company which should be adequate and shall operate effectively. To ensure effective Internal Financial Controls, the Company has its own process driven framework for the year ended 31<sup>st</sup> March, 2023.

The Board is of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations, wherein controls are in place and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the existing controls and identify gaps, if any, and implement new and /or improved controls wherever the effect of such gaps would have a material effect on the Company's operation.

### INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

The Company was not required to transfer any amount to the Investor Education and Protection Fund established by the Central Government (IEPF) during the financial year 2022-23.

### TRANSFER OF SHARES TO IEPF:

The Company has not transferred any shares to IEPF during the financial year 2022-23. Details of shares transferred prior to the financial year 2022-23 have been uploaded on the website of IEPF as well as the Company.

### DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company is an equal opportunity employer and consciously strives to build a work culture that promotes dignity of all employees. As required under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has implemented a policy on prevention, prohibition and redressal of sexual harassment at the workplace. All women, permanent, temporary or contractual including those of service providers are covered under the policy. An Internal Committee comprising management staff has been set up at office and factory locations, which includes three women to redress complaints relating to sexual harassment. The Committee also includes an outside woman representative from an NGO. No case reported during the financial year 2022-23.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant or material orders passed by any regulator, tribunal or court that would impact the going concern status of the Company and its future operations.

### CODE OF ETHICS AND VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has adopted code of ethics and business conduct which lays down principles and standards that should govern the actions of the Company and employees. The Company has a vigil mechanism called "Whistle Blower Policy" with a view to provide a mechanism for employees of the Company to raise concerns of any violations of any legal or regulatory requirement, incorrect or misrepresentation of any financial statements and reports etc. The Company is committed to adhere to the highest standard of ethical, moral and legal conduct of business operations.

The Company has taken steps to establish Vigil Mechanism for Directors and Employees of the Company. The details of the Policy are posted on the website of the Company at <https://www.kokuyocamlin.com/policies>

### PREVENTION OF INSIDER TRADING:

The Company has also adopted a code of conduct for prevention of insider trading. All the Directors, Senior Management employees and other employees who have access to the unpublished price sensitive information of the Company are governed by this code. During the year under review, there has been due compliance with the said code of conduct for prevention of insider trading based on the SEBI (Prohibition of Insider Trading) Regulations, 2015.

## Directors' Report (Contd.)

### INSURANCE:

The Company's plant, property, equipments and stocks are adequately insured against major risks. The Company also has appropriate liability insurance covers particularly for product liability. The Company has also taken Directors' and Officers' Liability Policy to provide coverage against the liabilities arising on them.

### RISK MANAGEMENT

We operate in a dynamic business scenario that gives rise to external and internal risk factors. We have in place an integrated risk management approach called the ERM framework for risk identification, assessment and reporting.

Your Company has constituted a Risk Management committee of the Board with delegated responsibilities in relation to risk management processes within the Company. The said committee is responsible for formulating a detailed risk management policy and its implementation, putting in place a system for monitoring and evaluation of associated risks etc. As required by the Risk Management policy, the Company initiates risk identification and control testing exercise to provide briefing and reporting to the Board through Risk Management Committee.

The Risk Management policy is implemented by various department heads who take the risk ownership and monitor the risks on a periodical basis. The ERM Framework enables achievement of strategic objectives by identifying, analysing, assessing, mitigating, monitoring and governing any risk or potential threat to these company objectives. Systematic and proactive identification of risks and mitigation thereof enables effective and quick decision making and boosts the performance of the organisation. The ERM framework acts as a decision enabler which not only seeks to minimise the impact of risks but also enables effective resource allocation based on risk ranking and risk appetite. Strategic decisions are being taken after careful consideration of risks.

There are no risks which in the opinion of the Board threatens the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis Report which forms part of this Annual Report.

### DISCLOSURE ON CONFIRMATION ON THE SECRETARIAL STANDARDS:

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India have been duly complied with.

### ANNUAL RETURN:

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, a copy of the annual return is placed on the website of the Company and can be accessed at <https://www.kokuyocamlin.com/policies>

### PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197(12) of Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the registered office of the Company during the business hours on working days of the Company upto the date of ensuing Annual General meeting. If Members are interested in obtaining a copy thereof, such member may write to company in this regard at [investorrelations@kokuyocamlin.com](mailto:investorrelations@kokuyocamlin.com).

### BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

Pursuant to regulation 34(2)(f) and other applicable provisions of the Listing Regulations, separate section on the Business Responsibility & Sustainability Report forms part of this report. Your Company was not falling under top 1000 listed entities based on the market capitalization as on 31<sup>st</sup> March, 2022.

### ACKNOWLEDGEMENT:

Your Directors express their gratitude to the members, bankers, customers, financial institutions and other business constituents for their continued faith, assistance and support extended to the Company. Your Directors also sincerely appreciate the high degree of professionalism, commitment and dedication displayed by employees at all levels thereby contributing largely to the growth and success of the Company.

Your Directors also wish to place on record their appreciation for the support and guidance provided by its parent Company Kokuyo Co., Ltd. Japan.

For & on behalf of the Board

Place: Mumbai  
Dated: 12<sup>th</sup> May, 2023

**Dilip D. Dandekar**  
Chairman & Non-Executive Director

## Annexure 'A' to the Board's Report

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014]

#### A) CONSERVATION OF ENERGY

##### (a) Steps taken on conservation of energy and for utilizing alternate sources of energy:

- Installed and commissioned 564 KWp Solar Power Plant at Patalganga plant which contributes to 25% of our power consumption.
- 500 KWp solar plant capacity is installed at Tarapur factory.
- Use of Solar Energy for process water heating.
- Diesel consumption of power generator is reduced due to starting of express feeder power line at Patalganga plant.
- In all factories, we are not discharging treated effluents from ETP but it is recycled and reused, resulting in saving of 20% of water. Also use of stored rain water for gardening is reducing water consumption. We have 65000 LTR Rain water storage pond at Patalganga.
- Installed Turbo ventilator on Roofs operated on wind to reduce heat and also improve shop floor ventilation.
- Usage of natural lights in manufacturing area to reduce power consumption and use of LED lights across all factory locations.
- Use of electric injection moulding machines in place of hydraulic machines which has reduced substantial energy consumption.

##### (b) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy:

We propose to install 500 KWp solar plant at Patalganga factory & 395 KWp solar plant at Tarapur factory.

##### (c) Impact of the above matters:

As a results of measures taken/to be taken in (a) and (b) enumerated above, there is a reduction in unit consumption which has helped in reducing the cost of production.

#### B) TECHNOLOGY ABSORPTION:

##### Research and Development (R & D):

1.	Specific areas in which R & D Carried out by the Company	: New product development, process development.
2.	Benefits derived as a Result of the above R & D	: Cost reduction, Quality up gradation, development of new markets
3.	Future plan of action	: Future plan of action envisages acceleration in the process of development already set in motion and undertaking further process development work for achieving cost reduction, and improvement in quality.

		(₹ in Lakhs)	
4.	Expenditure on R&D	2022-2023	2021-2022
a)	Capital	-	-
b)	Recurring	490.21	516.86
	Total	<b>490.21</b>	<b>516.86</b>
	Total R&D Expenditure as a Percentage of total turnover	0.63	1.00

## Annexure 'A' to the Board's Report (Contd.)

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:**

1.	Efforts made towards Technology Absorption, Adaptation and Innovation	:	The Company's R&D Laboratory is recognized by the Department of Scientific and Industrial Research, Govt. of India, where continuous efforts are made to innovate new products and improve the quality of Art Material, Stationery and Adhesive products, manufactured / procured by the Company to make the manufacturing process safe, cost effective and environment friendly.
2.	Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	:	Technological innovations and improvements undertaken at the laboratory scale have been successfully absorbed at plant level. These efforts shall benefit the Company in increasing sales, reducing cost, improving quality and scale of the production and customer satisfaction.
3.	Technology Import	:	N.A

**C) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:**

(a) Major countries of export are SAARC, Middle East, Far East and Japan.

(b) **Total Foreign Exchange used and earned:**

	(₹ in Lakhs)	
	<b>2022-2023</b>	<b>2021-2022</b>
Foreign exchange used	6443.88	3878.31
Foreign exchange earned	2591.97	1594.52

**For & on behalf of the Board**

**Dilip D. Dandekar**  
Chairman & Non-Executive Director

Place: Mumbai

Dated: 12<sup>th</sup> May, 2023

## Annexure 'B' to the Board's Report

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

1. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name of the Director	Designation	Ratio to median remuneration
Mr. Dilip D. Dandekar	Chairman & Non-Executive Director	2.96
Mr. Shriram S. Dandekar	Vice-Chairman and Executive Director	44.27

- The median remuneration of employees of the Company was ₹304512/-.
- Sitting Fees paid to the Directors have not been considered as remuneration.

2. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the financial year:

Name of the Director/KMP	Designation	% increase in remuneration
Mr. Dilip D. Dandekar	Chairman and Non-Executive Director	N.A.
Mr. Shriram S. Dandekar	Vice Chairman and Executive Director	0
Mr. Satish Veerappa	Chief Executive Officer	4.86%
Mr. Chetan Badal	Chief Financial Officer	15.94%
Ms. Hinal Chheda	Company Secretary & Compliance Officer	73.97%

The above increase is on the basis of actual remuneration paid for both the years.

3. The percentage increase in the median remuneration of employees in the financial year: 8.68%
4. The number of permanent employees on the rolls of company: 1095
5. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average increase in remuneration is 10.03% for Employees other than Managerial Personnel and 10.52% for Managerial Personnel.

6. Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company affirms remuneration is as per the remuneration policy of the Company.

For & on behalf of the Board

**Dilip D. Dandekar**  
Chairman & Non-Executive Director

Place: Mumbai  
Dated: 12<sup>th</sup> May, 2023

# Annexure ‘C’ to the Board’s Report

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

### 1. Brief outline on CSR Policy of the Company.

The Company proposes to undertake the relevant activities on priority basis in the following focused areas:

- Promoting health care including preventive health care and sanitation including undertaking of activities related to the Government’s Swachh Bharat Abhiyaan program & contribution to the Swachh Bharat Kosh set-up by the Central Government for promotion of sanitation and making available safe drinking water.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled, and livelihood enhancement projects;
- Contribution to the Prime Minister’s National Relief Fund or any other Fund set up by the Central Government for socioeconomic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

### 2. Composition of CSR Committee during FY 2022-23

Sr. No.	Name	Position
1	Ms. Nandini Chopra	Chairperson
2	Mr. Shriram Dandekar	Member
3	Mr. Yasuyuki Kanebako (upto 01-01-2023)	Member
4	Mr. Koji Higashiguchi (w.e.f. 01-01-2023)	Member

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <https://www.kokuyocamlin.com/>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable
- Average net profit of the Company as per section 135(5): Nil. There was a Loss in two out of three preceding financial years.
- Two percent of average net profit of the Company as per section 135(5): Not Applicable
  - Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable
  - Amount required to be set off for the financial year, if any: Not Applicable
  - Total CSR obligation for the financial year (7a+7b-7c): Not Applicable
- CSR amount spent or unspent for the financial year: Not Applicable
  - Details of CSR amount spend against ongoing projects for the financial year: Not Applicable
  - Details of CSR amount spent against other than ongoing projects for the financial year: Not Applicable

## Annexure 'C' to the Board's Report (Contd.)

- (d) **Amount spent in Administrative Overheads:** Not Applicable
  - (e) **Amount spent on Impact Assessment, if applicable:** Not Applicable
  - (f) **Total amount spent for the Financial Year (8b+8c+8d+8e):** Not Applicable
  - (g) **Excess amount for set off, if any:** Not Applicable
9. (a) **Details of Unspent CSR amount for the preceding three financial years:** Not Applicable
- (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not applicable
10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** Not Applicable
11. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5):**  
Not Applicable.

**Satish Veerappa**  
Chief Executive Officer

**Nandini Chopra**  
Chairperson- CSR Committee

Place: Mumbai  
Dated: 12<sup>th</sup> May, 2023

## Annexure 'D' to the Board's Report

### Form No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

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

The Members,  
Kokuyo Camlin Limited  
Hilton House, Central Road  
MIDC, Andheri (East),  
Mumbai- 400 093

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kokuyo Camlin 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 authorised representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2023, 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 31<sup>st</sup> March, 2023, 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, the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings.
- 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 **(Not applicable to the Company during audit period);**
- d. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not applicable to the Company during audit period);**
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during audit period);**
- 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 **(Not applicable to the Company during the audit period);**
- g. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during audit period);**
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable to the Company during audit period) ;**
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

There are no laws which specifically apply to the type of activities undertaken by the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited.

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

## Annexure 'D' to the Board's Report (Contd.)

We further report that: -

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

Adequate notice of at least 7 days was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally 7 days in advance. The Company has system in place for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that there are adequate systems and processes in the Company which 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, consent of the members by postal ballot were accorded as below :-

1. 15<sup>th</sup> September, 2022 - for increase in remuneration payable to Related Party, Mr. Rahul D. Dandekar, General Manager – Business Development (Fine Art & Hobby) holding Office or place of profit.
2. 30<sup>th</sup> March, 2023 - for Re-appointment of Mr. Shriram S. Dandekar (DIN: 01056318) as a Director in whole-time employment designated as 'Vice-Chairman & Executive Director' for a period of one (1) year effective from 1<sup>st</sup> February, 2023 to 31<sup>st</sup> January, 2024 and remuneration payable to him.

Place: Thane  
Date: 12<sup>th</sup> May, 2023

For JHR & Associates  
Company Secretaries

J.H.Ranade  
Partner  
FCS- 4317, CP- 2520  
UDIN: F004317E000295806

The Members,  
Kokuyo Camlin Limited  
Hilton House, Central Road  
MIDC, Andheri (East),  
Mumbai- 400 093

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

Place: Thane  
Date: 12<sup>th</sup> May, 2023

For JHR & Associates  
Company Secretaries

J.H.Ranade  
Partner  
FCS- 4317, CP- 2520

# Management Discussion and Analysis

## Global Economic Scenario

Global economic activity in 2022 was significantly influenced by several factors, including the worldwide struggle against inflation, Russia's war in Ukraine and a revival of COVID-19 in China. Although there was an increase of 3.4% in global GDP in 2022, it was lower than the 5.9% GDP growth witnessed in 2021. Inflation posed a considerable challenge; Advanced economies saw one of their highest inflation rates since 1982 while emerging markets and developing economies confronted the greatest inflation they have seen since 1999. Moreover, core inflation due to energy prices, supply chain difficulties, and tight labour markets increased the overall pressure on prices.

Central banks globally raised policy interest rates to curb inflation. This had the desired effect of decreasing demand, resulting in a contraction of GDP in Q2 2022. Tight financial conditions compounded by decreased liquidity around the world gave rise to a sharp appreciation of the US dollar. The outbreak of COVID-19 as well as the mobility limitations it caused in China and the Russia-Ukraine crisis, induced considerable uncertainty and instability, thus affecting global economic growth. China's zero-COVID policy was instrumental in curbing local demand, as well as spilling over onto international markets – delaying worldwide supply chain unclogging and inflating supply pressure and prices globally.

Economic growth rebounded in second half with lower commodity prices, strong labour markets, robust household consumption and business investment, supported by a rebound in global activity from China's re-opening in November 2022.

## Outlook

Inflation trends, central bank actions, and Russia's war in Ukraine will shape the world's economic growth in 2023. After a significant rise in 2021 and 2022, headline inflation in most countries is slowing due to falling energy and food prices, but core inflation is yet to peak.

Global inflation is forecasted to decrease from 8.8% in 2022 to 6.6% in 2023 and 4.3% in 2024, but interest rates will likely remain high for a longer time due to continued inflationary pressures. Global GDP growth is expected to be 2.9% in 2023 and 3.1% in 2024, led by China and other developing economies, with a possible respite in the second half of the year due to moderating inflation and China's re-opening.

However, advanced economies such as the US and Eurozone are projected to have a significant slowdown and brief recessions.

## Indian Economy

The Indian economy is projected to grow at 7% in the financial year 2022-23 despite rising inflation and supply shocks. It is because the government took prominent efforts to manage the supply and demand, to ease the challenging situation. The

government planned to boost the economy by investing in infrastructure and kickstarting private investment. The recovery of private investment is crucial for a full-demand retrieval.

India's consumer and business confidence is likely to continue in 2023, with a revival in the manufacturing and services sectors. In March 2023, the Manufacturing PMI was 46.3, and the Services PMI was 51.2. The services sector, which was most affected by the pandemic, is showing a recovery. Additionally, multinational companies' efforts to decrease reliance on China through the "China plus one" approach are expected to benefit India's manufacturing sector.

The Indian Government aims to make the country 'Atmanirbhar' and has announced several incentives and policies to achieve this goal. The Indian government introduced the Emergency Credit Line Guarantee Scheme to boost credit growth during COVID-19, which was extended till March 2023. The scheme has guaranteed a cover of ₹ 5 Lakh Crore. To reduce India's import dependence, the government launched the Production Linked Incentive Scheme with ₹ 8,083 crores earmarked in Budget 2023-24.

## Outlook

India's economy has remained resilient in the face of global challenges, and it is well poised to outpace all major economies and secure the top spot for the fastest-growing major economy in the world. The latest economic survey predicts GDP growth rate of 6.5% in 2023-24, building on an already impressive growth trajectory of the country.

## Stationery Industry Overview

The stationery industry worldwide has been greatly influenced by various factors such as the pandemic and digitalisation, leading to a significant impact on the demand for stationery products over the years. The steady rise in demand for stationery products in India presents a unique opportunity for businesses to invest in growth of India's stationery market. With a focus on innovation and quality, the Indian stationery industry is well-positioned to meet the evolving needs of customers and drive sustained growth.

## Uncovering New Opportunities in Challenging Times

The pandemic disrupted the way many businesses operated, including the stationery industry. With schools and offices shut for an extended period, many organisations opted for work from home arrangements, leading to a decline in the consumption of school and office stationery products. This trend had an adverse impact on the industry, making it challenging for businesses to maintain their revenue streams.

## Management Discussion and Analysis (Contd.)

Despite the challenges, certain categories within the industry have shown promising growth. For instance, the fine arts category saw a surge in demand, as people found more time for recreational activities at home. Additionally, markers and certain office products experienced increased usage in logistics and hospital labs, which witnessed growth during the pandemic.

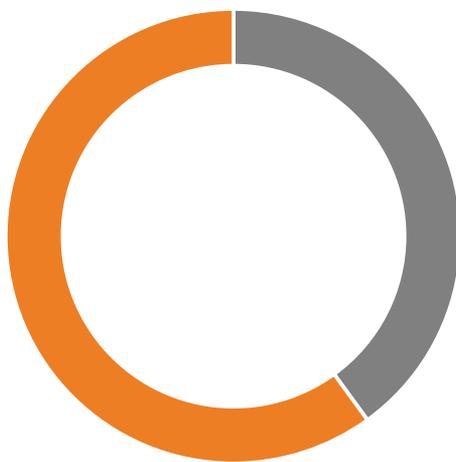
As the world gradually returned to normalcy by the end of 2021, there has been a resurgence in the school stationery category, which has remained strong throughout the year. On the other hand, the non-school stationery categories have seen some correction and are now in a steady growth phase.

The stationery industry has demonstrated remarkable resilience in adapting to the challenges posed by the pandemic. The industry is now well-positioned to capitalise on new opportunities, such as embracing the digital world, innovating new products that cater to customer preferences, and promoting sustainable practices to foster growth and evolution in the years ahead.

### Categorising the Industry

The stationery market is composed of two main categories: paper and non-paper stationery products. Paper stationery products are further divided into those intended for office use and those for non-office use. Meanwhile, non-paper stationery items include a wide range of products such as writing instruments, office supplies, colours, other adhesives, and technical instruments.

### Stationery Industry Size



■ Non-paper industry ■ Paper industry

(₹ Crore)

Paper Industry	Non-paper Industry
21,000*	17,500**

\* Out of ₹ 21,000 Crores, Kokuyo Camlin Partakes in ₹ 11,500 Crores of the market

\*\*Out of ₹ 17,500 Crores, Kokuyo Camlin Partakes in ₹ 6,100 Crores of the market

The industry overall has experienced significant growth. Specifically, the paper industry has seen a growth of around 8%, while the non-paper industry has grown by approximately 7.6%. This growth is indicative of a strong market for stationary products and reflects a positive trend for the industry. As a result, companies operating in this space have an opportunity to capitalise on this growth and continue to innovate to meet the evolving needs of their customers.

### Outlook

The stationary industry in India is set to witness impressive growth in the coming years. With the increasing literacy rate and the implementation of government initiatives such as Sarva Shiksha Abhiyan and National Policies on Education, the demand for stationery products is expected to rise significantly. Moreover, the growing number of schools and offices in the rapidly burgeoning economy is also set to contribute to this growth.

The market is also expected to see a surge in demand for premium products and product personalisation, as customers increasingly look for unique and high-quality stationery items. This is expected to further boost revenues for stationery industry.

### Emerging Trends in Stationery Industry

The stationery industry has been undergoing significant changes in recent years due to emerging trends such as:

**Urbanisation** – People in India have started to move from rural areas to urban areas, spiking the demand for stationery products such as office supplies, school materials, and other writing instruments in urban spaces. Hectic urban lifestyles and tiresome commutes have also led to changes in consumers’ buying behaviour, with more preferring to shop online rather than going to physical stores.

**Young Population** - India has a reputation for having a sizable population and has a continuously expanding younger demographic. Over 50% of India’s populace is aged 25 or below. This demographic is highly aspirational and has a strong desire for self-expression and creativity. The younger population are increasingly using stationery and art materials to pursue their interests and hobbies, such as drawing, painting, and calligraphy.

## Management Discussion and Analysis (Contd.)

**Digitalisation** – Due to the pandemic, the growth rate in offline sales of stationery products had witnessed a gradual declining trend. As the populace sat back in its home, most of the economies took a step towards accelerating the pace of innovation and adapting to digitalisation.

**Growing Literacy Rate** – India’s increasing population is paralleled by a rising curve of literacy rates, which currently stand at 77.70%. The Right to Education is a fundamental right in India, and the government has implemented several initiatives to improve the country’s education system. The country has also taken a massive step in increasing the number of schools. Additionally, Indian citizens are increasingly pursuing higher education, leading to growth in the stationery industry. The rising literacy rates have created a growing demand for stationery products, including pens, pencils, notebooks, and other writing instruments, presenting opportunities for the industry to cater to a large and expanding market.

**Competitor Ecosystem** - Companies have started to collaborate and work together, recognising that they can achieve more by doing so. This shift towards a more interconnected approach is driven by increasing complexity, changing customer expectations, and globalisation. The competitor ecosystem reflects a broader shift towards collaboration and interconnectedness, creating greater value for customers and stakeholders.

### Business Overview

#### About Kokuyo Camlin Limited

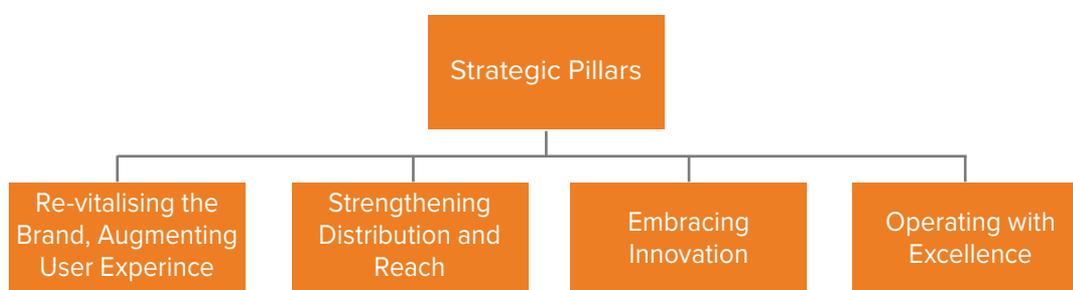
We are a well-established Indian multinational Company that specialises in the production and marketing of stationery and

art products. We manufacture products in India and have established ourselves as a leader in the domestic stationery industry. In addition to catering to the local market, we also export our goods to other countries.

Our success is built on our widely recognised and trusted brand names ‘Camel’ and ‘Camlin’, which have captured the attention and loyalty of households and children across the nation over several decades. In our recent brand campaign, ‘We are Changing’, we have emphasised making our brands distinctive as ‘Camel’ is ‘All things art’ and ‘Camlin’ is ‘All things stationery’. We are on a journey of creating India’s largest art community by providing a platform for artists to showcase their creativity through our website. We also offer a diverse range of innovative and creative products, ranging from colour pencils to unique notepads, which have been consumer favourites for years.

We operate three manufacturing facilities in Patalganga, Tarapur, and Jammu, with its Patalganga facility being the largest in volume and producing over 324 SKUs annually. Our attention is directed towards the reassessment of business opportunities, allocation of resources to develop capabilities, expanding our social media presence, increasing customer satisfaction by gathering consumer insights, and optimising distribution management. These endeavours have resulted in increased efficiency and a deeper comprehension of our consumer which has facilitated our progression towards profitability and sustainability.

#### Company’s Strategic Priorities



*(For more details, please refer to page numbers 8-11 of the report.)*

## Management Discussion and Analysis (Contd.)

### Financial Commentary

We have reported robust performance in 2022-23. Fuelling this growth, is our thriving retail and digital channels, impressive distribution network and innovative products.

Instruments	(₹ in Lakhs)		
	2022-23	2021-22	Change (%)
Revenue from Operations	77,494.32	50,847.23	52.41%
Other Income	207.93	71.21	192.00%
Cost of Material	31,959.17	19,937.45	60.30%
Purchase of stock-in-trade	18656.41	10787.65	72.94%
Changes in inventories of finished goods work-in-progress and stock-in-trade	(1792.30)	521.60	-443.62%
Employee Benefit Expenses	8,895.71	8,012.06	11.03%
Other Expenses	14,338.52	9,937.70	44.28%
EBITDA	4,574.99	1,721.98	165.68%
Finance Cost	444.97	425.49	4.58%
Depreciation and Amortisation Expenses	1,685.29	1,769.34	-4.75%
Tax expense			
(a) Current tax	846.62	-	-
(b) Deferred tax	223.13	-	-
PAT	2,444.73	(472.85)	-617.02%

### Key Financial Ratios

Particulars	(₹ in Lakhs)	
	2022-23	2021-22
Debtors Turnover Ratio	11.66	9.20
Inventory Turnover Ratio	3.41	2.46
Current Ratio	1.58	1.56
Debt to Equity Ratio	0.21	0.29
Operating Profit Margin (%)	5.90	3.39
Revenue Growth (%)	52.41	26.13
Return on Net Worth	9.74	-1.96

### SCOT Analysis

#### Strengths

- Strong financials with growth in revenue and EBITDA
- Exceptional user experience
- Robust distribution model that enables extensive reach in the retail market
- Strong brand equity and products known for quality and design
- Agility and innovation in products and packaging

#### Challenges

- The age of digitalisation is tampering the stationery market with more people being dependent on technology
- Price sensitivity plays a major role as consumers are always looking for best deals, discounts and competitive pricing.

- The advent of e-commerce has made the market more price competitive.
- Increase in cost of raw materials might affect the profitability of the Company.

#### Opportunities

- Growing demand for education in India
- Rising prominence of e-commerce as a channel
- Expansion into new markets outside India, especially in Southeast Asia and Africa where there is growing demand for quality stationery and art materials

#### Threats

- The emergence of devices like mobile phones, laptops, tabs, digital pads etc.

## Management Discussion and Analysis (Contd.)

### Risk Management

Key Risk	Risk Description	Mitigation measures
<b>Market Risk</b>	Digitalisation has changed the way businesses operate, but it has also introduced new risks such as market risk. As consumers become more comfortable with digital channels, demand for traditional channels could decline.	As part of our efforts to keep up with the ever-evolving digital landscape, we are expanding our presence across various digital platforms and revitalising our brand to make it future-ready. To achieve this, we recently revamped our website, providing an enhanced user experience for our customers. With this, we have been able to offer personalised services online while continuing to serve customers offline.
<b>Raw Material Risk</b>	The impact of global economic problems, such as inflation, and geopolitical tensions have caused a surge in raw material prices, leading to supply chain disruptions and a shortage of raw materials. Consequently, the cost of essential goods has increased, which may result in higher expenses for companies and a rise in production costs of finished products.	We are keeping a close eye on price changes and managing our inventory carefully in response to changes in the market and potential risks. We have an efficient system for managing our inventory, which helps us keep our production optimised. Furthermore, the Company's Research and Development (R&D) division consistently undertakes import substitution projects with the aim of minimizing the reliance on imported raw materials.
<b>Business Volatility</b>	The Company is a part of the industry which generally observes seasonal sales patterns and temporary surges in demand. For the rest of the year, the market demand remains mostly in a low-to-moderate range, which affects the Company's production and sales volume.	Our primary customers used to be school-going kids, but now we have expanded our product range and engaged with hobbyists, artists, and professionals. As a result, we have increased the customer base and found better ways to meet the demands of the industry.
<b>Managing Liquidity</b>	Ensuring liquidity is all about being prudent with financial resources to guarantee timely payment of bills and expenses. This involves maintaining a healthy cash balance / adequate credit lines with the bank, holding assets that can be quickly liquidated, and keeping a contingency plan ready for accessing additional credit when necessary.	Our strategy for timely payment of bills and expenses involves keeping adequate credit lines and availing additional loans if required. We constantly monitor our financial position, assessing the current and future needs, to ensure that we have sufficient funds to meet our obligations as they arise. As a result of our vigilant approach, we are confident in our ability to meet all financial commitments on time.
<b>Brand Profile</b>	In the absence of proper organisation and amidst stiff competition, our brand is vulnerable to potential damage. Any shift in customer preferences, dissatisfaction with the quality of products, or negative experiences with the business can worsen the situation.	For over 90 years, we have been offering innovative and top-quality products, which has helped establish our brand's reputation as a well-known and respected player in the market. Additionally, we prioritise educating our customers about our products to showcase how we differentiate ourselves from our competitors. This approach not only reinforces our brand's credibility but also fosters customer loyalty by establishing a deeper connection and understanding of our offerings.

### Internal Control System & Adequacy

The Company has implemented a comprehensive system to ensure that all operations are conducted with utmost accuracy and potential risks are managed effectively. This includes robust monitoring of the Company's financial assets and ensuring their safety from any unauthorized access. A designated team conducts regular inspections to guarantee compliance and a robust system is employed to accurately track expenses. Such an efficient system is crucial for the Company's success and reinforces the confidence of all stakeholders in adhering to regulatory and legal requirements.

### Human Resources

Over the past two years, we've made significant investments in developing our human resources, and as a result, we've been able to resume normal operations and have even experienced a surge in energy and productivity, post the difficult times of Covid-19. Our focus has been on employee development and training programs related to quality, innovation, and design thinking.

## Management Discussion and Analysis (Contd.)

We acknowledge and appreciate our employees who make significant contributions towards the betterment of the Company through rewards and recognition. Additionally, we conduct 'Prevention of sexual harassment' training programs to create a safe and respectful workplace. We organise various engagement activities to boost employee morale and increase interdepartmental bonding, creating a sense of belongingness among employees. We spread awareness of health and safety among our employees to drive 'Our Aim – Zero Harm'. We celebrate diversity, equity, and inclusion by conducting sessions, as we consider it crucial in promoting fairness and inclusion for all employees, irrespective of their background, identity, or circumstances.

As on 31<sup>st</sup> March 2023, our family has 1,095 efficient employees who are working towards continued success.

### Cautionary Statement

Statement made in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand, supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the government regulations, tax laws, other statutes, and other incidental factors.

# Corporate Governance Report

Your Directors present the Company's report on Corporate Governance as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the year ended 31<sup>st</sup> March, 2023.

## 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Your Company believes that Corporate Governance is a prerequisite for attaining sustainable growth in this competitive world. Transparency and accountability are the two basic tenets of Corporate Governance. It involves a set of relationships between the Company's Management, its Board, Shareholders and Stakeholders. It is one of the key elements in improving the economic efficiency of the enterprise. Credibility generated by sound Corporate Governance enables an enterprise in enhancing the confidence of the investors – both domestic and foreign, and in establishing productive and lasting business relationship with all stakeholders.

It is your Company's unending mission to regularly nurture and develop steadfast professionalism, astute accountability and increased disclosures by taking all steps necessary towards superior growth in its value for its stakeholders. The Board of Directors ('The Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short term and long-term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

## 2. BOARD OF DIRECTORS:

At Kokuyo Camlin, the Board is at the core of the Corporate Governance practice. Your Company has an optimum mix of eminent personalities on the Board of Directors with members from diverse experience and expertise.

The composition of the Board as on 31<sup>st</sup> March, 2023 is in conformity with Regulation 17 of the Listing Regulations as well as the Companies Act, 2013 (the Act). The Board of Directors is chaired by Non-Executive Promoter Chairman and has an optimum combination of Executive, Non-Executive and Independent Directors.

None of the Non-Executive Directors have any material pecuniary relationships or transactions with the Company.

A declaration to this effect is also submitted by all the Non-Executive Directors at the beginning of each financial year.

The Board of Directors, based on the declaration received from the Independent Directors, confirms that in their opinion, the independent directors fulfill the conditions specified in the Act and the Listing Regulations and are independent of the management.

The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Act read with rules issued there under and the same is available on the website of the Company at the following link: <https://www.kokuyocamlin.com/policies>.

## Corporate Governance Report (Contd.)

### DIRECTORS' ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIPS/COMMITTEE MEMBERSHIPS:

As mandated by Listing Regulations, none of the Directors is a member of more than ten Board level Committees or Chairman of more than five Committees across companies in which he/she is Director. Relevant details of the Board as on 31<sup>st</sup> March, 2023 are given as follows:

Name, Designation & DIN of Directors	Category	No. of Board Meetings Attended	No. of Directorships held in other Companies	Name of the Listed Entity in which Directorship held and Category of Director	Attendance at last AGM	No. of Committee positions held in other Companies#	
						Chairman of Committee	Member of Committee
Mr. Dilip D. Dandekar Chairman & Non-Executive Director (00846901)	NED(P)	5	8	1. Datamatics Global Services Limited - NED (I)	Yes	Nil	1
Mr. Koji Higashiguchi* Sr. Vice Chairman & Non-Executive Director (09263193)	NED	5	Nil	Nil	Yes	Nil	Nil
Mr. Shriram S. Dandekar Vice Chairman & Executive Director (01056318)	ED(P)	5	Nil	Nil	Yes	Nil	Nil
Mr. Nobuchika Doi (03599835)**	NED	4	Nil	Nil	Yes	Nil	Nil
Mr. Shishir B. Desai (01453410)	NED (I)	5	2	Nil	Yes	Nil	Nil
Mr. Sriram Venkataraman (06790179)	NED (I)	4	Nil	Nil	Yes	Nil	Nil
Ms. Nandini Chopra (07891312)	NED (I)	5	Nil	Nil	Yes	Nil	Nil
Mr. Yasuyuki Kanebako*** (08580880)	NED (I)	3	Nil	Nil	Yes	Nil	Nil

# excludes Committees other than Audit Committee and Stakeholders Relationship Committee.

\* Change in designation from 'Non-Executive Director' to 'Sr. Vice Chairman & Non-Executive Director with effect from 27<sup>th</sup> July, 2022.

\*\* Resigned with effect from 1<sup>st</sup> January, 2023.

\*\*\* Resigned with effect from 1<sup>st</sup> January, 2023 due to his pre-occupation and pre-commitments. He had confirmed that there was no material reason other than those provided in the resignation letter.

ED (P) – Executive Director (Promoter) / NED – Non-Executive Director / NED (P) - Non-Executive Director (Promoter) / NED (I) – Non-Executive Director (Independent).

The Non-Executive / Independent Directors are not holding any shares of the Company as on 31<sup>st</sup> March, 2023 except Mr. Dilip D. Dandekar who holds 2,00,000 Equity shares of the Company.

## Corporate Governance Report (Contd.)

List of core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's business and sector for it to function effectively and those available with the board.

The following skills and competencies are identified for the Company's business:

Sr. No.	Areas of Core Skills/Expertise/Competence
1	Business Development
2	General Management/ Governance
3	Financial Skills
4	Sales and Marketing
5	Information Technology
6	Technical and professional skills including legal and regulatory aspects

The above mentioned skills are also available with the Company's Board of Directors. Details of the directors who have such skills / expertise / competence are as under:

Name of the Director	Skills / Expertise / Competence
Mr. Dilip D. Dandekar	Over 52 years of wide experience in the field of Marketing, Administration and overall Management of the Company.
Mr. Koji Higashiguchi	Wide experience in the field of business strategy & Marketing, Planning & Distribution, management of stationary products.
Mr. Shriram S. Dandekar	Over 40 years of wide experience in the field of Business Expansion, Diversification, Research and Development, Product Development, Business Planning and Marketing.
Mr. Shishir Desai	Over 43 years of experience as a practicing advocate and solicitor in India.
Mr. Sriram Venkataraman	Wide experience in the field of Business Development and Technology advisory services. He is a guest faculty in renowned management schools both in India and Japan.
Ms. Nandini Chopra	Over 28 years of experience in financial advisory especially to the consumer and retail sector in India. She also has a wide range of experience in mergers and acquisitions, sales and divestitures, JV advisory, private equity raises, IPOs, debt syndication and valuations.

### NUMBER OF BOARD MEETINGS:

During the financial year 2022-2023, 5 (five) Meetings were held details of which are given below and the maximum gap between two meetings did not exceed one hundred and twenty days:

Sr. No.	Date of Meeting	Board Strength	No. of Directors present
1	06.05.2022	8	8
2	27.07.2022	8	8
3	21.10.2022	8	7
4	15.12.2022	8	8
5	31.01.2023	6	5

### CODE OF CONDUCT:

The Board has laid down a Code of Conduct for all Board members and Senior Managerial personnel of the Company. The Code of Conduct is available on the website of the Company at [www.kokuyocamlin.com](http://www.kokuyocamlin.com). All the Board Members and Senior Managerial Personnel have affirmed compliance with the Code of Conduct and a declaration to that effect signed by the Chief Executive Officer has been obtained.

### INDUCTION AND FAMILIARISATION PROGRAMS FOR INDEPENDENT DIRECTORS:

The Company organizes an induction program for new Directors and an ongoing familiarisation program for Independent Directors with respect to the business/ working of the Company. On appointment of a Director, the concerned Director is issued a letter of appointment setting out in detail, the terms of appointment, duties, roles, rights and responsibilities. The Director is also explained the compliances required to be done by him/ her under various Acts, shown a presentation on organisational set up of the Company, functioning of various divisions/ departments, company's market share, governance and internal control processes.

As an ongoing process, the Board of Directors are updated on a quarterly basis on overall economic trends, business performance and the initiatives taken/ proposed to be taken to bring about an overall improvement in the performance of the Company. Further, training is conducted, and presentations are given to the Directors, updating them with statutory changes and compliances applicable to the Company.

The details of the familiarization program can be accessed from the website at [www.kokuyocamlin.com](http://www.kokuyocamlin.com)

## Corporate Governance Report (Contd.)

### 3. COMMITTEES OF THE BOARD:

The committees constituted by the Board play an important role on the governance structure of the Company. The committees are in line with the Listing Regulations and the Act. The minutes of the Committee meetings are tabled at the Board meetings and the chairperson of each Committee brief the members about the important deliberations and discussion.

The Minutes of the meetings of the Board of Directors and other committees are captured in accordance with the provisions of the Act.

#### COMPOSITION OF COMMITTEES OF DIRECTORS AND THEIR ATTENDANCE AT THE MEETINGS:

Kokuyo Camlin has the following Board Level Committees:

- A) Audit Committee
- B) Remuneration and Nomination Committee
- C) Stakeholders Relationship Committee
- D) Corporate Social Responsibility Committee
- E) Risk Management Committee

Various Committees of Directors have been appointed by the Board to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their respective terms of reference. The Board's Committees are as follows:

#### A. AUDIT COMMITTEE

The Audit Committee has played an important role in ensuring the financial integrity of the Company. The Audit Committee's role includes the financial reporting process, Audit process, Related Party Transactions and other applicable laws. The composition of the Audit Committee is in line with the provisions of Section 177 of the Act and Listing Regulations. Further the Committee invites the Chairman of the Board, Whole time Director, Chief Executive Officer, Chief Financial Officer, Statutory and Internal Auditor to attend the Audit Committee meetings. Minutes of the Audit Committee meetings are placed in the next meeting of the Board.

The composition of the Audit Committee along with the details of the meetings held and attended during the financial year ended on 31<sup>st</sup> March, 2023, are given below.

#### Meetings, Members and Attendance:

During the financial year 2022-23 the Audit Committee held 5 (five) meetings on 6<sup>th</sup> May, 2022, 27<sup>th</sup> July, 2022, 21<sup>st</sup> October, 2022, 15<sup>th</sup> December, 2022 and 31<sup>st</sup> January, 2023. The time gap between any two meetings was less than one hundred twenty days. The details of attendance of Audit Committee meetings are as under:

Name of the Member	Category	Status	No of Meetings	
			Held#	Attended
Mr. Shishir Desai	NED(I)	Chairman	5	5
Mr. Koji Higashiguchi	NED	Member	5	5
Mr. Sriram Venkataraman	NED(I)	Member	5	4
Ms. Nandini Chopra	NED(I)	Member	5	5
Mr. Yasuyuki Kanebako*	NED(I)	Member	4	3

# Number of meetings held during the tenure of respective Committee member.

\* Ceased to be a Committee member with effect from 1<sup>st</sup> January, 2023.

Members of the Audit Committee have accounting and financial management expertise. The Chairman of the Committee attended the AGM held on 29<sup>th</sup> June, 2022 to answer the shareholders' queries.

The role of Audit Committee, the powers exercised by it pursuant to the terms of reference, and the information reviewed by it are in accordance with the requirements as specified in the Listing Regulations, the Act and other applicable laws, if any. Apart from the above, the Audit Committee also exercises the role and powers entrusted upon it by the Board of Directors from time to time.

#### Terms of reference:

The terms of reference to this committee, *inter alia* covers all the matters specified under Regulation 18 of Listing Regulations as well as in Section 177 of the Act, besides other terms as may be referred by the Board of Directors, from time to time. These broadly include (i) review of financial reporting processes, risk management, internal control and governance processes, (ii) develop an Audit plan for committee, (iii) risk management framework concerning critical operations of the Company, (iv) discussion on quarterly, half yearly and Annual financial statements and the auditor's report, (v) interaction with statutory, internal auditors to ascertain their independence and effectiveness of audit process, (vi) recommendation for appointment, remuneration and terms of appointment of auditors (vii) approval of related party transactions.

## Corporate Governance Report (Contd.)

The Audit Committee has also powers *inter alia* to investigate any activity within its terms of reference and to seek information from any employee of the Company and seek legal and professional advice.

### B. REMUNERATION AND NOMINATION COMMITTEE:

As on 31<sup>st</sup> March, 2023, the Remuneration & Nomination Committee comprises of Members as stated below. The composition of the Committee is in conformity with the Listing Regulations.

#### Meetings, Members and Attendance

During the financial year 2022-23, the Remuneration & Nomination Committee held 3 (three) meetings on 5<sup>th</sup> May, 2022, 20<sup>th</sup> July, 2022 and 25<sup>th</sup> January, 2023. The details of attendance of the Members are as under:

Name of the Member	Category	Status	No of Meetings	
			Held	Attended
Mr. Shishir Desai	NED(I)	Chairman	3	3
Ms. Nandini Chopra	NED(I)	Member	3	3
Mr. Sriram Venkataraman	NED(I)	Member	3	3
Mr. Dilip D. Dandekar	NED	Member	3	3

#### Terms of reference:

The terms of reference to this committee, *inter alia* covers all the matters specified under Regulation 19 of Listing Regulations, as well as in Section 178 of the Act, besides other terms as may be referred by the Board of Directors, from time to time. These include:

- i. Formulation of the criteria for determining qualifications, positive attributes and Independence of a Director and recommend to the Board of Directors a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- ii. Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- iii. Devising a policy on diversity of Board of Directors;
- iv. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- v. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.

- vi. Recommendation of remuneration of Senior Management to the Board of Directors.

### Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the performance, participation, conduct, effectiveness etc. The performance evaluation of Independent Directors was done by the entire Board of Directors and the Directors subject to evaluation had not participated in the same. The Independent Directors evaluated the performance of Non-Independent Directors and Board as a whole.

### Policy for Remuneration to Director/ Key Managerial Personnel

#### 1. Remuneration to Managing/ Whole-time Directors:

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

#### 2. Remuneration to Non-Executive/ Independent Directors:

- a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Remuneration and Nomination Committee and approved by the Board of Directors.
- b) All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

The amount of such remuneration shall be such as may be recommended by the Remuneration and Nomination Committee and approved by the Board of Directors or shareholders, as the case may be.

- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to

## Corporate Governance Report (Contd.)

participate in any share based payment schemes of the Company.

- d) Any remuneration paid to Non-Executive/ Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
- i. The Services are rendered by such Director in his capacity as the professional; and
  - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

### 3. Remuneration to key managerial personnel:

- a) The Remuneration to Key Managerial Personnel shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time in accordance with the Company's Policy.
- c) The incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel, to be decided annually or at such intervals as may be considered appropriate.

A brief of the Remuneration paid to Directors and Manager during FY 2022-23 is given below:

#### i) Directors:

Name of Director	Sitting Fees	Salary Including HRA	Perquisites#	Total	
				Held#	Attended
Mr. Dilip D. Dandekar	3.10	N.A.	9.01	12.11	
Mr. Shriram S. Dandekar	N.A.	97.32	37.50	134.82	
Mr. Nobuchika Doi*	0.00	N.A.	N.A.	0.00	
Mr. Koji Higashiguchi	0.00	N.A.	N.A.	0.00	
Mr. Shishir B. Desai	6.00	N.A.	N.A.	6.00	
Mr. Sriram Venkataraman	4.60	N.A.	N.A.	4.60	
Ms. Nandini Chopra	6.20	N.A.	N.A.	6.20	
Mr. Yasuyuki Kanebako**	0.00	N.A.	N.A.	0.00	

\* Resigned with effect from 1<sup>st</sup> January, 2023.

\*\* Resigned with effect from 1<sup>st</sup> January, 2023.

#Perquisites *interalia*, include reimbursement of expenses/ allowance for utilities, such as gas, electricity, water, furnishing and repairs, medial reimbursement, leave travel concession, club fees, provision of car and driver, telephone/fax facilities, benefit of personal accident insurance scheme etc. The Executive Director is entitled to gratuity and encashment of leave as per the rules of the Company. Executive Director is also entitled to Company's contribution to provident fund and superannuation fund.

The Board of Directors at their meeting held on 31<sup>st</sup> January, 2023, have re-appointed Mr. Shriram S. Dandekar as Director in Whole time employment designated as 'Vice Chairman and Executive Director' for a further period of 1 (one) year with effect from 1<sup>st</sup> February, 2023. The necessary agreement has been executed with Mr. Shriram S. Dandekar. The aforesaid appointment was approved by the members by passing special resolution through postal ballot on 30<sup>th</sup> March, 2023.

#### ii. Manager

Mr. Satish Veerappa, Manager designated as Chief Executive Officer was paid a remuneration of ₹219.13 Lakhs during the year.

### C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

#### Meetings, Members and Attendance:

During the financial year 2022-2023 the Committee held 2 (two) meetings on 27<sup>th</sup> July, 2022 and 31<sup>st</sup> January, 2023.

The details of attendance of Members are as under:

Name of the Member	Category	Status	No. of Meetings	
			Held#	Attended
Mr. Shishir Desai	NED(I)	Chairman	2	2
Mr. Shriram S. Dandekar	ED	Member	2	2
Mr. Nobuchika Doi*	NED	Member	1	1
Mr. Koji Higashiguchi**	NED	Member	1	1

# Number of meetings held during the tenure of respective Committee member.

\*Ceased to be a Committee member with effect from 1<sup>st</sup> January, 2023.

\*\*Appointed as a Committee member with effect from 1<sup>st</sup> January, 2023.

## Corporate Governance Report (Contd.)

Mr. Vipul Bhoj is the Compliance Officer of the Company.

### Terms of reference:

The terms of reference to this committee, *interalia* covers all the matters specified under Regulation 20 of Listing Regulations, as well as in Section 178 of the Act, besides other terms as may be referred by the Board of Directors, from time to time. The Committee was constituted to specifically look into the mechanism of redressing of Shareholders and Investors Complaints concerning transfer of shares, non- receipt of dividend, non-receipt of annual report etc.

### Complaints received and redressed by the Company during the financial year 2022-2023:

During the financial year 2022-23, 3 (three) complaints were received from the shareholders and the same were resolved.

## D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):

### Members and Attendance

During the year under review, the Company was not required to spend on CSR activities as prescribed under Section 135(5) of the Act, due to losses in two out of three preceding financial years. The Company has duly constituted CSR Committee as per Section 135(1) of the Act.

The composition of the CSR Committee during FY 2022-23 is as follows:

Name of the Member	Category	Status
Ms. Nandini Chopra	NED(I)	Chairperson
Mr. Shriram S. Dandekar	ED	Member
Mr. Yasuyuki Kanebako*	NED(I)	Member
Mr. Koji Higashiguchi**	NED	Member

\* Ceased to be a Committee member with effect from 1<sup>st</sup> January, 2023.

\*\* Appointed as a Committee member with effect from 1<sup>st</sup> January, 2023.

### Terms of Reference:

Formulate and recommend the CSR policy to the Board which shall indicate the activities to be undertaken by the Company, recommend the amount of expenditure to be incurred on the activity and monitor the CSR policy of the Company from time to time. The Company has formulated the CSR Policy in line with Schedule VII of the Companies Act, 2013.

## E. RISK MANAGEMENT COMMITTEE

### Meetings, Members and Attendance

During the financial year 2022-2023, the Committee held 2 (two) meetings on 21<sup>st</sup> September, 2022 and 20<sup>th</sup> March, 2023.

The details of attendance of Members are given below:

Name of the Member	Category	Status	No. of Meetings	
			Held#	Attended
Mr. Shriram S. Dandekar	ED	Chairman	2	2
Ms. Nandini Chopra	NED(I)	Member	2	2
Mr. Nobuchika Doi*	NED	Member	1	1
Mr. Satish Veerappa	CEO	Member	2	2
Mr. Koji Higashiguchi**	NED	Member	1	1

#Number of meetings held during the tenure of respective Committee member.

\* Ceased to be a Committee Member w.e.f. 1<sup>st</sup> January, 2023.

\*\*Appointed as a Committee Member w.e.f. 1<sup>st</sup> January, 2023.

### Terms of reference:

The terms of reference to this committee, *interalia* covers all the matters specified under Regulation 21 as well as Regulation C of part D of Schedule II of Listing Regulations besides other terms as may be referred by the Board of Directors, from time to time. These include:

- i. Formulation of a detailed risk management policy which shall include:
  - a. framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability, information, cyber security risks or any other risk as may be determined by the Committee.
  - b. Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c. Business Continuity Plan.
- ii. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

## Corporate Governance Report (Contd.)

- iii. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- iv. Periodical review of the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- v. Keeping the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- vi. Review of appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

### F. INDEPENDENT DIRECTORS MEETING:

In accordance with provisions of the Schedule IV (Code for Independent Directors) of the Act and Listing Regulations, a meeting of the Independent Directors of the Company was held on 28<sup>th</sup> March, 2023 through video conferencing. The meeting was attended by all Independent Directors in absence of Non Independent Directors and Members of the Management.

## 4. GENERAL BODY MEETINGS:

### I. DETAILS OF THE ANNUAL GENERAL MEETING HELD DURING THE PRECEDING 3 YEARS AND SPECIAL RESOLUTIONS PASSED THEREAT:

FINANCIAL YEAR	VENUE	DATE & TIME	DETAILS OF SPECIAL RESOLUTION PASSED
2021-2022	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	29 <sup>th</sup> June, 2022 at 11.00 a.m.	<ol style="list-style-type: none"> <li>Re-appointment of Ms. Nandini Chopra (DIN: 07891312) as an Independent Non-Executive Director for the Second term of five (5) consecutive years from 3<sup>rd</sup> August, 2022 to 2<sup>nd</sup> August, 2027.</li> <li>Payment of remuneration by way of perquisites to Mr. Dilip D. Dandekar (DIN: 00846901), Chairman &amp; Non-Executive Director.</li> </ol>
2020-2021	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	31 <sup>st</sup> August, 2021 at 11.00 a.m.	There was no special resolution passed.
2019-2020	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")	4 <sup>th</sup> September, 2020 at 11.00 a.m.	There was no special resolution passed.

### II. DETAILS OF POSTAL BALLOT AND SPECIAL RESOLUTIONS PASSED THROUGH POSTAL BALLOT ARE GIVEN BELOW:

During the year 2022-23, the Company successfully completed the process of obtaining the approval of members by way of postal ballot on one occasion in respect of the following special resolution:

SR. NO.	PARTICULARS OF RESOLUTION	PASSED ON
1	Re-appointment of Mr. Shriram S. Dandekar (DIN: 01056318) as Director in whole-time employment designated as 'Vice-Chairman & Executive Director' for the period of one (1) year effective from 1 <sup>st</sup> February, 2023 to 31 <sup>st</sup> January, 2024 and remuneration payable to him.	30 <sup>th</sup> March, 2023

## Corporate Governance Report (Contd.)

The Company had appointed Mr. J. H. Ranade (FCS No. 4317, C.P. No. 2520) and Mr. S. J. Ranade (ACS No.33416, C.P. No.12520) respectively of M/s. JHR & Associates, Practicing Company Secretaries as scrutinizer for conducting the postal ballot/ e-voting process in a fair and transparent manner.

Mr. Dilip D. Dandekar, Chairman & Non-Executive Director announced the Postal Ballot results as per the scrutinizer's

report on 31<sup>st</sup> March, 2023 in respect of the resolution mentioned above and the result was displayed at the Registered Office of the Company, intimated to the Stock Exchanges where the Company's shares are listed and displayed along with the Scrutiniser's report on the Company's website, [www.kokuyocamlin.com](http://www.kokuyocamlin.com).

**Details of the Voting pattern in respect of the Special Resolution are as under:**

Resolution Required : Special		1. Re-appointment of Mr. Shriram S. Dandekar (DIN: 01056318) as Director in whole-time employment designated as 'Vice- Chairman & Executive Director' for the period of one (1) year effective from 1 <sup>st</sup> February 2023 to 31 <sup>st</sup> January, 2024 and remuneration payable to him.						
Whether promoter/ promoter group are interested in the agenda/resolution?		No						
Category	Mode of Voting	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes – in favour	No. of Votes –Against	% of Votes in favour on votes polled	% of Votes against on votes polled
		[1]	[2]	[3]=[2]/[1]*100	[4]	[5]	[6]=[4]/[2]*100	[7]=[5]/[2]*100
Promoter and Promoter Group	E- Voting	75215950	75215950	100.0000	75215950	0	100.0000	0.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	<b>Total</b>		75215950	100.0000	75215950	0	100.0000	0.0000
Public Institutions	E-Voting	243769	22285	9.1419	0	22285	0.0000	100.0000
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	<b>Total</b>		22285	9.1419	0	22285	0.0000	100.0000
Public Non Institutions	E-Voting	24844087	80045	0.3222	75817	4228	94.7180	5.2820
	Poll		0	0.0000	0	0	0.0000	0.0000
	Postal Ballot		0	0.0000	0	0	0.0000	0.0000
	<b>Total</b>		80045	0.3222	75817	4228	94.7180	5.2820
<b>Total</b>		100303806	75318280	75.0902	75291767	26513	99.9648	0.0352

*The Resolution was passed with requisite majority.*

At present, the Company is not proposing to conduct Postal Ballot for passing a Special Resolution.

## Corporate Governance Report (Contd.)

### Procedure for Postal Ballot:

After receiving the approval of the Board of Directors, the postal ballot notice along with the explanatory statement, were dispatched to the Members through e-mail on 28<sup>th</sup> February, 2023, to enable them to vote within a period of 30 days, starting from Wednesday, 1<sup>st</sup> March, 2023 at 9:00 a.m. (IST) to Thursday, 30<sup>th</sup> March, 2023 at 5:00 p.m. (IST). After the last date of receipt of postal ballot forms, the scrutinizer after due verification submitted his report on 31<sup>st</sup> March, 2023. Thereafter, the result of postal ballot was declared by the Chairman on 31<sup>st</sup> March, 2023 and the same was intimated to the stock exchanges, put up on the notice board at the registered office and on the website of the Company.

### 5. MEANS OF COMMUNICATION

Kokuyo Camlin recognises communication as a key element of the overall Corporate Governance framework and therefore emphasises on prompt, continuous, efficient and relevant communication to all external constituencies.

**WEBSITE:** The Company's website [www.kokuyocamlin.com](http://www.kokuyocamlin.com) contains a separate section 'Investors' for use of investors. The quarterly, half yearly and annual financial results are promptly and prominently displayed on website. Notices, annual reports, quarterly shareholding patterns and other Communications are also available on the website.

**FINANCIAL RESULTS:** The quarterly, half yearly and annual financial results are regularly posted by the Company on its website. These are also submitted to the stock exchanges i.e. NSE through NEAPS (NSE Electronic Application Processing System) and BSE (Corporate Compliance and Listing Centre) in accordance with Listing Regulations. The quarterly, half yearly and annual financial results are normally published in one english language national daily newspaper circulating the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where registered office of the Company is situated, within 48 hours of approval.

**ANNUAL REPORT:** Annual report containing *interalia*, salient features of the audited financial statements, Director's report (Including Management Discussion and Analysis), Corporate Governance Report and other important information is circulated to Members and others entitled thereof.

**CORPORATE FILING:** Announcements, quarterly results, shareholding patterns etc. of the Company are regularly filed by the Company with BSE Ltd. and National Stock Exchange of India Ltd. and are also available on the website of the Company [www.kokuyocamlin.com](http://www.kokuyocamlin.com). There were no presentations made to the institutional investor analysts during the year.

### 6. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting (Day, Date, Time)	Friday, 28 <sup>th</sup> July, 2023, 11:00 AM
Mode	The Company is conducting meeting through VC / OAVM pursuant to the MCA Circulars dated 28 <sup>th</sup> December, 2022 read with MCA circulars dated 5 <sup>th</sup> May, 2020, 8 <sup>th</sup> April, 2020 & 13 <sup>th</sup> April, 2020. As such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
Financial Year	1 <sup>st</sup> April, 2022 – 31 <sup>st</sup> March, 2023
Dividend payment date	After 28 <sup>th</sup> July, 2023 subject to the approval by shareholders at the Annual general meeting.
Date of Book Closure	Saturday, 22 <sup>nd</sup> July, 2023 to Friday, 28 <sup>th</sup> July, 2023 (both days inclusive)
*Financial Results	First Quarter Results: by 14 <sup>th</sup> August, 2023 Second Quarter Results: by 14 <sup>th</sup> November, 2023 Third Quarter Results: by 14 <sup>th</sup> February, 2024 Fourth Quarter Results: by 30 <sup>th</sup> May, 2024
Listing on Stock Exchanges	BSE Ltd. (Scrip Code: 523207) National Stock Exchange of India Ltd. (Symbol: KOKUYOCLN)
International Securities Identification Number (ISIN)	INE760A01029
Corporate Identification Number (CIN)	L24223MH1946PLC005434

**Note:** The Annual Listing Fees for the year 2023-24 has been paid to BSE & NSE.

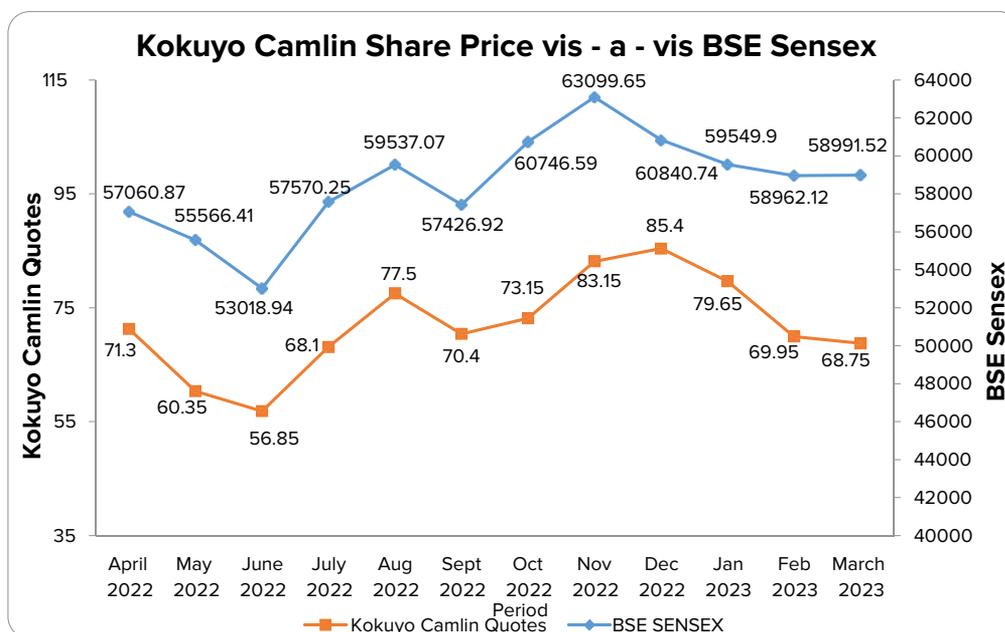
## Corporate Governance Report (Contd.)

### 7. STOCK MARKET DATA:

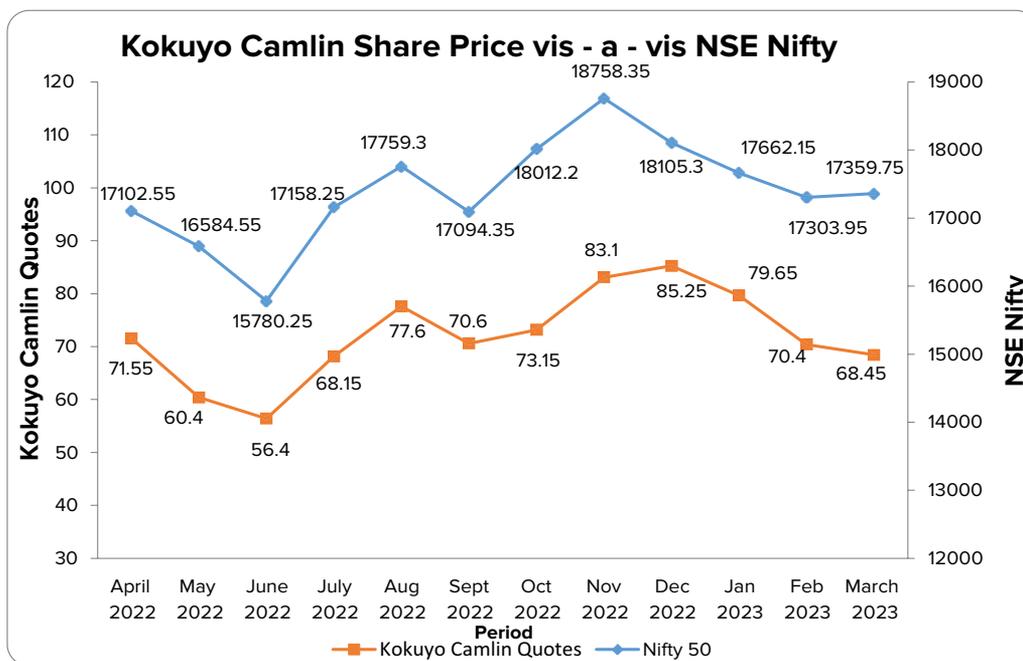
Share Prices (High/Low) for the year at BSE and NSE are as follows:

Month	BSE		NSE	
	High	Low	High	Low
April, 2022	72.65	59.25	72.70	59.15
May, 2022	73.25	56.75	73.70	56.90
June, 2022	63.00	50.50	61.60	50.50
July, 2022	70.35	55.50	70.25	55.10
August, 2022	83.80	66.35	83.85	66.65
September, 2022	78.25	67.55	78.40	68.00
October, 2022	75.00	67.20	74.90	67.10
November, 2022	89.80	71.60	89.90	71.85
December, 2022	95.70	75.10	95.80	75.20
January, 2023	87.00	74.65	87.15	75.00
February, 2023	81.25	67.55	79.20	68.30
March, 2023	77.00	66.80	76.50	66.60

### 8. STOCK PERFORMANCE:



## Corporate Governance Report (Contd.)



### 9. REGISTRARS AND SHARE TRANSFER AGENT FOR SHARES:

M/s. Link Intime India Private Limited, C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400083, Tel: (022) 49186000, Fax: (022) 49186060 email id: [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) are acting as Registrar & Transfer Agents (RTA) for handling the shares related matters both in Physical & Dematerialised mode.

Shareholders are advised to send all the correspondence to the RTA. Documents relating to shares received by the Company are also forwarded to the RTA for necessary actions thereon.

### 10. SHARE TRANSFER SYSTEM:

In terms of Regulation 40 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, securities can be transferred only in dematerialized form, except in case of request received for transmission or transposition of securities. Further, SEBI vide its Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 mandated the listed Companies to issue the securities

only in dematerialized form while processing the service requests viz. issue of duplicate Securities certificate, Claim from unclaimed Suspense Account, renewal / exchange of Securities certificate, Endorsement, Sub-division / splitting of Securities certificate, Consolidation of Securities certificate / folios, Transmission and Transposition. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Shareholders who desire to demat their shares can get in touch with any Depository Participant having registration with SEBI to open a demat account and follow the procedure for dematerialization of share.

### 11. RECONCILIATION OF SHARE CAPITAL AUDIT:

A Company Secretary-in-Practice carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

## Corporate Governance Report (Contd.)

**12. Distribution of Shareholding as on 31<sup>st</sup> March, 2023:**

No. of Shares	No. of Shareholders	Percentage	No. of Shares	Percentage
Up to 5000	30429	98.11	12328740	12.29
5001-10000	334	1.08	2494398	2.49
10001-20000	141	0.45	2035167	2.03
20001-30000	39	0.13	951692	0.95
30001-40000	18	0.06	635287	0.63
40001-50000	13	0.04	597469	0.60
50001-100000	24	0.08	1785365	1.78
100001-999999	17	0.05	4809738	4.79
1000000 & above	1	0.00	74665950	74.44
<b>Total</b>	<b>31016</b>	<b>100.00</b>	<b>100303806</b>	<b>100.00</b>

**13. Category of Shareholding as per 31<sup>st</sup> March, 2023:**

Category of Shareholder	Total No. of Shares	Percentage of Total Shares
Promoter and Promoter Group (A)	75215950	74.99
Public Shareholding (B)		
Nationalised Banks	2125	0.00
Foreign Portfolio Investors (Corporate)	174195	0.17
Investor Education and Protection Fund	719718	0.72
Bodies Corporate	1636075	1.63
Clearing Member	4446	0.00
Individuals	20388889	20.33
Non Resident (Rep)	657369	0.66
Non – Resident (Non-Rep.)	383998	0.38
Hindu Undivided Family	1067040	1.06
Unclaimed Shares	54001	0.05
Total Public Shareholding (B)	25087856	25.01
Total Shareholding = (A) + (B)	100303806	100.00

**14. Dematerialisation of Shares:**

The Company's Equity Shares are held in dematerialized form by National Securities Depository Ltd. (NSDL) and Central Depository Services India Ltd. (CDSL) under ISIN No. INE760A01029. As on 31<sup>st</sup> March, 2023, 99.07% of the total shares of the Company have been dematerialised. The Shareholders holding shares in physical form are requested to dematerialise their shares as the Company's shares are required to be compulsorily traded at the stock exchanges in dematerialised form only. Further, SEBI, vide Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated issuance of securities in dematerialized form while processing the service request viz. issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal / Exchange of securities certificate, Endorsement, Sub-division / splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition. The shares of the company are regularly traded at the National Stock Exchange of India Limited and the BSE Limited.

## Corporate Governance Report (Contd.)

### 15. UNCLAIMED SUSPENSE ACCOUNT:

In accordance with the requirements of Regulation 34, 39 read with Schedule V(F) of Listing Regulations, details of equity shares in Kokuyo Camlin Limited Unclaimed Suspense Account are as follows:

Particulars		No. of shareholders	No. of Equity Shares
Opening Balance	Aggregate number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying as on 1 <sup>st</sup> April, 2022	31	55001
Add	No. of Shareholders whose shares got transferred during the year and No. of shares transferred	-	-
Less	Number of shareholders who approached the Company for transfer of shares and shares transferred from suspense account during the year	1	1000
Less	Number of shareholders whose shares got transferred from suspense account to IEPF during the year	-	-
Closing Balance	Aggregate number of shareholders and outstanding shares lying in the suspense account as on 31 <sup>st</sup> March, 2023	30	54001

The shareholders after verifying from RTA that their shares have been transferred to unclaimed suspense account can make their claim with the Company or RTA. Thereafter, the Company on proper verification of the shareholder's identity and address would transfer the shares in their favour. All the corporate benefits against those shares like bonus shares, split, dividend etc., would also be transferred to Unclaimed Suspense Account of the Company. The voting rights on shares lying in unclaimed suspense account shall remain frozen till the rightful owner claims the shares.

### 16. SUBSIDIARY COMPANY:

The Company does not have any Subsidiary Company.

### 17. Credit Ratings and any revisions thereto for debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether in India or abroad:

The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31<sup>st</sup> March, 2023. The ratings given by CRISIL for short-term borrowings and long-term borrowings of the Company are A1 and A/Stable respectively. There was no revision in the said ratings during the year under review.

### 18. Plant Locations:

Tarapur	:	M.I.D.C, Boisar, Tarapur, Dist. Thane 401506
Patalganga	:	Plot No. F/8, Additional Patalganga, MIDC, Village Chavane, Tal. Panvel, Dist Raigad, Pin – 410 220
Jammu	:	Industrial Growth Center, Samba Phase I, Jammu, J&K State.

### 19. Address for correspondence:

Registered Office	:	Hilton House, 48/2, Central Road, MIDC, Andheri (East), Mumbai-400093
Tel. No.	:	022-6655 7000
Fax No.	:	022- 2836 6579
Email	:	<a href="mailto:investorrelations@kokuyocamlin.com">investorrelations@kokuyocamlin.com</a>

## Corporate Governance Report (Contd.)

**20. Secretarial Department:**

The Company's Secretarial Department headed by Mr. Vipul Bhoj, Compliance Officer is situated at the Registered Office mentioned above. Shareholders/Investors may contact the secretarial department for any assistance they may need.

Name of the Compliance officer	:	Mr. Vipul Bhoj
Designation	:	Compliance Officer
Telephone	:	022- 6655 7000
Fax No.	:	022- 2836 6579
Email	:	<a href="mailto:investorrelations@kokuyocamlin.com">investorrelations@kokuyocamlin.com</a> .

**21. DISCLOSURES:****i. Strictures and Penalties:**

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines of SEBI and other regulatory authorities. Consequently, no penalties were imposed or strictures passed against the Company by SEBI, Stock Exchanges or any other statutory authorities on any matter relating to capital markets during the last 3 years.

**ii. Compliance with Accounting Standards:**

In preparation of the Financial Statements, the Company has followed the Accounting standards applicable to the Company.

**iii. CEO/ CFO Certification:**

The Chief Executive Officer and Chief Financial Officer of the Company have furnished the requisite Certificate to the Board of Directors as per Listing Regulations.

**iv. Internal Control system and their adequacy:**

The Company has adequate internal control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditors who audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements. The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls and risk management.

**v. Related Party Transactions:**

The Company did not enter into any materially significant related party transactions, which had potential conflict with the interest of the Company at large. The related party transactions entered into with the related parties as defined under the Act and as per Listing Regulations during the financial year were in the ordinary course of business and the same have been approved by the Audit Committee/ Board of Directors. Transactions with the related parties are disclosed under Schedule 39 to the financial statements in the Annual Report. The Board of Directors has approved a policy of related party transactions which has been uploaded on the website of the Company [www.kokuyocamlin.com](http://www.kokuyocamlin.com).

**vi. Recommendations of the Committees of the Board:**

There were no instances during the financial year 2022-23, wherein the Board had not accepted recommendations made by any Committee of the Board.

**vii. Risk Management:**

The Company operates in a dynamic business scenario that gives rise to external and internal risk factors. It has in place an integrated risk management approach called the ERM framework for risk identification, assessment and reporting.

Your Company has constituted a Risk Management committee of the Board with delegated responsibilities in relation to risk management processes within the Company. The said committee is responsible for formulating a detailed risk management policy and its implementation, putting in place a system for monitoring and evaluation of associated risks etc. As required by the Risk Management policy, the Company initiates risk identification and control testing exercise to provide briefing and reporting to the Board through Risk Management Committee.

## Corporate Governance Report (Contd.)

The Risk Management policy is implemented by various department heads who take the risk ownership and monitor the risks on a periodical basis. The ERM Framework enables achievement of strategic objectives by identifying, analysing, assessing, mitigating, monitoring and governing any risk or potential threat to these company objectives. Systematic and proactive identification of risks and mitigation thereof enables effective and quick decision making and boosts the performance of the organisation. The ERM framework acts as a decision enabler which not only seeks to minimise the impact of risks but also enables effective resource allocation based on risk ranking and risk appetite. Strategic decisions are being taken after careful consideration of risks.

### viii. Vigil Mechanism (Whistle Blower Policy):

The Company has a vigil mechanism called 'Whistle Blower Policy' with a view to provide a mechanism for Directors and employees of the Company to raise concerns of any violations of any legal or regulatory requirement, incorrect or misrepresentation of any financial statement and reports etc. The policy also includes reporting of instances relating to leak of Unpublished Price Sensitive Information. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. No person has been denied access to the Chairman of the Audit Committee.

### xii. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a)	Number of complaints pending at the beginning of the financial year 2022-2023	:	Nil
b)	Number of complaints filed during the financial year 2022-2023	:	Nil
c)	Number of complaints disposed off during the financial year 2022-2023	:	Nil
d)	Number of complaints pending as on end of the financial year 2022-2023.	:	Nil

### xiii. Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons:

The Company has adopted Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons under Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Company has complied with all the mandatory requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Listing Regulations.

The Corporate Governance Report of the Company for the year ended 31<sup>st</sup> March, 2023 is in compliance with the requirements of Corporate Governance under Listing Regulations.

### ix. Secretarial Compliance Report

The Company has obtained a certificate pursuant to SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8<sup>th</sup> February, 2019 read with Regulation 24 (A) of the Listing Regulations from Mr. J. H. Ranade (CP No. 2520), Partner of M/s. JHR & Associates, Practicing Company Secretaries and Secretarial Auditors of the Company for FY 2022-23.

### x. Certificate from Practicing Company Secretary

Certificate as required under Part C of Schedule V of the Listing Regulations has been received from Mr. J. H. Ranade, Partner of M/s. JHR & Associates, Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority and is annexed to this Report.

### xi. Total fees paid to the Statutory Auditor:

Total fees of ₹ 43.52 Lakhs during the financial year 2022-23, for all the services was paid by the Company, to the Statutory Auditor and all entities in the network firm/ network entity of which the Statutory Auditor is a part.

## Corporate Governance Report (Contd.)

The status of adoption of the discretionary requirements as specified in Part E of Schedule II is as under:-

- **Non-Executive Chairman's Office:**

The Non-Executive Chairman of the Company is entitled to maintain his office at the expenses of the Company and reimbursement of expenses incurred in performance of his duties.

- **Shareholders Rights:**

Extract of the Quarterly, Half Yearly and Annual Financial Results of the Company are published in the Newspaper and are also posted on Company's corporate website [www.kokuyocamlin.com](http://www.kokuyocamlin.com). The complete Annual Report is sent to each and every Shareholder of the Company.

- **Modified opinion in Auditors Report**

The Company's financial statement for the year ended 31<sup>st</sup> March, 2023 does not contain any modified Audit opinion

- **Separate posts of Chairperson and Chief Executive Officer:**

The Chairman of the Board is a Non-Executive Director. The Company has also appointed Manager designated as the Chief Executive Officer.

- **Reporting of Internal Auditor:**

The Internal Auditor of the Company reports to the CFO and has direct access to the Audit Committee.

**For & on behalf of the Board**

Place: Mumbai  
Dated: 12<sup>th</sup> May, 2023

**Dilip D. Dandekar**  
**Chairman & Non-Executive Director**

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## Compliance with Code of Business Conduct

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2023.

**For Kokuyo Camlin Limited**

Place: Mumbai  
Date: 12<sup>th</sup> May, 2023

**Satish Veerappa**  
**Chief Executive Officer**

## Chief Executive Officer (CEO) & Chief Financial Officer (CFO) Certificate

**To,  
The Board of Directors  
Kokuyo Camlin Limited**

We, Satish Veerappa, Chief Executive Officer and Chetan R. Badal, Chief Financial Officer heading the Finance Functions, to the best of our knowledge and belief, hereby certify that:

1. We have reviewed the Balance Sheet as at 31<sup>st</sup> March, 2023, Profit & Loss Account for the year ended on that date along with all its schedules, notes to accounts as well as cash flow statement and Directors Report for the year and based on our knowledge and information confirm that:
  - a. these statements do not contain any materially untrue statement or omit to state any material fact or contain statements that may be misleading;
  - b. these statements together present true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. Based on our knowledge and information, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
3. We, along with the Company's other certifying officers accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of internal control system of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which, we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We, along with the Company's other certifying officers, have indicated to the Auditors and the Audit Committee of the Company, the following:
  - a. Significant changes in internal control over financial reporting during the year;
  - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or any employee having significant role in the Company's internal Control System over financial reporting.

**SATISH VEERAPPA  
CHIEF EXECUTIVE OFFICER**

**CHETAN BADAL  
CHIEF FINANCIAL OFFICER**

Place : Mumbai

Date : 12<sup>th</sup> May, 2023

## Certificate from Practicing Company Secretaries Regarding Non-Disqualification of Directors

Based on our verification of the records maintained by Kokuyo Camlin Limited CIN- L24223MH1946PLC005434 (hereinafter called 'the Company') including declarations / notices received from its Directors and also information / record available on the website(s) of the Ministry of Corporate Affairs, Securities and Exchange Board of India and Stock Exchanges where the equity shares of the Company are listed, we hereby certify that, during the Financial year 2022-23, none of the Directors on the Board of the Company were debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority.

This certificate is being issued as per the requirements of Schedule V (C) (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Thane  
Date : 12<sup>th</sup> May, 2023

**For JHR & Associates  
Company Secretaries**

**J. H. Ranade  
(Partner)  
FCS: 4317, CP: 2520  
UDIN: F004317E000295872**

## Certificate from Practicing Company Secretaries Regarding Compliance of Conditions of Corporate Governance

To,  
The Members of **KOKUYO CAMLIN LIMITED**

We have examined the compliance of conditions of Corporate Governance by Kokuyo Camlin Limited - CIN: L24223MH1946PLC005434 ('the Company') for the year ended on 31<sup>st</sup> March, 2023 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreements of the said Company with Stock Exchanges ('the Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in the Regulations referred above.

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

**For JHR & Associates  
Company Secretaries**

**J. H. Ranade  
Partner  
(FCS: 4317, CP: 2520)**

Place : Thane  
Date : 12<sup>th</sup> May, 2023

UDIN: F004317E000295927

# Business Responsibility & Sustainability Report

(The Company was not falling under top 1000 listed entities based on the market capitalization as on 31st March, 2022)

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	:	L24223MH1946PLC005434
2.	Name of the Listed Entity	:	Kokuyo Camlin Limited
3.	Year of Incorporation	:	1946
4.	Registered office address	:	48/2, Hilton House, Central Road, MIDC, Andheri (E), Mumbai - 400093
5.	Corporate address	:	48/2, Hilton House, Central Road, MIDC, Andheri (E), Mumbai - 400093
6.	E-mail	:	corporate@kokuyocamlin.com
7.	Telephone	:	022 66557000
8.	Website	:	www.kokuyocamlin.com
9.	Financial year for which reporting is being done	:	1 <sup>st</sup> April, 2022 to 31 <sup>st</sup> March, 2023
10.	Name of the Stock Exchange(s) where shares are listed	:	i) The BSE Ltd. ii) The National Stock Exchange of India Ltd.
11.	Paid-up Capital	:	INR 100303806/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Mr. Vipul Bhoj, Compliance Officer Telephone - 022 66557000, email - corporate@kokuyocamlin.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	:	Standalone basis

### II. Products/services

#### 14. Details of business activities (accounting for 90% of the turnover)

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and trading	Manufacturing and trading of consumer products viz. Stationery and colour products used for scholastic and art purpose	100%

#### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Consumer products (Stationary items including Fine Arts & Hobby Products, Scholastic products, Markers, Notebook, Technical instruments, adhesives etc.)	32901, 32909, 46496, 47613	100%

## Business Responsibility &amp; Sustainability Report (Contd.)

## III. Operations

## 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices
National	3	3
International	Nil	Nil

## 17. Markets served by the entity:

## a. Number of Locations :

Location	Number
National (No. of States)	Pan India
International (No. of Countries)	9

## b. What is the contribution of exports as a percentage of the total turnover of the entity:

4.23%

## c. A brief on types of customers

Company is one of the oldest and recognised stationery brands in India. The Company has diversified portfolio in office and school stationery segment comprising inks, colours, writing instruments, technical and drawing instruments, office stationery, markers, notebooks, scholastic and hobby art materials. Company serves the retail market through its strong distribution network across India.

## IV. Employees

## 18. Details as at the end of Financial Year:

## a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	856	803	94%	53	6%
2.	Other than Permanent (E)	127	123	97%	4	3%
3.	<b>Total employees (D + E)</b>	<b>983</b>	<b>926</b>	<b>94%</b>	<b>57</b>	<b>6%</b>
<b>WORKERS</b>						
4.	Permanent (F)	112	105	94%	7	6%
5.	Other than Permanent (G)	0	0	0%	0	0%
6.	<b>Total workers (F + G)</b>	<b>112</b>	<b>105</b>	<b>94%</b>	<b>7</b>	<b>6%</b>

## b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	1	1	100%	0	0
2.	Other than Permanent (E)	0	0	0	0	0
3.	<b>Total differently abled employees (D + E)</b>	<b>1</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0</b>
<b>WORKERS</b>						
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	0	0	0	0	0
6.	<b>Total workers (F + G)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Business Responsibility & Sustainability Report (Contd.)

### 19. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	%(B/A)
Board of Directors	6	1	16.67%
Key Management Personnel	3	1	33.33%

### 20. Turnover rate for permanent employees and workers

	FY 2022-2023			FY 2021-2022			FY 2020-2021		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	27.90%	14.16%	27.12%	22.41%	13.79%	13.79%	12.41%	4.87%	7.73%
Permanent Workers	3.26%	25.00%	4.04%	1.80%	0	1.67%	3.26%	25.00%	4.04%

### V. Holding, Subsidiary and Associate Companies (including joint ventures)

#### 21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the Holding / Subsidiary/ Associate companies / joint ventures (A)	Indicate whether Holding/ Subsidiary/ Associate/ Joint Venture	% of shares held	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Kokuyo Co. Ltd., Japan	Holding Company	74.44%	No

### VI CSR Details

22. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No):** During the year under review, the Company was not required to spend on CSR activities as prescribed under Section 135(5) of the Companies Act, 2013 due to losses in two out of three preceding financial years.

(ii) **Turnover (in ₹) :** 77494.32 Lakhs

(iii) **Net worth (in ₹) :** 26257.60 Lakhs

### VII. Transparency and Disclosures Compliances

#### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	-	-	-	-	-	-	-
Investors (other than shareholders)	NA	-	-	-	-	-	-
Shareholders	Yes, <a href="https://www.kokuyocamlin.com/company-info">https://www.kokuyocamlin.com/company-info</a>	3	0	-	3	0	-

## Business Responsibility &amp; Sustainability Report (Contd.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes, <a href="https://www.kokuyocamlin.com/camel/gallery/uploads/company_policies/company-policies-2014-236.pdf">https://www.kokuyocamlin.com/camel/gallery/uploads/company_policies/company-policies-2014-236.pdf</a>	0	0	-	2	1	The Complaint pending resolution at the close of the year was internally reviewed and finally closed with the complainant in the subsequent financial year.
Customers	Yes, <a href="https://www.kokuyocamlin.com/contact-us">https://www.kokuyocamlin.com/contact-us</a>	151	0	All complaints received with proper consumer details are settled well within the Turnaround Time (TAT) of 8 days.	101	0	All complaints received with proper consumer details are settled well within the TAT of 8 days.
Value Chain Partners	Yes. The Company has COC 'Kokuyo Group Hotline' link provided to the Value Chain Partners. The Company has provided option on its website and its inhouse application viz. Vendor sampark to raise their concerns, if any. <a href="https://www.kokuyocamlin.com/contact-us">https://www.kokuyocamlin.com/contact-us</a>	0	0	-	0	0	No Distribution channel partners, suppliers, vendors issues received during the year
Other (please specify)	-	-	-	-	-	0	-

**24. Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Plastic waste management	Risk	Compliance with Laws and Regulations	The Company is registered as Brand Owner by Central Pollution Control Board for disposal of Multi Layered Plastic (MLP) & other plastic waste as per Extended producer Responsibility (EPR) plan	Nil

## Business Responsibility & Sustainability Report (Contd.)

### SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Yes. The policies have been approved by the Board or through its delegated authority.								
c. Web Link of the Policies, if available	The Statutory policies mandated under applicable laws are available on the Company's website Viz. <a href="https://www.kokuyocamlin.com/policies">https://www.kokuyocamlin.com/policies</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001, 14001 & 45001:2018 Certification Audits conducted at each site annually to evaluate Health, Safety and Environment Management system in the organization.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	No. The Company is complying with the applicable laws, rules and regulations.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Not applicable								
<b>Governance, leadership and oversight</b>									
7. <b>Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</b>	ESG framework is embedded in the culture of the Company. The Company has a dedicated policy towards ESG called 'Quality, Environment, Health and Safety (QEHS) with a view to develop long-term sustainable business while minimizing the environmental impact of its operations and at the same time to serve the society with safe, environment friendly and quality products. The Company also ensures health and safety of its employees and other stakeholders. Company firmly believes that Governance is a pre-requisite for attaining sustainable growth. We are committed to values and ethical business conduct not just in letter but also in spirit.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Satish Veerappa, Chief Executive Officer								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	The Corporate Social Responsibility is administered by the CSR Committee in line with the requirements of the Companies Act, 2013. The CEO is responsible for implementation of Environmental Health & Safety (EHS) policy/ies.								

#### 10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a practice, respective Business Responsibility policies of the Company are reviewed periodically or on a need basis by the Board/Management. During this assessment, the efficacy of the policies is reviewed and necessary changes to policies and procedures are implemented.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with existing regulations as applicable and a Statutory Compliance Certificate on applicable laws is provided by the Chief Executive Officer to the Board of Directors.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9

The Company conducts periodic review of the policies internally by the Senior Management which then drives the policies, projects and performance of the aspects of business responsibility and sustainability

## Business Responsibility & Sustainability Report (Contd.)

12. If answer to question (1) above is “No” i.e. not all Principles are covered by a policy.

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Not Applicable

### SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

**PRINCIPLE 1: Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.**

#### Essential Indicators

**1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors		During the year, the Board of Directors of the Company has invested time on various updates comprising matters relating to issues pertaining to the business, regulations, economy and environmental, social and governance parameters.	100
Key Managerial Personnel		Code of Conduct, POSH	100
Employees other than BoD and KMPs		Code of Conduct, POSH	100
Workers		Code of Conduct, POSH	100

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year:**

Nil

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Not Applicable

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, The Company has ‘zero tolerance’ of any practice that may be classified as corruption, bribery or giving or receipt of bribes and the same has been mentioned in its Code of Conduct which is available on the website <https://www.kokuyocamlin.com/code-of-conduct>. The objective of this policy is to serve as a guide to all directors, executives, employees and associated persons for ensuring compliance with applicable anti-bribery laws, rules and regulations. This policy is applicable to all individuals working at all levels and grades, including Board Members and Senior Managerial Personnel and other employees of the Company and such person acting on behalf of the Company.

## Business Responsibility & Sustainability Report (Contd.)

**5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY 2022-23	FY 2021-22
Directors		
KMPs	Nil	Nil
Employees		
Workers		

**6. Details of complaints with regard to conflict of interest:**

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs				

**7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interests: Not Applicable**

**PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe**

**Essential Indicators**

**1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23 (₹ In Lakhs)	FY 2021-22 (₹ In Lakhs)	Details of improvements in environmental and social impacts
R & D	490.21	516.86	Most of our products are used by children/ students. Our R&D efforts are dedicated to make the products user friendly, safe & non - toxic.
Capex	Nil	Nil	

2. a. Does the entity have procedures in place for sustainable sourcing? – (Yes/No) - Yes.  
 b. If yes, what percentage of inputs were sourced sustainably? – 70% of the Inputs were sourced sustainably.
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
  - Plastic waste from rejection, reprocessed finished goods is collected and sent for recycling or co-processing. This is being done through authorised third parties.
  - The Company disposes its e-wastes as per in country/local regulations.
  - Hazardous wastes are being disposed as per the Hazardous Wastes Management Rules.
  - The other wastes are disposed as per regulation devised by local regulatory bodies and the regulations.
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. Yes, the Company complies with all the conditions of Extended Producer Responsibility (EPR) defined under the Plastic Waste Management Rules.

## Business Responsibility &amp; Sustainability Report (Contd.)

**PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains****Essential Indicators****1. a. Details of measures for the well-being of employees:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	803	803	100%	803	100%	0	0	0	0	0	0
Female	53	53	100%	53	100%	53	100%	0	0	53	100%
<b>Total</b>	<b>856</b>	<b>856</b>	<b>100%</b>	<b>856</b>	<b>100%</b>	<b>53</b>	<b>6%</b>	<b>0</b>	<b>0</b>	<b>53</b>	<b>6%</b>
<b>Other than Permanent employees</b>											
Male	123	123	100%	123	100%	0	0	0	0	0	0
Female	4	4	100%	4	100%	4	100%	0	0	4	100%
<b>Total</b>	<b>127</b>	<b>127</b>	<b>100%</b>	<b>127</b>	<b>100%</b>	<b>4</b>	<b>3%</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>3%</b>

**1. b. Details of measures for the well-being of workers:**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male	105	40	38%	105	100%	0	0	0	0	0	0
Female	7	7	100%	7	100%	7	100%	0	0	7	100%
<b>Total</b>	<b>112</b>	<b>47</b>	<b>42%</b>	<b>112</b>	<b>100%</b>	<b>7</b>	<b>6%</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>6%</b>
<b>Other than Permanent workers</b>											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**2. Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.49%*	100%	Y	99.49%*	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI	51%	66%	Y	52%	60%	Y
Others – please specify	0	0	-	0	0	-

\* Note : We have 5 Japanese expats on our payroll. Indian Government is having Social Security Agreement (SSA) with Japan and accordingly they do not fall under the purview of provisions of Employee's Provident Fund and Miscellaneous Provision Act, 1952. Hence they are not considered as PF covered employees.

## Business Responsibility & Sustainability Report (Contd.)

### 3. Accessibility of workplaces

**Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard. - Yes.**  
All the plants and Head office are accessible to differently abled employees and workers. The Company is continuously working towards improving infrastructure for the easement in accessibility to the differently abled employees.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.-

Principle 2 of the Company’s Code of Conduct emphasizes on respect for human rights and personality which talks about no discrimination based on disability. Company’s code of conduct is available on <https://www.kokuyocamlin.com/code-of-conduct>.

### 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA	NA	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

### 6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, Employee can approach immediate superior if not resolved employee can escalate to Head of the Department (HOD) and / or HR dept. if not satisfied then can write on ‘Kokuyo Group Hotline’.
Other than Permanent Workers	Yes, Employee can approach immediate superior if not resolved employee can escalate to HOD and / or HR dept. if not satisfied then can write on ‘Kokuyo Group Hotline’.
Permanent Employees	Yes, Employee can approach immediate superior if not resolved employee can escalate to HOD and / or HR dept. if not satisfied then can write on ‘Kokuyo Group Hotline’.
Other than Permanent Employees	Yes, Employee can approach immediate superior if not resolved employee can escalate to HOD and / or HR dept. if not satisfied then can write on ‘Kokuyo Group Hotline’.

### 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
- Male	926	0	0%	930	0	0%
- Female	57	0	0%	56	0	0%
Total Permanent Workers						
- Male	105	105	100%	110	110	100%
- Female	7	7	100%	9	9	100%

## Business Responsibility &amp; Sustainability Report (Contd.)

## 8. Details of training given to employees and workers:

Category	FY 2022-23					FY 2021-22				
	Total (A)	On Health and Safety measures		On Skill Ugradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No (B)	% (B / A)	NO (C)	% (C / A)		NO (E)	% (E / D)	NO (F)	% (F / D)
<b>Employees</b>										
Male	926	926	100%	926	100%	930	930	100%	930	100%
Female	57	57	100%	57	100%	56	56	100%	56	100%
<b>Total</b>	<b>983</b>	<b>983</b>	<b>100%</b>	<b>983</b>	<b>100%</b>	<b>986</b>	<b>986</b>	<b>100%</b>	<b>986</b>	<b>100%</b>
<b>Workers</b>										
Male	105	105	100%	105	100%	110	110	100%	110	100%
Female	7	7	100%	7	100%	9	9	100%	9	100%
<b>Total</b>	<b>112</b>	<b>112</b>	<b>100%</b>	<b>112</b>	<b>100%</b>	<b>119</b>	<b>119</b>	<b>100%</b>	<b>119</b>	<b>100%</b>

## 9. Details of performance and career development reviews of employees and worker:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	926	926	100%	930	930	100%
Female	57	57	100%	56	56	100%
<b>Total</b>	<b>983</b>	<b>983</b>	<b>100%</b>	<b>986</b>	<b>986</b>	<b>100%</b>
<b>Workers</b>						
Male	105	105	100%	110	110	100%
Female	7	7	100%	9	9	100%
<b>Total</b>	<b>112</b>	<b>112</b>	<b>100%</b>	<b>119</b>	<b>119</b>	<b>100%</b>

## 10. Health and safety management system:

- a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage of such system?**

The Safety & Health Management system covers activities across all manufacturing locations and ensures the protection of environment and health & safety of its employees, contractors, visitors and relevant stakeholders.

- b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

The Company has a process for Risk Management which is essential for preventing incidents, injuries, occupational disease, emergency control & prevention and business continuity. For all activities including routine or non-routine (project activities), hazards are identified by a trained cross-functional team and risk assessment and its management is implemented through various modules such as Hazard Identification and Risk Assessment (HIRA)/Pre Start Up Safety Review (PSSR) / Standard Operating Procedure (SOP) before starting any activity.

- c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)**

Yes, the employees are encouraged to report all near miss, unsafe acts and similar situations through suggestion box and in safety committee meetings etc.

- d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)**

Yes, all employees are covered under health insurance scheme / ESI scheme.

## Business Responsibility & Sustainability Report (Contd.)

### 11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	1.35	0.00
	Workers	1.00	0.37
Total recordable work-related injuries	Employees	1.00	0.00
	Workers	NIL	NIL
No. of fatalities	Employees	NIL	NIL
	Workers	NIL	NIL
High consequence work-related injury or ill-health (excluding fatalities)	Employees	NIL	NIL
	Workers	NIL	NIL

### 12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Company has a Steering Committee across various plants/ corporate office comprising Senior Management of the respective location. The Committee reviews and monitors the sustainability, safety, health and environmental policies and activities of the Company to ensure the compliance with appropriate laws and legislation. The committee’s primary goal is to ensure that the organization provides a safe and healthy workplace for its employees, visitors, and customers. The Company has integrated Safety, Health & Environment policy. The data associated with key lead and lag measures are captured through various predefined reports and log sheets to track performance. For data analysis, tools like Trends Analysis, Root Cause Analysis and Comparative Performance analysis are used to assess current performance and the improvements required.

### 13. Number of Complaints on the following made by employees and workers:

No complaints were made by any employee or worker on the working conditions and/or health and safety practices of the Company.

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

### 14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%.
Working Conditions	

### 15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Any safety related incident, when encountered, is investigated by cross-functional team. All critical factors involved in an incident are determined through root cause analysis & investigation and corrective / preventive actions are identified to prevent recurrence. The detailed investigation and root causes identified by cross-functional team are reviewed by the Senior management. Learning from incident is further discussed in the morning safety meeting, toolbox talk, safety committee meet etc. to bring awareness and prevent recurrence of incidents.

## Business Responsibility &amp; Sustainability Report (Contd.)

**PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders****Essential Indicators****1. Describe the processes for identifying key stakeholder groups of the entity.**

The Company has identified its internal and external stakeholders and endeavors to maintain healthy engagement with these stakeholders which allows participation and collaboration wherever possible.

**2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group(Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Direct, Emails	Regular	Employee's growth in terms of their career, professional development, continuing education and skill training etc.
Suppliers	No	Direct, Emails, 'Vendor Sampark'- an inhouse portal developed for vendor management	Regular / Periodic	Need and expectation, supply chain issue, awareness and other trainings, Regulatory compliance etc.
Stockists & Dealers	No	Emails, 'Sampark'- an inhouse portal developed for order processing with distributors	Regular / Periodic	Need and expectation, awareness and other trainings, smooth distribution network etc.
Customers	No	Emails, Advertisements, website, social media	Regular	Customer satisfaction and feedback, product awareness
Shareholders/ investors	No	Annual General meeting, Email, Newspaper Advertisement	Annual / Quarterly /Periodic	Understand their need and expectations
Community	Yes	Advertisements, Website, Social Media	Regular	CSR Interventions and its benefits to the Community
Regulatory authority	No	Statutory filings	Periodic	Compliance and reporting requirement

**PRINCIPLE 5: Businesses should respect and promote human rights****Essential Indicators****1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	856	856	100%	892	892	100%
Other than permanent	127	127	100%	94	94	100%
<b>Total Employees</b>	<b>983</b>	<b>983</b>	<b>100%</b>	<b>986</b>	<b>986</b>	<b>100%</b>
<b>Workers</b>						
Permanent	112	112	100%	119	119	100%
Other than permanent	0	0	0%	0	0	0%
<b>Total Workers</b>	<b>112</b>	<b>112</b>	<b>100%</b>	<b>119</b>	<b>119</b>	<b>100%</b>

## Business Responsibility & Sustainability Report (Contd.)

### 2. Details of minimum wages paid to employees and Workers, in the following format:

Category	FY 2022-23					FY 2021-22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B /A)	No.(C)	% (C /A)		No.(E)	% (E/D)	No.(F)	% (F/D)
<b>Employees</b>										
<b>Permanent</b>										
Male	803	0	0	803	100%	838	0	0	838	100%
Female	53	0	0	53	100%	54	0	0	54	100%
<b>Other than permanent</b>										
Male	123	0	0	123	100%	92	0	0	92	100%
Female	4	0	0	4	100%	2	0	0	2	100%
<b>Workers</b>										
<b>Permanent</b>										
Male	105	0	0	105	100%	110	0	0	110	100%
Female	7	0	0	7	100%	9	0	0	9	100%
<b>Other than permanent</b>										
Male	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

### 3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)	Number	Median remuneration/ salary/ wages of respective category (₹ in lakhs)
Board of Directors (BoD) (Whole time Directors)	1	134.82	0	NA
Key Managerial Personnel	2	162.10	1	19.05
Employees other than BoD and KMP	923	3.03	56	5.63
Workers	105	2.90	7	4.12

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No):

The Chief Human Resources Officer who is responsible for the human resources function oversees and addresses issues arising from any human rights impact or issues caused or contributed to by the business.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Employee can approach immediate superior. If not resolved, employee can escalate to Head of the department and / or HR department. If not satisfied then can write on 'Kokuyo Group Hotline'.

### 6. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	1	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour / Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

## Business Responsibility &amp; Sustainability Report (Contd.)

**7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

The Company has Whistle Blower Policy in place.

**8. Do human rights requirements form part of your business agreements and contracts? (Yes/No) – No****9. Assessments for the year:**

	<b>% of your plants and offices that were assessed (by entity or statutory authorities or third parties)</b>
Child labour	100%. The Company has policies on human rights which are applicable to all its employees.
Forced/involuntary labour	The Company has processes in place to confirm the compliance of applicable laws at the time of joining employment and thereafter the Company monitors its compliances throughout their employment.
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

**10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above. –**

The Company has policies on human rights which are applicable to all its employees. The company has processes in place to confirm the compliance of applicable laws at the time of joining employment and thereafter the Company monitors its compliances throughout their employment.

**PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment****Essential Indicators****1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Parameter	(Units in GJ)	(Units in GJ)
	<b>FY2022-23</b>	<b>FY 2021-22</b>
Total electricity consumption (A)	26814.94	19980.38
Total fuel consumption (B)	2708.09	2271.04
Energy consumption through other sources (C)	24465.71	24326.26
<b>Total energy consumption (A+B+C)</b>	<b>53988.74</b>	<b>46577.68</b>
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	0.69 GJ / ₹ Lakhs	0.92 GJ / ₹ Lakhs

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.**

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

None of the Company's sites/ Facilities are identified under PAT scheme.

**3. Provide details of the following disclosures related to water, in the following format:**

Parameter	<b>FY2022-23</b>	<b>FY 2021-22</b>
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	69703	61866
(ii) Groundwater	1805	1799
(iii) Third party water	559	25
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>72067</b>	<b>63690</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>72067</b>	<b>63690</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	0.93 Kilolitres / ₹ Lakhs	1.25 Kilolitres / ₹ Lakhs

**Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. – No.**

## Business Responsibility & Sustainability Report (Contd.)

#### 4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation:

Yes, the Company has implemented zero liquid discharge mechanism at its Manufacturing site (Pataganga). All the wastewater is collected and treated in STP/ETPs and all the parameters are maintained as defined by State Pollution Control Board.

#### 5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Patalganga plant		Tarapur plant		Samba plant	
	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22	FY 2022-23	FY 2021-22
Nox	36.51 µg/m <sup>3</sup>	36.78 µg/m <sup>3</sup>	11.2 ppm	12.89 ppm	0.192 gm/Kw.Hr	0.274gm/Kw.Hr
Sox	26.82 µg/m <sup>3</sup>	26.39 µg/m <sup>3</sup>	8.60 KG/Day	9.25 KG /Day	0.092 gm/Kw.Hr	0.072 gm/Kw.Hr
Particulate matter (PM <sub>2.5</sub> )	22.16 µg/m <sup>3</sup>	22.37 µg/m <sup>3</sup>	72.5 mg/Nm <sup>3</sup>	52.12 mg/Nm <sup>3</sup>	0.122 gm/Kw.Hr	0.097 gm/Kw.Hr
Persistent organic pollutants (POP)	NA	NA	NA	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA	NA	NA	NA
Others– please specify	NA	NA	NA	NA	NA	NA

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, Emission parameters tested and assured by State Pollution Control Board Approved Lab.

#### 6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY2022-23	FY 2021-22
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available) - Emissions from Diesel used for Vehicle & DG Sets	Metric tonnes of CO <sub>2</sub> equivalent	26.57	27.90
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	2323.24	2014.95
<b>Total Scope 1 and Scope 2 emissions</b>	Metric tonnes of CO <sub>2</sub> equivalent	2349.81	2042.85
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>	Metric tonnes of CO <sub>2</sub> equivalent	0.03 / ₹ Lakhs	0.04 / ₹ Lakhs

**Note:** Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. No.

**7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.:** The Company does not have any Project related to Green House Gas emission.

#### 8. Provide details related to waste management by the entity, in the following format:

Parameter	FY2022-23	FY 2021-22
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	141.87	174.23
E-waste (B)	0.1	0
Bio-medical waste(c)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. [As per Maharashtra Pollution Control Board (MPCB) consent] (G)	3.68	2.21

## Business Responsibility &amp; Sustainability Report (Contd.)

Parameter	FY2022-23	FY 2021-22
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Paper	184.76	188.86
Wood (Packing)	15.55	5.55
Metal	92.68	91.06
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>438.64</b>	<b>461.91</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste – Plastic</b>		
(i) Recycled	3.047	7.630
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>3.047</b>	<b>7.630</b>
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste - ETP Sludge</b>		
(i) Incineration	3.42	1.91
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
<b>Total</b>	<b>3.42</b>	<b>1.91</b>

**9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

All the products produce by the company are classified into three categories 1. Office Products, 2-Art Material and 3-School Stationaries. School Stationary and School Art products are certified as “Child Safe” through CE Certification and ISI Certification of Bureau of Indian Standards (BIS). Other Office products are certified under CE i.e. RoHS and ELV Compliant (Conformance to EN-71-3). Artist colors are certified through ASTM D 4236 Non-Toxic certification.

The Company ensures responsible waste management practices involving recycling of plastic waste as per EPR PWM. 100% solid waste of Tarapur and Patalganga plant is given to Mumbai Waste Management Limited. For solid waste management at Samba plant, the management has an arrangement locally for safe disposal.

**10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:** The Company does not have any operations/ offices in/around ecologically sensitive areas.

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			Not Applicable

**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties /action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any

Yes, Company is compliant with all the applicable laws.

## Business Responsibility & Sustainability Report (Contd.)

**PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent**

**Essential Indicators**

1. a. **Number of affiliations with trade and industry chambers/ associations.**

The Company is member of 7 (seven) Trade & Industry chambers as mentioned in sr. no. (b) below:

- b. **List the top trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Art and Creative Material Institute, Inc	International
2	Honorary Consular Corps Diplomatique-India	International
3	Federation of Indian Chamber of Commerce & Industries (FICCI)	National
4	Indian Merchants' Chambers (IMC)	National
5	Indian Institute of Packaging	National
6	Bureau of Indian Standards	National
7	Tarapur Industrial Manufacturer Association (TIMA)	State

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.** No adverse orders have been passed against the Company.

**PRINCIPLE 8: Businesses should promote inclusive growth and equitable development**

**Essential Indicators**

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	EIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. **Describe the mechanisms to receive and redress grievances of the community. –**

The Company is responding to any complaint / grievance/ suggestion received from the local community where operative and as a responsible corporate citizen endeavors to act upon it in the best interest of the Company and the Community. The contact details of the Company are available on the Company’s website [www.kokuyocamlin.com](http://www.kokuyocamlin.com).

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

Particulars	FY2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	15%	19%
Sourced directly from within the district and neighboring districts	59%	63%

## Business Responsibility & Sustainability Report (Contd.)

### PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

#### Essential Indicators

#### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company believes that the customers are the key source of inputs on products quality & services. To facilitate customer interactions, the Company has dedicated Customer Support Desk. Customer contact mechanism is mentioned on all our packs, customers can register their queries, grievances, suggestions on telephone or e-mail. The Company also has a well-established protocol to address all the queries / suggestions /grievances received from customers. Customer queries /complaints are immediately addressed by quality team through personal visits or telecom. Customer Support Desk co-ordinates with all stakeholders for timely resolution of customer feedback. In-case of complaints, once the initial analysis is done, Quality team further investigates the complaints. Root cause analysis and corrective / preventive actions are taken. Complaint Sample/ feedback is shared with shop floor team to sensitize on the nature of complaint and avoid reoccurrence. In case of genuine complaints, timely product replacements are provided to customers to ensure customer confidence and trust.

#### 2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Products of the Company carry all the essential information required under applicable laws, rules and regulations. Company's products carry various certification marks e.g. i) CE which is European Union standard for affirmation on safety, health and environmental protection standards ii) ISI mark which is standards compliance mark certifying that the product conforms to an Indian Standards developed by Bureau of Indian Standards (BIS). Further all the products with plastic packaging carries plastic recycle marks.
Safe and responsible usage	
Recycling and/or safe disposal	

#### 3. Number of consumer complaints in respect of the following:

	FY2022-23		Remarks	FY2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	151	0	-	101	0	-

#### 4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	No voluntary product recalls initiated for the reason of "Safety Issues"
Forced recalls	0	No Forced product recalls done for the reason of "Safety Issues"

#### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy. No

#### 6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

One incident on cyber attack happened during February 2022. However, there was no data breach. In FY 2022-23 the Company had conducted a forensic audit of cyber attack as well as the Vulnerability Assessment and Penetration Test (VAPT) to plug deficiencies, if any.

# Independent Auditor's Report

## To the Members of Kokuyo Camlin Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Kokuyo Camlin Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matter(s)

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

#### Revenue recognition

(See notes 3.01 and 42 - to financial statements)

The key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> <li>Revenue from the sale of goods is recognised when the control of the goods has passed to the customers, which is on dispatch/delivery of the goods. There is a risk that revenue may be overstated throughout the year and as at the year end to achieve performance targets.</li> <li>Revenue is measured net of discounts, incentives and rebates earned by customers on the Company's sales. The estimation of discounts, incentives and rebates is significant and considered to be complex and requires significant degree of judgment. There is a risk that revenue may be overstated through incorrect estimation of the discounts, incentives and rebates recognised to achieve performance targets throughout the year and as at the year end. Accordingly, revenue recognition is a key audit matter.</li> </ul>	<ul style="list-style-type: none"> <li>Our audit procedures included: <ul style="list-style-type: none"> <li>We have assessed the Company's accounting policies with respect to revenue recognition, discounts, incentives and rebates by comparing with applicable accounting standards.</li> <li>We have assessed the design and implementation and tested the operating effectiveness of the Company's internal controls over recording revenue and estimating and recording the amount of provisions for schemes and discounts.</li> <li>We have tested, by selecting statistical samples, underlying documentation/records for sales transactions recorded throughout the year and as at year end to determine whether revenue has been recognised in the correct period.</li> <li>We have tested, by selecting statistical samples, the underlying documentation for discounts, incentives and rebates recorded and disbursed during the year.</li> <li>We have assessed the Company's computations for accrual of discounts, incentives and rebates, on a sample basis, and compared the accruals made with the approved schemes and underlying documents.</li> <li>We have compared past trends of payments and reversals of provisions for discounts, incentives and rebates to evaluate the historical accuracy of provisions made.</li> <li>We have assessed manual journals posted to revenue to identify unusual or irregular items.</li> </ul> </li> </ul>

**Independent Auditor’s Report (Contd.)**

**Provisioning for slow moving inventory**

(See Note 09 - to the financial statements)

The key audit matter	How the matter was addressed in our audit
<ul style="list-style-type: none"> <li>• The Company makes provisions for slow moving / non-moving inventories based on certain specific percentages assigned to the inventory ageing. The Company also makes specific provisions for slow moving items. Due to the significant number of stock keeping units (SKUs) in the various categories of inventories, significant judgment is required by the Company in determining the inventory provisioning.</li> <li>• There is a risk that inventory may be overstated on account of inappropriate provisioning for non-moving inventories.</li> <li>• Accordingly, provisioning for inventory is a key audit matter.</li> </ul>	<ul style="list-style-type: none"> <li>• We have assessed the Company’s accounting policies for inventory provisioning.</li> <li>• We have assessed the design and implementation and tested the operating effectiveness of the Company’s controls over the assessment and recording of slow moving inventory provision.</li> <li>• We have tested the sales of slow moving inventory during the period and assessed the Company’s plans for future disposal of such stocks.</li> <li>• We have tested the estimated future sales values, less estimated costs to sell against the carrying value of the inventories.</li> <li>• We have compared the historical trend of Company’s estimates against actual outcomes to assess the impact of provision of slow moving inventory.</li> <li>• We have tested the inventory written off against the provisions recorded.</li> <li>• We have considered the adequacy of the Company’s disclosures in respect of provisions for inventory.</li> </ul>

**Other Information**

The Company’s Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor’s report thereon. The annual report are expected to be made available to us after the date of this auditor’s report.

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

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

**Management’s and Board of Directors Responsibilities for the Financial Statements**

The Company’s Management and Board of Directors are 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 state of affairs, profit/ loss and other comprehensive loss changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

**Auditor’s Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

## Independent Auditor's Report (Contd.)

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and

timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  - 2 A. As required by Section 143(3) of the Act, we report that:
    - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
    - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
    - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
    - e. On the basis of the written representations received from the directors as on 31 March 2023 taken

## Independent Auditor's Report (Contd.)

on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its financial statements - Refer Note 31 to the financial statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d(i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 45 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 45 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded

in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. As stated in Note 14 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid/payable by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid/payable to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.:101248W/W-100022

**Burjis Pardiwala**  
Partner

Place: Mumbai  
Date: 12 May 2023

Membership No.: 103595  
ICAI UDIN:23103595BGTPFC3406

# Annexure A to the Independent Auditor's Report

on the Financial Statements of Kokuyo Camlin Limited for the year ended 31 March 2023

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified by the management over one year. In accordance with this programme, all property, plant and equipment were verified during the 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. No discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and 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.
- (e) 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.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of 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 has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) 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 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. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) 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 given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.

**Annexure A to the Independent Auditor's Report (Contd.)**

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the Statute	Nature of the dues	Amount Demanded (₹ In Lakhs)	Amount Paid (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Income Tax Act 1961	Income Tax	2124.02	-	AY 2018-19 & AY 2021-22	CIT (Appeals)
Customs Act 1962	Customs Duty (including interest and penalty, if applicable)	73.82	-	2017-18 to 2020-21	The Commissioner of Customs
Central Excise Act, 1944	Excise duty (including interest and penalty, if applicable)	53.60	32.97	1990-95	Mumbai High court
Central Excise Act, 1944	Excise duty (including interest and penalty, if applicable)	9.05	-	Jan 1991 to June 1991	The Customs, Excise and Service Tax Appellate Tribunal (CESTAT)
Central Sales Tax Act, 1956 and Local Sales Tax Act	Sales tax (including interest and penalty, if applicable)	55.08	53.31	1996-97 to 1997-98, 2000-01, 2007-08 to 2008-09	Sales Tax Tribunal
Central Sales Tax Act, 1956 and Local Sales Tax Act	Sales tax (including interest and penalty, if applicable)	671.66	154.37	1995-96, 1998-99 to 2002-03, 2004-05 to 2005-06, 2007-08, 2009-10 to 2017-18	First Appellate
Central Sales Tax Act, 1956 and Local Sales Tax Act	Sales tax (including interest and penalty, if applicable)	0.27	-	2016-17	Assessing officer
Goods and Service Tax Act, 2017	Goods and Service Tax Act	193.46	9.37	2017-18 to 2018-19	First Appellate
Maharashtra Municipal Corporation Act 1949	Local Body Tax( including interest and penalty, if applicable)	481.08	-	AY 2015-16 to 2016-17	The Deputy Commissioner of Vasai-Virar City Municipal Corporation

## Annexure A to the Independent Auditor's Report (Contd.)

- (viii) 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.
- (ix) (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 not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (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 during the year. 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 no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (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.
- (xi) (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 course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (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.
- (xv) In our opinion and according to the information and explanations given to us, 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 Act are not applicable to the Company.

**Annexure A to the Independent Auditor's Report (Contd.)**

- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. 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) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of 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.
- (xx) 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 Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.:101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No.: 103595

ICAI UDIN:23103595BGTPFC3406

Place: Mumbai  
Date: 12 May 2023

# Annexure B to the Independent Auditor's Report

on the Financial Statements of Kokuyo Camlin Limited for the year ended 31 March 2023

## Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Opinion

We have audited the internal financial controls with reference to financial statements of Kokuyo Camlin Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements 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 "Guidance Note").

### Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with

reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 with reference to financial statements.

### Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements include 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 with Reference to Financial Statements

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

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.:101248W/W-100022

**Burjis Pardiwala**  
Partner

Place: Mumbai  
Date: 12 May 2023

Membership No.: 103595  
ICAI UDIN:23103595BGTPFC3406

# Balance Sheet

as at 31 March, 2023

		(Currency : Indian Rupees in lakhs)		
		Note No.	31 March, 2023	31 March, 2022
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
(a)	(i) Property, plant and equipment	4	11,821.03	12,740.79
	(ii) Right-of-use asset	4	1,839.71	1,920.92
(b)	Investment property	5	2.73	2.73
(c)	(i) Other intangible assets	4	300.68	229.42
	(ii) Other intangible assets under development	4	-	66.50
(d)	Financial assets			
	(i) Investments	6	1,273.97	1,369.81
	(ii) Other financial assets	7	325.42	265.69
(e)	Income tax assets (net)		758.49	365.32
(f)	Other non-current assets	8	446.47	149.68
	<b>Total non - current assets (1 )</b>		<b>16,768.50</b>	<b>17,110.86</b>
<b>2</b>	<b>Current Assets</b>			
(a)	Inventories	9	15,952.69	12,703.69
(b)	Financial assets			
	(i) Trade receivables	10	7,351.08	5,943.87
	(ii) Cash and cash equivalents	11	825.03	700.56
	(iii) Bank balances other than (ii) above	12	24.14	25.03
(c)	Other current assets	13	2,958.26	2,035.85
	<b>Total current assets (2 )</b>		<b>27,111.20</b>	<b>21,409.00</b>
<b>3</b>	<b>Assets held for sale</b>	4	346.04	346.04
	<b>TOTAL ASSETS (1+2+3)</b>		<b>44,225.74</b>	<b>38,865.90</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
(a)	Equity share capital	14	1,003.04	1,003.04
(b)	Other equity	15	25,254.56	22,937.01
	<b>Total equity (1)</b>		<b>26,257.60</b>	<b>23,940.05</b>
<b>2</b>	<b>Liabilities</b>			
	Non-current liabilities			
(a)	Financial liabilities			
	(i) Borrowings	16	-	592.97
	(ia) Lease liabilities	37	-	0.72
	(ii) Other financial liabilities	17	-	2.31
(b)	Provisions	18	621.88	564.55
(c)	Deferred tax liabilities (net)	35	208.96	-
	<b>Total Non - current liabilities (2)</b>		<b>830.84</b>	<b>1,160.55</b>
	Current liabilities			
(a)	Financial Liabilities			
	(i) Short term borrowings	19	5,580.71	6,454.22
	(ia) Lease liabilities	37	-	0.05
	(ii) Trade payables	20		
	total outstanding dues of micro enterprises and small enterprises		345.87	157.73
	total outstanding dues of creditors other than micro enterprises and small enterprises		7,015.11	4,597.35
	(iii) Other financial liabilities	21	2,972.88	1,707.33
(b)	Other current liabilities	22	607.53	759.17
(c)	Provisions	23	118.58	89.45
(d)	Current tax liabilities (net)		496.62	-
	<b>Total Current Liabilities (3)</b>		<b>17,137.30</b>	<b>13,765.30</b>
	<b>TOTAL EQUITY AND LIABILITIES (1+ 2+ 3)</b>		<b>44,225.74</b>	<b>38,865.90</b>

The attached notes 1 to 45 form an integral part of these financial statements.

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No : 103595

**For and on behalf of the Board of Directors of Kokuyo Camlin Limited**

CIN : L24223MH1946PLC005434

**Satish Veerappa**

Chief Executive Officer

**Chetan Badal**

Chief Financial Officer

**Dilip Dandekar**Chairman and Non Executive Director  
(DIN-00846901)**Shishir B. Desai**Director  
(DIN-01453410)**Hinal Chheda**Company Secretary &  
Compliance Officer**Shriram Dandekar**Vice Chairman & Executive Director  
(DIN-01056318)

Place : Mumbai

Date : 12 May, 2023

Place : Mumbai

Date : 12 May, 2023

# Statement of Profit and Loss

for the year ended 31 March, 2023

(Currency : Indian Rupees in lakhs)

	Note No.	31 March, 2023	31 March, 2022	
<b>REVENUE</b>				
I	Revenue from operations	24	77,494.32	50,847.23
II	Other income	25	207.93	71.21
<b>III</b>	<b>Total Income (I + II)</b>		<b>77,702.25</b>	<b>50,918.44</b>
<b>IV EXPENSES</b>				
(a)	Cost of materials consumed	26	31,959.17	19,937.45
(b)	Purchases of stock-in-trade	26	18,656.41	10,787.65
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(1,792.30)	521.60
(d)	Employee benefits expense	27	8,895.71	8,012.06
(e)	Finance costs	28	444.97	425.49
(f)	Depreciation and amortisation expense	4	1,685.29	1,769.34
(g)	Other expenses	29	14,338.52	9,937.70
	<b>Total Expenses (IV)</b>		<b>74,187.77</b>	<b>51,391.29</b>
<b>V</b>	<b>Profit / (loss) before tax (III - IV)</b>		<b>3,514.48</b>	<b>(472.85)</b>
<b>VI</b>	<b>Tax expense</b>	34		
(a)	Current tax		846.62	-
(b)	Deferred tax - charge		223.13	-
	<b>Total tax expense (VI)</b>		<b>1,069.75</b>	<b>-</b>
<b>VII</b>	<b>Profit/(loss) after tax (V -VI)</b>		<b>2,444.73</b>	<b>(472.85)</b>
<b>VIII</b>	<b>Other comprehensive (loss) / income</b>		<b>(127.18)</b>	<b>57.94</b>
(i)	Items that will not be reclassified subsequently to profit or loss			
(a)	Remeasurements of the defined benefit plans		(45.51)	57.20
(b)	Fair value changes on equity instruments		(95.84)	0.74
(ii)	Income tax relating to items that will not be reclassified to profit or loss		14.17	-
<b>IX</b>	<b>Total comprehensive income / (loss) for the year</b>		<b>2,317.55</b>	<b>(414.91)</b>
<b>X</b>	<b>Earnings per share (Face value Re. 1/- each):</b>			
	Basic earnings per share	37	2.44	(0.47)
	Diluted earnings per share		2.44	(0.47)

The attached notes 1 to 45 form an integral part of these financial statements.

As per our report of even date attached

**For B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Burjis Pardiwala**  
Partner  
Membership No : 103595

Place : Mumbai  
Date : 12 May, 2023

**For and on behalf of the Board of Directors of Kokuyo Camlin Limited**  
CIN : L24223MH1946PLC005434

**Satish Veerappa**  
Chief Executive Officer

**Shishir B. Desai**  
Director  
(DIN-01453410)

Place : Mumbai  
Date : 12 May, 2023

**Chetan Badal**  
Chief Financial Officer

**Hinal Chheda**  
Company Secretary &  
Compliance Officer

**Dilip Dandekar**  
Chairman and Non Executive Director  
(DIN-00846901)

**Shriram Dandekar**  
Vice Chairman & Executive Director  
(DIN-01056318)

# Statement of cash flows

for the year ended 31 March 2023

	(Currency : Indian Rupees in lakhs)	
	Year ended 31 March, 2023	Year ended 31 March, 2022
<b>Cash flows from operating activities</b>		
Profit / (loss) before tax for the year	3,514.48	(472.85)
<b>Adjustments for :</b>		
Depreciation and amortisation	1,661.09	1,737.43
Amortisation of right of use assets	24.20	31.91
Unrealised foreign exchange loss / (gain) (net)	0.67	(19.65)
Finance costs	444.97	425.49
Interest income	(20.85)	(20.66)
(Reversal) of provision for doubtful receivables	(12.97)	(18.30)
Provision / (reversal) of provision for doubtful advances (net)	8.18	(32.22)
(Profit) / loss on sale of property, plant and equipment (net)	(174.11)	22.16
<b>Cash generated from operating activities before working capital changes</b>	<b>5,445.66</b>	<b>1,653.31</b>
<b>Working capital adjustments</b>		
- (Increase) in trade receivables	(1,394.24)	(810.90)
- (Increase) in other current assets	(930.67)	(179.66)
- (Increase) / decrease in Inventories	(3,249.00)	3.90
- (Increase)/ decrease in other financial assets	(49.00)	10.40
- Increase in trade payables	2,605.23	963.31
- (Decrease) / increase in provisions	(0.77)	25.36
- Increase in other current liabilities	1,093.19	135.05
<b>Total</b>	<b>(1,925.26)</b>	<b>147.46</b>
<b>Cash generated from operating activities</b>	<b>3,520.40</b>	<b>1,800.77</b>
Tax paid (net of refunds)	(772.54)	(20.48)
<b>Net cash generated from operating activities</b>	<b>2,747.86</b>	<b>1,780.29</b>
<b>Cash flows from investing activities</b>		
Acquisition of property, plant and equipment, capital advances and capital creditors	(1,210.15)	(627.45)
Proceeds from sale of property, plant and equipment	458.55	10.90
Deposits (placed)	(103.73)	(30.42)
Deposits matured	95.40	69.65
Interest received	19.34	19.36
<b>Net cash used in investing activities</b>	<b>(740.59)</b>	<b>(557.96)</b>
<b>Cash flows from financing activities</b>		
(Repayment) of short term borrowings (net)	(873.51)	(26.78)
(Repayment) of long term borrowings	(592.97)	(749.79)
Interest and other finance cost paid	(415.56)	(415.98)
Repayment of principal towards lease liability	(0.72)	(0.06)
Interest paid on lease liability	(0.04)	(0.06)
<b>Net cash used in financing activities</b>	<b>(1,882.80)</b>	<b>(1,192.67)</b>
<b>Net increase in cash and cash equivalents</b>	<b>124.47</b>	<b>29.66</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>700.56</b>	<b>670.90</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>825.03</b>	<b>700.56</b>

## Statement of cash flows (Contd.)

## Notes :-

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows "
- 2) Cash and cash equivalents at the end of the year.

	31 March 2023	31 March 2022
<b>Balance with banks</b>		
in current accounts	788.12	599.46
in EEFC accounts	4.90	34.55
Deposits with original maturity of less than three months	31.53	65.42
Cash on hand	0.48	1.13
	<b>825.03</b>	<b>700.56</b>
<b>3) Debt reconciliation statement in accordance with IND AS 7</b>		
Opening balances		
Long term borrowings	592.97	1,342.76
Short term borrowings	6,454.22	6,481.00
Cash movement		
Long term borrowings	(592.97)	(749.79)
Short term borrowings	(873.51)	(26.78)
Closing balance		
Long term borrowings	-	592.97
Short term borrowings	5,580.71	6,454.22
<b>4) Lease Liability reconciliation statement in accordance with IND AS 116</b>		
Opening balance	0.77	0.86
Add: Interest accrued during the year	-	0.03
Less: Payments during the year	(0.77)	(0.12)
Closing balance	-	0.77

The attached notes 1 to 45 form an integral part of these financial statements.

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No : 103595

Place : Mumbai

Date : 12 May, 2023

**For and on behalf of the Board of Directors of Kokuyo Camlin Limited**

CIN : L24223MH1946PLC005434

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Place : Mumbai

Date : 12 May, 2023

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Chairman and Non Executive Director  
(DIN-00846901)

**Shriram Dandekar**

Vice Chairman & Executive Director  
(DIN-01056318)

# Statement of Changes in Equity

for the year ended 31 March 2023

## (a) Equity Share Capital

As at 31 March 2023

		(Currency : Indian Rupees in lakhs)	
	Note No.	31 March, 2023	31 March, 2022
Balance at the beginning of the year	14	1,003.04	1,003.04
Changes in equity share capital due to prior period errors		-	-
Restated balance at the beginning of the year		1,003.04	1,003.04
Changes in equity share capital during the year		-	-
<b>Balance at the end of the year</b>		<b>1,003.04</b>	<b>1,003.04</b>

As at 31 March 2022

		(Currency : Indian Rupees in lakhs)	
	Note No.	31 March, 2022	31 March, 2021
Balance at the beginning of the year		1,003.04	1,003.04
Changes in equity share capital due to prior period errors		-	-
Restated balance at the beginning of the year		1,003.04	1,003.04
Changes in equity share capital during the year		-	-
<b>Balance at the end of the year</b>		<b>1,003.04</b>	<b>1,003.04</b>

## (b) Other equity

	(Currency : Indian Rupees in lakhs)					
	Reserves and surplus				Items of Other comprehensive income	Total other equity
	Capital reserve	Securities premium	General reserve	Retained earnings		
Balance at 1 April 2021	52.70	17,901.56	1,966.30	2,128.56	1,302.80	23,351.92
Loss for the year	-	-	-	(472.85)	-	(472.85)
Other comprehensive income for the year						
Equity Instruments through Other Comprehensive Income (net of tax)	-	-	-	-	5.07	5.07
Remeasurements of defined benefit plan (net of tax)	-	-	-	52.87	-	52.87
<b>Balance at 31 March 2022</b>	<b>52.70</b>	<b>17,901.56</b>	<b>1,966.30</b>	<b>1,708.58</b>	<b>1,307.87</b>	<b>22,937.01</b>
Profit for the year	-	-	-	2,444.73	-	2,444.73
Other comprehensive income for the year						
Equity Instruments through Other Comprehensive Income (net of tax)	-	-	-	-	(97.72)	(97.72)
Remeasurements of defined benefit plan	-	-	-	(29.46)	-	(29.46)
<b>Balance at 31 March 2023</b>	<b>52.70</b>	<b>17,901.56</b>	<b>1,966.30</b>	<b>4,123.85</b>	<b>1,210.15</b>	<b>25,254.56</b>

Refer note no.15 for nature and purpose of reserves.

The attached notes 1 to 45 form an integral part of these financial statements.

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No : 103595

Place : Mumbai

Date : 12 May, 2023

**For and on behalf of the Board of Directors of Kokuyo Camlin Limited**

CIN : L24223MH1946PLC005434

**Satish Veerappa**

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**Shishir B. Desai**

Director

(DIN-01453410)

Place : Mumbai

Date : 12 May, 2023

**Chetan Badal**

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**Hinal Chheda**

Company Secretary &amp;

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**Dilip Dandekar**

Chairman and Non Executive Director

(DIN-00846901)

**Shriram Dandekar**

Vice Chairman &amp; Executive Director

(DIN-01056318)

# Notes to the Financial Statements

31 March, 2023

## 1 Background of the Company

Kokuyo Camlin Limited (the "Company") was incorporated in India in 1946 as "Camlin Private Limited" under the Indian Companies Act, 1913. Subsequently, the Company was converted into a Public Limited Company in 1988 as Camlin Limited and was listed on BSE Ltd (BSE) and listed on National Stock Exchange of India Ltd (NSE) in the year 2008. In the year 2011, Kokuyo S&T Co. Ltd. (now Kokuyo Company Limited) a Japanese corporation engaged in the business of stationery acquired a majority stake in the Company and presently holds 74.44% shares in the Company. The registered office of the Company is located at 48/2, Hilton House, Central Road, MIDC, Andheri (East), Mumbai, India.

Kokuyo Camlin Limited manufactures, and trades in scholastic products, writing instruments, notebooks, marker pens, inks, fine-art colours and accessories, hobby colours, pencils and other stationery products.

## 2 Basis of preparation

### (a) Statement of compliance

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

The financial statements for the year ended 31 March 2023 have been reviewed by the Audit Committee and approved by the Board of Directors in their meetings held on 12 May 2023.

Details of the Company's significant accounting policies are disclosed in Note 3.

### (b) Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are mentioned in lakhs and rounded off to 2 decimals unless, otherwise stated.

### (c) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following assets and liabilities which have been measured at fair value:

- 1 Certain financial assets and liabilities (including derivative instruments and equity investments) - measured at fair value
- 2 Net defined benefit (asset)/liability - fair value of plan assets less present value of defined benefit obligations

### (d) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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

- Note 3.01 and 42 – recognition of schemes and rebates;
- Note 3.09 and 35 – recognition of deferred tax assets: availability of future taxable profit against which minimum alternate tax can be used;
- Note 3.11 and 9 – recognition and measurement of provision for inventories;
- Note 3.13 and 38 – measurement of defined benefit obligations: key actuarial assumptions;
- Notes 3.14 and 30 – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 3.04 and 3.13 – impairment of financial and non financial assets.
- Note 3.02 and 3.03 – management estimate for useful life of plant and machinery, electrical installation and intangible assets.
- Note 40 – fair value measurement of financial instruments

### (e) Current vs non current classification

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realised/ settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is held primarily for the purpose of trading;
- iv. the asset/liability is expected to be realised/ settled within twelve months after the reporting period;

# Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2023

- v. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- vi. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of goods and services and the time between the acquisition of assets or inventories for processing and their realisation in cash and cash equivalents.

## (f) Fair value measurement

The Company measures certain financial instruments, such as derivatives and equity investments, at fair value at each balance sheet date.

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:

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

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

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

- A. Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- B. Level 2 - Valuation techniques for which the lowest level input that is significant to

the fair value measurement is directly or indirectly observable.

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

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

Further information about the assumptions made in measuring fair value is included in the following notes.

- Note 5 - Investment property
- Note 40 - Financial instruments

## 3 Significant accounting policies

### 3.01 Revenue recognition

#### Revenue from Contracts with Customers

Revenue represents amounts received and receivable from third parties for goods supplied to the customers and for services rendered. Revenue is recognised when control of the goods has been transferred to the customer, which happens on dispatch/delivery of the goods. Revenue is measured at the amount of consideration specified in contracts with customers, which the Company expects to receive, net of returns and allowances, trade/cash discounts and volume rebates. Accumulated experience is used to estimate and accrue for the discounts (using the most likely method) and returns considering the terms of the underlying schemes and agreements with the customers. No element of financing is deemed present as the sales are made with normal credit days consistent with market practice. A liability is recognised where payments are received from customers before transferring control of the goods being sold.

#### Interest income

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial assets to that asset's net carrying amount on initial recognition.

# Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2023

## Dividend:

Dividend income is recognised as other income.

- c) borrowing costs for long-term construction projects if the recognition criteria are met.

## 3.02 Property, plant and equipment

### (i) Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- its purchase price, including import duties and non-refundable taxes (net of Cenvat, VAT and GST), after deducting trade discounts and rebates.
- any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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

### (ii) Subsequent expenditure

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

### (iii) Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values, if any, over their estimated useful lives using the straight line method in the manner and at the rates prescribed by Part 'C' of Schedule II of the Act, except as stated below. Depreciation is charged on a monthly pro-rata basis for assets purchased or sold during the year.

The Company has used the following rates to provide depreciation on its fixed assets.

	Useful life as Per Schedule II	Useful life as Per Company's Policy	Reasons
Site development	30 years	30 years	
Buildings and sheds	30 years and 60 years	30 years and 60 years	
Plant and machinery and electrical installation	7.5 years to 15 years	7.5 years to 25 years	Management's estimation based on internal technical evaluation
Office equipment	3 to 6 years	3 to 6 years	
ERP Hardware	5 years	5 years	
Furniture and fittings	10 years	10 years	
Vehicles	8 to 10 years	8 to 10 years	

Gains and losses on disposals are determined by comparing sale proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

## 3.03 Intangible assets

Intangible assets comprise application software purchased / developed, which are not an integral part of the related hardware, and are amortised using the straight line method over a period of the software license, which in Management's estimate represents the period during which the economic benefits will be derived from their use.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

# Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2023

The useful lives of intangible assets are as mentioned below:

	Useful life as Per Schedule II	Useful life as Per Company's Policy	Reasons
Licenses and software	5 years	10 years	Management's estimation based on internal technical evaluation
ERP software	5 years	5 years	

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment loss.

### 3.04 Impairment of non financial assets

The Company's non financial assets are tested for impairment at each reporting date to determine whether there are events or changes in circumstances which indicate that the carrying amount may not be recoverable. Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired.

The recoverable amount is higher of the asset's/cash-generating unit's net selling price or value in use, i.e. the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss is recognised in the statement of profit and loss if the carrying amount of an asset/cash-generating unit exceeds its estimated recoverable amount. An impairment loss for an asset is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognised. The carrying amount of an asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognised for the asset in prior years.

### 3.05 Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and

from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

### 3.06 Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

### 3.07 Leases

On inception of a contract, the Company (as a lessee) assesses whether it contains a lease. A contract is, or contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially

# Notes

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all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful life of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including insubstance fixed payments. The lease liability is measured at amortised cost using the effective interest method.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease liability have been presented under other financial liabilities and Right of use asset have been separately presented in the Balance Sheet and lease payments are presented as follows in Company's statement of cash flows: - short-term lease payments, payments for leases of low-

value assets and variable lease payments that are not included in the measurement of the lease liabilities are presented within cash flows from operating activities; -payments for the interest element of recognised lease liabilities are included in 'interest paid' within cash flows from financing activities; and -payments for the principal element of recognised lease liabilities are presented within cash flows from financing activities.

### 3.08 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both but not for sale in the ordinary course of business, or for use in the production or supply of goods or services or for administrative purpose. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

### 3.09 Income-tax

Income tax expense comprises of current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in OCI.

#### (i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax ('MAT') under the provisions of Income-tax Act, 1961 is recognised as current tax in the statement of profit and loss. MAT paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is a convincing evidence that the Company will pay normal tax in future. Accordingly, MAT is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company.

# Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2023

Current tax assets and liabilities are offset only if, the Company:

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## (ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax relating to items recognised outside profit or loss are recognised as a part of these items (either in other comprehensive income or in equity).

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

## 3.10 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, 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 subject to an insignificant risk of changes in value.

## 3.11 Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on moving weighted average basis.
- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on moving weighted average basis.
- Provision is made for obsolescence, slow moving inventories and other anticipated losses, wherever considered necessary.

## 3.12 Financial instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

### (i) Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in Statement of Profit and Loss.

# Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2023

## (ii) Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”) or fair value through profit or loss (“FVTPL”) on the basis of following:

- the entity’s business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

### Amortised Cost:

- A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:
- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investments that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in OCI. This election is made on an investment by investment basis.

### Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

## (iii) Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVPTL if it is classified as held for trading or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gain and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

## (iv) Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognises a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk.

## (v) Derecognition of financial assets and financial liabilities:

### Financial assets

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

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and

# Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2023

rewards of the transferred assets, the transferred assets are not derecognised.

## Financial Liabilities

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

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

### (vi) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at fair value through Statement of Profit and Loss.

### (vii) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

## 3.13 Employee benefits

### (i) Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### (ii) Compensated absences

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured by a qualified Actuary at the present value of expected future

payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Re-measurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

### (iii) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

### (iv) Defined benefit plans

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

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to the retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or

# Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2023

loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

## (v) Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurement are recognised in profit or loss in the period in which they arise.

## 3.14 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value, wherever the Company can estimate the time of settlement, of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provisions due to passage of time is recognised as interest expense.

"Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Where the likelihood of outflow of resources is remote, no provision or disclosure is made.

## 3.15 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for the events for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

## 3.16 Government grants

The Company is entitled to 'Scheme of budgetary support' under Goods and Service Tax Regime in respect of eligible manufacturing units located in specified regions. Such grants are measured at amount receivable from the government and are recognised as other operating revenue when there is a reasonable assurance that they will be received and the Company will comply with all necessary conditions attached to the grant.

Income from such grants is recognised on a systematic basis over the periods to which they relate.

## 3.17 Research and Development

Expenditure on research activities is recognised in profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment loss.

## 3.18 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Chief operating decision maker's function is to allocate the resources of the entity and assess the performance of the operating segment of the Company.

## 3.19 Non current assets held for sale

Non current assets are classified as assets held for sale if their carrying will be recovered principally through

# Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2023

a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification. Non current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held for sale, property, plant and equipment and right-of-use assets are no longer depreciated or amortised.

### 3.20 Recent pronouncements

On March 31, 2023 the Ministry of Corporate Affairs (“MCA”) amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

- (a) Ind AS 1 – Presentation of Financial Statements: The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.
- (b) Ind AS 12 – Income Taxes: The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences.
- (c) Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors: The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are “monetary amounts in financial statements that are subject to measurement uncertainty”. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company does not expect the above amendments to have any significant impact on its financial statement.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 4. Property, Plant and Equipment

Description	Site development	Buildings and shed	Plant and machinery	Office Equipment	ERP hardware	Furniture and fixtures	Motor vehicles*	Total
Gross block								
As at 1 April 2021	1,036.21	6,533.93	13,283.37	640.52	90.58	239.58	191.88	22,016.07
Add: Additions during the year	-	4.35	390.49	28.42	-	8.71	-	431.97
Less: Assets held for sale	4.82	465.59	358.23	19.23	1.97	31.51	0.78	882.13
Less: Disposal/adjustments during the year	-	-	985.82	14.04	-	6.97	-	1,006.83
<b>As at 31 March 2022</b>	<b>1,031.39</b>	<b>6,072.69</b>	<b>12,329.81</b>	<b>635.67</b>	<b>88.61</b>	<b>209.81</b>	<b>191.10</b>	<b>20,559.08</b>
Add: Additions during the year	-	110.64	717.93	85.89	-	1.05	5.00	920.51
Less: Assets held for sale	-	-	-	-	-	-	-	-
Less: Disposal/adjustments during the year @	8.17	261.85	491.46	222.08	80.61	5.31	13.42	1,082.90
<b>As at 31 March 2023</b>	<b>1,023.22</b>	<b>5,921.48</b>	<b>12,556.28</b>	<b>499.48</b>	<b>8.00</b>	<b>205.55</b>	<b>182.68</b>	<b>20,396.69</b>
Depreciation for the year								
As at 1 April 2021	136.95	950.27	5,819.61	404.22	83.47	139.93	107.75	7,642.20
Add: Depreciation for the year	35.79	231.31	1,318.85	76.64	1.33	18.60	19.80	1,702.32
Less: Depreciation on deletion	-	-	953.29	13.58	-	6.90	-	973.77
Less: Depreciation on assets held for sale @	2.45	227.73	270.03	18.26	1.97	31.26	0.76	552.46
As at 31 March 2022	170.29	953.85	5,915.14	449.02	82.83	120.37	126.79	7,818.29
Add: Depreciation for the year	35.35	219.06	1,248.02	71.53	1.33	17.13	20.42	1,612.84
Less: Depreciation on deletion	4.21	103.73	440.28	208.25	80.61	5.31	13.08	855.47
Less: Depreciation on assets held for sale @	-	-	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>201.43</b>	<b>1,069.18</b>	<b>6,722.88</b>	<b>312.30</b>	<b>3.55</b>	<b>132.19</b>	<b>134.13</b>	<b>8,575.66</b>
Net block								
As at 31 March 2022	861.10	5,118.84	6,414.67	186.65	5.78	89.44	64.31	12,740.79
As at 31 March 2023	821.79	4,852.30	5,833.40	187.18	4.45	73.36	48.55	11,821.03

\*Motor vehicles with a carrying amount of NIL as at 31 March 2023 (31 March 2022: ₹ 64.31 lakhs) are provided as security against loans taken.

@ With the expanded capacity at Patalganga plant, the Company has decided to sell its assets at Taloja plant. The Company has offered for sale to a third party. The Company expects to sell within one year from the balance sheet date.

Intangible assets				Right-of-use	
Description	ERP software	Licenses and software	Total	Description	Land
Gross block					
As at 1 April 2021	327.79	111.98	439.77	As at 1 April 2021	2,033.43
Add: Additions during the year	-	105.90	105.90	Add: Additions during the year	-
As at 31 March 2022	327.79	217.88	545.67	Less: Assets held for sale	22.66
Add: Additions during the year	-	119.51	119.51	As at 31 March 2022	2,010.77
As at 31 March 2023	327.79	337.39	665.18	<b>Add: Additions during the year</b>	-
Amortisation for the year				<b>Less: Deletion during the year</b>	133.96
As at 1 April 2021	258.42	22.72	281.14	<b>Less: Assets held for sale</b>	-
Add: Amortisation for the year	16.28	18.83	35.11	<b>As at 31 March 2023</b>	<b>1,876.81</b>
As at 31 March 2022	274.70	41.55	316.25	Depreciation for the year	
Add: Amortisation for the year	16.08	32.17	48.25	As at 1 April 2021	64.22
As at 31 March 2023	290.78	73.72	364.50	Add: Depreciation for the year	31.91
Net block				Less: Assets held for sale	6.28
As at 31 March 2022	53.09	176.33	229.42	As at 31 March 2022	89.85
As at 31 March 2023	37.01	263.67	300.68	Add: Depreciation for the year	24.20
				Less: Depreciation on deletion	76.95
				Less: Assets held for sale	-
				As at 31 March 2023	37.10
				Net block	
				As at 31 March 2022	1,920.92
				As at 31 March 2023	1,839.71

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## Other Intangible assets under development

Ageing for Other Intangible assets under development as at 31 March 2023 are as follows:-

Description	Amount in Other intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

Ageing for Other Intangible assets under development as at 31 March 2022 are as follows:-

Description	Amount in Other intangible assets under development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	66.50	-	-	-	66.50
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>66.50</b>	-	-	-	<b>66.50</b>

## 5 Investment property

	31 March 2023	31 March 2022
Freehold land	2.73	2.73
(Fair value)		
<b>As at 31 March 2023 - ₹68.97 lakhs</b>		
<b>As at 31 March 2022 - ₹62.70 lakhs</b>		

### Fair value hierarchy

The Fair value of investment property has been determined by external Chartered Engineer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The Fair value measurement of the property has been categorised as Level 3 fair value based on the inputs to the valuation technique used.(refer Note 2(f))

### Description of valuation technique used

The Company obtains Independent Valuations of its investment property as at the year end. The fair value of the investment property have been determined by registered valuer, who have considered the prevalent prices based on market enquiries for similar and comparable properties.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 6 Investments

	31 March 2023	31 March 2022
<b>Investments in Equity Instruments (fully paid up)</b>		
<b>Quoted equity shares at fair value through OCI</b>		
800,000 (31 March 2022 : 800,000) equity shares of Re. 1 each in Camlin Fine Sciences Limited	1,018.80	1,116.00
<b>Unquoted equity shares</b>		
2,150 (31 March 2022 : 2,150) Equity shares of ₹100/- each in Excella Pencils Limited at fair value through OCI	255.17	253.81
247,950 (31 March 2022 : 247,950) Equity shares of ₹10 each in ColArt Camlin Canvas Private Limited at fair value through OCI	24.80	24.80
Less: Provision for diminution in value of investment	(24.80)	(24.80)
	-	-
	<b>1,273.97</b>	<b>1,369.81</b>
Aggregate amount of quoted investments - at cost	9.73	9.73
Aggregate amount of quoted investments - at market value	1,018.80	1,116.00
Aggregate amount of unquoted investments - at cost	26.95	26.95
Aggregate amount of impairment in value of investment	24.80	24.80

## 7 Other financial assets

	31 March 2023	31 March 2022
Security deposits	262.95	213.95
Interest accrued on deposits	10.06	8.55
Fixed Deposits with original maturity after twelve months *	52.41	43.19
	<b>325.42</b>	<b>265.69</b>

\*Lodged as security with Government Departments ₹52.41 lakhs (31 March 2022 : ₹ 43.19 lakhs).

## 8 Other non-current assets

	31 March 2023	31 March 2022
<b>Unsecured, considered good</b>		
Capital advances	446.47	149.68
<b>Unsecured, considered doubtful</b>		
Capital advances	8.63	8.63
Provision for doubtful advances	(8.63)	(8.63)
	<b>446.47</b>	<b>149.68</b>

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 9 Inventories

	31 March 2023	31 March 2022
<b>(At lower of cost and net realisable value)</b>		
Raw materials (includes in transit ₹73.06 lakhs ( 31 March 2022: ₹ 231.45 lakhs))	2,689.56	2,217.45
Packing materials (includes in transit ₹84.87 lakhs ( 31 March 2022: ₹ 19.24 lakhs))	3,525.47	2,493.87
Spares and tools	84.35	131.36
Work-in-progress	2,522.40	1,968.10
Finished goods	4,211.66	3,574.88
Stock-in-trade (includes in transit ₹5.45 lakhs (31 March 2022: ₹NIL))	2,919.25	2,318.03
	<b>15,952.69</b>	<b>12,703.69</b>

During the year ended 31 March 2023, an amount of ₹366.79 lakhs (31 March 2022: ₹305.02 lakhs) was charged to the statement of profit and loss on account of write-down of inventories including damaged and slow moving inventory. The provision for inventory as on 31 March 2023 is ₹1,522.44 lakhs (31 March 2022: ₹ 1,744.83 lakhs)

## 10 Trade receivables

	31 March 2023	31 March 2022
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	7,307.12	5,924.30
Trade receivables which have significant increase in credit risk	52.94	71.27
Trade receivables - credit impaired	385.72	454.95
	<b>7,745.78</b>	<b>6,450.52</b>
Provision for doubtful debts - credit impaired	(394.70)	(506.65)
	<b>7,351.08</b>	<b>5,943.87</b>

- (i) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
- (ii) The Company's exposure to credit and currency risk and loss allowances related to trade receivables are disclosed in note 40

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## Trade Receivables ageing schedule as on 31 March 2023

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	7,178.51	125.00	1.65	-	1.41	0.55	7,307.12
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	42.55	0.81	2.95	6.53	0.10	52.94
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	0.30	1.32	36.97	215.31	131.82	385.72
<b>Total</b>	<b>7,178.51</b>	<b>167.85</b>	<b>3.78</b>	<b>39.92</b>	<b>223.25</b>	<b>132.47</b>	<b>7,745.78</b>
Less: Provision for Doubtful debts-credit impaired	-	-	-	(38.98)	(223.25)	(132.47)	(394.70)
	<b>7,178.51</b>	<b>167.85</b>	<b>3.78</b>	<b>0.94</b>	-	-	<b>7,351.08</b>

## Trade Receivables ageing schedule as on 31 March 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	5,740.38	175.37	7.63	0.64	0.20	0.08	5,924.30
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	40.56	19.95	10.76	71.27
(iii) Undisputed Trade receivables - credit impaired	-	8.94	25.55	208.06	82.32	3.68	328.55
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	4.67	10.99	17.78	92.96	126.40
<b>Total</b>	<b>5,740.38</b>	<b>184.31</b>	<b>37.85</b>	<b>260.25</b>	<b>120.25</b>	<b>107.48</b>	<b>6,450.52</b>
Less: Provision for Doubtful debts-credit impaired	-	-	(18.67)	(260.25)	(120.25)	(107.48)	(506.65)
	<b>5,740.38</b>	<b>184.31</b>	<b>19.18</b>	-	-	-	<b>5,943.87</b>

## 11 Cash and cash equivalents

	31 March 2023	31 March 2022
<b>Balances with banks</b>		
In current accounts	788.12	599.46
In EEFC accounts	4.90	34.55
Deposits with original maturity of less than three months *	31.53	65.42
Cash on hand	0.48	1.13
	<b>825.03</b>	<b>700.56</b>

\*Lodged as security with Government Departments ₹ 31.53 lakhs (31 March 2022 : ₹ 65.42 lakhs).

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 12 Other bank balances

	31 March 2023	31 March 2022
Deposits with original maturity of more than three months but less than twelve months *	24.14	25.03
	<b>24.14</b>	<b>25.03</b>

\*Lodged as security with Government Departments ₹ 24.14 lakhs (31 March 2022 : ₹ 25.03 lakhs).

## 13 Other current assets

	31 March 2023	31 March 2022
<b>Unsecured</b>		
Advances to suppliers	1,435.66	344.90
Less : doubtful advances	(18.38)	(8.23)
	<b>1,417.28</b>	<b>336.67</b>
Prepaid expenses	282.10	182.61
Deposits, balances and input credits for other taxes and duties	915.66	1,114.34
Gratuity fund (refer note 38)	276.56	382.37
Other advances	66.66	19.86
	<b>2,958.26</b>	<b>2,035.85</b>

## 14 Equity Share Capital

	31 March 2023	31 March 2022
<b>Authorised</b>		
200,000,000 (31 March 2022: 200,000,000) Equity Shares of Re. 1/- each	2,000.00	2,000.00
<b>Issued, Subscribed and Paid-up</b>		
100,303,806 (31 March 2022: 100,303,806 ) Equity Shares of Re 1/- each, fully paid	1,003.04	1,003.04

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period

	31 March 2023		31 March 2022	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	100,303,806	1,003.04	100,303,806	1,003.04
Outstanding at the end of the year	100,303,806	1,003.04	100,303,806	1,003.04

### Terms/rights attached to equity shares

The Company has only one class of equity shares with a par value of Re. 1/- per share. Each holder of equity shares is entitled to one vote per share.

The Company declares and pays dividends in Indian Rupees.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to number of equity shares held by the shareholders.

### Shares held by the Holding/ultimate Holding Company and/or their Subsidiaries/Associates.

Out of the equity shares issued by the company, shares held by its Holding Company are as under

Name of the Holding Company	31 March 2023		31 March 2022	
	No. of shares	% of holding	No. of shares	% of holding
KOKUYO CO., Limited. Japan (a company incorporated in Japan)	74,665,950	74.44%	74,665,950	74.44%

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## Details of shareholders holding more than 5% shares in the company

Other than Kokuyo Co. Ltd, there are no shareholders holding more than 5% shares in the Company.

## Details of shareholdings by the Promoter's of the Company:

### As at 31 March 2023

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Dilip Dandekar	Equity	200,000	0.20%	200,000	0.20%	-
Shriram Dandekar	Equity	250,000	0.25%	250,000	0.25%	-
Subhash Dandekar	Equity	100,000	0.10%	100,000	0.10%	-
KOKUYO CO., Limited	Equity	74,665,950	74.44%	74,665,950	74.44%	-
<b>Total</b>		<b>75,215,950</b>	<b>74.99%</b>	<b>75,215,950</b>	<b>74.99%</b>	

### As at 31 March 2022

Promoter name	Class of Shares	At the end of the year		At the beginning of the year		% Change during the year
		No. of Shares	% of total shares	No. of Shares	% of total shares	
Dilip Dandekar	Equity	200,000	0.20%	200,000	0.20%	-
Shriram Dandekar	Equity	250,000	0.25%	250,000	0.25%	-
Subhash Dandekar	Equity	100,000	0.10%	100,000	0.10%	-
KOKUYO CO., Limited	Equity	74,665,950	74.44%	74,665,950	74.44%	-
<b>Total</b>		<b>75,215,950</b>	<b>74.99%</b>	<b>75,215,950</b>	<b>74.99%</b>	

No shares have been allotted without payment being received in cash or by way of bonus shares during the period of five years immediately preceding the Balance Sheet date.

## Proposed dividend

After the reporting date, the Board has recommended a dividend of Re.0.50 per share on Face Value of Re.1/- (i.e.50%) subject to the approval of the shareholders in the ensuing Annual General Meeting. The proposed dividend has not been recognised as liabilities.

## 15 Other Equity

	31 March 2023	31 March 2022
<b>Capital reserve</b>		
Balance, beginning and end of the year	52.70	52.70
<b>Securities premium account</b>		
Balance, beginning and end of the year	17,901.56	17,901.56
<b>General reserve</b>		
Balance, beginning and end of the year	1,966.30	1,966.30
<b>Surplus in the statement of profit and loss</b>		
Balance, beginning of the year	1,712.91	2,128.56
Add: Profit / (Loss) for the year	2,444.73	(472.85)
Add: Remeasurement of defined benefit plan during the year	(45.51)	57.20
Balance, end of the year	4,112.13	1,712.91

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

	31 March 2023	31 March 2022
<b>Other Comprehensive Income</b>		
Balance, beginning of the year	1,303.54	1,302.80
Add: Fair value (loss) / gain on equity instruments	(81.67)	0.74
Balance, end of the year	1,221.87	1,303.54
	<b>25,254.56</b>	<b>22,937.01</b>

## Capital reserve

Capital reserve represents the grant received from government for set up of plant in specific area.

## Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

## General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer.

## Retained earnings

This Reserve represents the cumulative profits of the Company and effects of remeasurement of defined benefit obligations. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

## Other comprehensive income

This Reserve represents the cumulative gains (net of losses) arising on the revaluation of Equity Instruments measured at Fair Value through Other Comprehensive Income, net of amounts reclassified, if any, to Retained Earnings when those instruments are disposed of.

## Capital management

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, securities premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

	31 March 2023	31 March 2022
Total Debt	5,580.71	7,047.19
Equity	26,257.60	23,940.05
Debt to equity (net)	<b>0.21</b>	<b>0.29</b>

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 16 Borrowings

	31 March 2023	31 March 2022
<b>Non-current borrowings from bank</b>		
Unsecured	-	592.97
Secured	-	-
<b>Total non-current borrowings</b>	-	<b>592.97</b>
<b>Current maturities of non-current borrowings</b>		
Unsecured	-	790.64
Secured	-	2.84
<b>Total current borrowings</b>	-	<b>793.48</b>
<b>Total borrowings from bank</b>	-	<b>1,386.45</b>
Less: Amount included under Borrowings (refer note 19)	-	(793.48)
	-	<b>592.97</b>

### Long term borrowing comprise

- (a) External Commercial borrowing (ECB) in USD from Mizuho Bank, Ltd with carrying amount of ₹NIL (31 March 2022 - ₹ 1,383.61 lakhs)

The terms of the loan were as follows:

1. Rate of Interest was based on LIBOR plus agreed spread. Interest payable quarterly starting from 24 January 2019.
2. Repayable in 12 equal quarterly installments starting from 25 January 2021 with last installment payable on 24 October 2023. The Company has pre-closed the loan during the year.

- (b) The secured loan from HDFC bank was a vehicle loan with carrying amount of ₹NIL (31 March 2022 - ₹ 2.84 lakhs)

1. Rate of Interest was 8.50 %p.a.
2. Repayable in monthly installments starting from September 2017 with last installment payable on 5 August 2022.
3. Secured against hypothecation of vehicle.

## 17 Other financial liabilities

	31 March 2023	31 March 2022
Derivative liabilities (refer note 40 (c) (vi))	-	2.31
	-	<b>2.31</b>

## 18 Provisions

	31 March 2023	31 March 2022
Compensated absences - (refer note no. 38)	621.88	564.55
	<b>621.88</b>	<b>564.55</b>

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 19 Borrowings

	31 March 2023	31 March 2022
<b>Unsecured</b>		
Loans repayable on demand		
From bank		
Overdraft/working capital demand loan	1,867.77	2,526.06
Bills payable*	3,712.94	3,134.68
Current maturities of long term borrowings - banks		
- Unsecured (refer note 16)	-	790.64
- Secured (refer note 16)	-	2.84
	<b>5,580.71</b>	<b>6,454.22</b>

\* for discounting of trade payables

## 20 Trade payables

	31 March 2023	31 March 2022
total outstanding dues of micro enterprises and small enterprises	345.87	157.73
total outstanding dues of creditors other than micro enterprises and small enterprises	7,015.11	4,597.35
	<b>7,360.98</b>	<b>4,755.08</b>

The disclosures relating to Micro and Small Enterprises as defined under "The Micro , Small and Medium Enterprises Development Act 2006" is given under note 33.

### Ageing for trade payables outstanding as at 31 March 2023 is as follows:

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	345.87	-	-	-	-	345.87
(ii) Others	4,492.76	1,836.48	5.27	-	-	6,334.51
(iii) Disputed dues - MSME *	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	<b>4,838.63</b>	<b>1,836.48</b>	<b>5.27</b>	-	-	<b>6,680.38</b>
Accrued Expenses						680.60
						<b>7,360.98</b>

\*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

### Ageing for trade payables outstanding as at 31 March 2022 is as follows:

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME *	157.73	-	-	-	-	157.73
(ii) Others	3,206.84	1,081.79	-	-	-	4,288.63
(iii) Disputed dues - MSME *	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
	<b>3,364.57</b>	<b>1,081.79</b>	-	-	-	<b>4,446.36</b>
Accrued Expenses						308.72
						<b>4,755.08</b>

\*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 21 Others financial liabilities

	31 March 2023	31 March 2022
Employee dues	1,011.75	765.95
Security deposits	802.46	803.50
Capital creditors	63.52	3.36
Interest accrued but not due on bills payable	12.51	17.94
Payable to customers	1,082.64	116.58
	<b>2,972.88</b>	<b>1,707.33</b>

## 22 Other current liabilities

	31 March 2023	31 March 2022
Advance from customers	23.71	59.82
Statutory liabilities	370.27	202.77
Accrued expenses-Trade promotion schemes	213.06	453.65
Others	0.49	42.93
	<b>607.53</b>	<b>759.17</b>

## 23 Provisions

	31 March 2023	31 March 2022
Provisions for employee benefits		
Compensated absences - (Refer note 38)	76.86	89.45
Other provisions		
Provisions for litigations*	41.72	-
	<b>118.58</b>	<b>89.45</b>

\*It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings, as it is determinable only on receipt of judgments/decisions pending with various forums/authorities.

## 24 Revenue from operations

	31 March 2023	31 March 2022
Revenue from sale of products (refer note 3.01 and note 42)	77,332.28	50,650.37
Other operating revenues *	162.04	196.86
<b>Total revenue from operations</b>	<b>77,494.32</b>	<b>50,847.23</b>

\* The other operating revenues includes Goods & Services tax rebate based on government notification amounting to ₹ 77.21 Lakhs ( 31 March 2022: ₹ 158.50 lakhs)

## 25 Other income

	31 March 2023	31 March 2022
Interest income	20.85	20.66
Profit on sale of property, plant and equipment (net)	174.11	-
Reversal of provision for doubtful debts	12.97	18.30
Reversal of provision for doubtful advances	-	32.22
Miscellaneous receipts	-	0.03
	<b>207.93</b>	<b>71.21</b>

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 26 Cost of materials consumed

	31 March 2023	31 March 2022
Opening stock of materials	4,711.32	4,172.23
Add: Purchases	33,462.88	20,476.54
Less: Closing stock of materials	(6,215.03)	(4,711.32)
	<b>31,959.17</b>	<b>19,937.45</b>
<b>Purchase of stock-in-trade</b>		
Stationery items	18,656.41	10,787.65
	<b>18,656.41</b>	<b>10,787.65</b>
<b>Changes in the inventories of finished goods, work-in-process and stock-in-trade</b>		
Stocks as at beginning of the year		
Work in process	1,968.10	1,636.76
Stock-in-trade	2,318.03	2,480.59
Finished goods	3,574.88	4,265.26
	<b>7,861.01</b>	<b>8,382.61</b>
<b>Less :</b>		
<b>Closing stock as at year end</b>		
Work in process	2,522.40	1,968.10
Stock-in-trade	2,919.25	2,318.03
Finished goods	4,211.66	3,574.88
	<b>9,653.31</b>	<b>7,861.01</b>
	<b>(1,792.30)</b>	<b>521.60</b>

## 27 Employee benefits expense

	31 March 2023	31 March 2022
Salaries, wages and bonus	8,017.48	7,172.85
Contribution to Provident, Gratuity and other funds (refer note 38)	505.52	516.77
Staff and labour welfare	372.71	322.44
	<b>8,895.71</b>	<b>8,012.06</b>

## 28 Finance costs

	31 March 2023	31 March 2022
Interest on bank borrowings	180.89	247.68
Interest on delayed payment of taxes	29.37	9.45
Other borrowing costs*	234.67	168.33
Interest on lease liabilities	0.04	0.03
	<b>444.97</b>	<b>425.49</b>

\*includes interest on bills payable ₹179.32 lakhs (31 March 2022: ₹79.94 lakhs)

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 29 Other expenses

	31 March 2023	31 March 2022
Power and fuel	932.40	647.89
Job work charges	2,832.79	1,574.18
Repairs		
- Building	17.37	4.09
- Machinery	213.20	179.82
- Others	518.64	327.80
Rent	1,643.20	1,564.81
Rates and taxes	121.18	61.12
Net losses in respect of translations of foreign currencies	9.90	133.27
Insurance	109.27	123.45
Advertisement and sales promotion	1,217.73	455.58
Transport & forwarding charges	2,883.32	2,100.75
Commission and service charges on sales	1,004.45	679.90
Travelling & conveyance	1,047.73	634.31
Loss on sale/disposal of property, plant and equipment (net)	-	22.16
Provision for doubtful advances	8.18	-
Payment to auditors*	39.15	31.26
Miscellaneous expenses (refer note 43)	1,740.01	1,397.31
	<b>14,338.52</b>	<b>9,937.70</b>
<b>* Payment to auditors</b>		
Audit fees (including quarterly limited review)	35.00	28.50
Tax audit fees	2.00	2.00
Expenses reimbursed	2.15	0.76
	<b>39.15</b>	<b>31.26</b>

## 30 Contingent liabilities and commitments (to the extent not provided for)

	31 March 2023	31 March 2022
a. Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	222.88	209.34
b. Claims against the Company not acknowledged as debts in respect of (to the extent not provided for)		
(i) Income tax	2,124.02	2,026.25
(ii) Indirect tax cases*	1,482.81	994.89
(iii) Other matters	20.43	20.43

\* Tax paid under protest as at 31 March 2023: ₹ 250.02 lakhs (31 March 2022 - ₹ 275.68 lakhs).

The Company's pending litigations comprise of proceedings pending with direct tax authorities (pertaining to disallowance of additional depreciation, expenses, etc.) and indirect tax authorities (pertaining to non submission of form 'C' and form 'F', input tax disallowance, misclassification of goods etc.). The Company has reviewed all its pending litigations and proceedings and believes that these claims are not tenable against the Company and hence, no provision is considered necessary. It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings, as it is determinable only on receipt of judgments/decisions pending with various forums/authorities.

On 13.03.2023, the Company has received two demand notices aggregating ₹ 481.08 Lakhs (includes tax of ₹ 51.93 lakhs, interest ₹ 53.92 lakhs and penalty ₹ 103.87 lakhs for the period 01.04.2015 to 31.03.2016 and tax of ₹ 67.13 lakhs, interest ₹ 69.99 lakhs and penalty ₹ 134.25 lakhs for the period 01.04.2016 to 31.03.2017) for Local Body Tax from the Vasai Virar City Municipal Corporation on account of disallowance exemption for tax on purchases from unregistered local dealer and job work charges done by local unregistered job workers.

The Company has been legally advised that these claims are not tenable against them and has filed writ petition in the High Court of Bombay and also has obtained a stay on these demands.

### c. Bank Guarantees

Bank guarantees as on 31 March 2023 is ₹ 29.33 lakhs (31 March 2022: ₹ 51.33 lakhs)

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 31 Excise remission and budgetary support at Jammu :

The Jammu and Kashmir High Court delivered a judgement dated 23 December 2010, quashing the Excise Notification No19/2008-CE & 34/2008-CE applicable to the undertakings set up in Jammu which restricted the quantum of excise duty remission, at prescribed value addition percentage, and upheld the entitlement of total exemption from excise duty. Based on the grounds laid down in the said judgement, by the Hon'ble High Court, rebate of excise duty, being the duty on assessable value of goods, net of Cenvat Credit was recognized in the books till 31 January 2013.

Pending final disposal, in January 2013, the Hon'ble High Court directed the department to release 50% of the amount due to manufacturers subject to approval of the jurisdictional commissioner for manufacturer's solvency. Post such order the company has claimed excise rebate as per the then quashed notification from February 2013 to June 2017.

The validity of the said notification, previously quashed by High Court, has subsequently been upheld by the Supreme Court in its judgement dated 22 April 2020. As per the said notification, units having higher value addition than the prescribed percentage are entitled to a special rate fixation for excise duty remission. The Company's application for determination of Special Rate for the year FY 2008-09 was rejected by the authorities in the year 2010 and is currently sub-judice with Division Bench 1 CESTAT Chandigarh and awaiting judgment. Pending adjudication, the subsequent applications for the years FY 2009-10 to FY 2017-18 is held in abeyance by the authorities. The net gain which shall accrue to the Company on account of additional remission due to special rate fixation for the period February 2013 to June 2017 as offset by net loss due to excess credit, if any, availed until 31 January 2013 is not presently ascertainable.

## 32 Expenditure on Research and Development :

Revenue expenses incurred on Research and Development expense comprises of the following:

Sr. No.		31 March 2023	31 March 2022
1	Employee cost	452.21	488.80
2	Other expenses	38.00	28.06
		<b>490.21</b>	<b>516.86</b>

## 33 Dues to micro, small and medium enterprises

The Management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro, small and medium enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2023 has been made in the financial statements based on information received and available with the Company.

Sr. No.		31 March 2023	31 March 2022
1	the amounts remaining unpaid to micro, small and medium suppliers as at the end of the year		
	- Principal	345.87	157.73
	- Interest	Nil	Nil
2	the amount of interest paid by the buyer as per the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006);	0.27	1.33
3	the amounts of the payments made to the suppliers beyond the appointed day during each accounting year;	35.85	19.10
4	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006;	0.32	0.10
5	the amount of interest accrued and remaining unpaid at the end of each accounting year;	0.05	0.27
6	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purposes of disallowances as a deductible expenditure under the MSMED Act, 2006;	Nil	Nil

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 34 Tax expense

### (a) Amounts recognised in profit and loss

	31 March 2023	31 March 2022
<b>I. Current income tax expense</b>		
Current year	846.62	-
	<b>846.62</b>	-
<b>2. Deferred income tax liability / (asset), net</b>		
Origination and reversal of temporary differences	208.96	-
Deferred tax - charge / (credit)	<b>208.96</b>	-
<b>Tax expense for the year</b>	<b>1,055.58</b>	-

### (b) Amounts recognised in other comprehensive income

	31 March 2023			31 March 2022		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of the defined benefit plans	(45.51)	16.05	(29.46)	57.20	(4.33)	52.87
Fair value changes on equity instruments	(95.84)	(1.88)	(97.72)	0.74	4.33	5.07
	<b>(141.35)</b>	<b>14.17</b>	<b>(127.18)</b>	<b>57.94</b>	-	<b>57.94</b>

### (c) Reconciliation of effective tax rate

	31 March 2023	31 March 2022
Profit / (Loss) before tax	3,514.48	(472.85)
Company's domestic tax rate %	34.94	33.38
Tax using the Company's domestic tax rate (Current year 34.94% and Previous Year 33.38%)	1,228.10	(157.86)
Non-deductible tax expenses	2.97	34.72
Adjustment for deferred taxes	(61.37)	(173.76)
Capital Gains taxed at lower rate	(18.00)	-
Deferred tax asset not recognised	-	295.12
Unutilization of Unabsorbed business losses	(95.00)	-
Others	(1.12)	1.78
	<b>1,055.58</b>	-

The Company's effective tax rates for the year ended 31 March 2023 is 34.94% and for year ended 31 March 2022 is 33.38% respectively.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 35 Deferred Taxes :

Deferred Tax Assets	Deferred Tax Assets / (liabilities) 1 April 2022	Recognised in Statement of Profit and Loss	Recognised in OCI	Net deferred tax assets/ (liabilities) 31 March 2023
Expenses allowed on payment basis	152.64	(46.39)	-	106.25
Others	111.52	276.10	-	387.62
Provision for doubtful debts/advances	208.59	(102.45)	-	106.14
Indexation benefit on investment property	(1.23)	(0.24)	-	(1.47)
MAT Credit entitlement	159.52	(159.52)	-	-
Unabsorbed Depreciation	271.25	(271.25)	-	-
<b>Deferred Tax Assets</b>	<b>902.29</b>	<b>(303.75)</b>	<b>-</b>	<b>598.54</b>
<b>Deferred Tax Liabilities</b>				
Tangible and intangible assets	(847.88)	101.00	-	(746.88)
Fair valuation of investments	(54.41)	-	(6.21)	(60.62)
	<b>(902.29)</b>	<b>101.00</b>	<b>(6.21)</b>	<b>(807.50)</b>
<b>Net deferred tax assets / (liability)</b>	<b>-</b>	<b>(202.75)</b>	<b>(6.21)</b>	<b>(208.96)</b>

The Company has evaluated the option of lower tax rates allowed under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Considering the MAT credit available, the Company has elected not to exercise the option permitted under Section 115 BAA for the current year. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate.

Deferred Tax Assets	Deferred Tax Assets / (liabilities) 1 April 2021	Recognised in Statement of Profit and Loss	Recognised in OCI	Net deferred tax assets/ (liabilities) 31 March 2022
Expenses allowed on payment basis	159.21	(6.57)	-	152.64
Others	440.96	(329.44)	-	111.52
Provision for doubtful debts/advances	224.20	(15.61)	-	208.59
Indexation benefit on investment property	1.21	(2.44)	-	(1.23)
MAT Credit entitlement	130.51	29.01	-	159.52
Unabsorbed Depreciation	88.90	182.35	-	271.25
<b>Deferred Tax Assets</b>	<b>1,044.99</b>	<b>(142.70)</b>	<b>-</b>	<b>902.29</b>
<b>Deferred Tax Liabilities</b>				
Tangible and intangible assets	(990.58)	142.70	-	(847.88)
Fair valuation of investments	(54.41)	-	-	(54.41)
	<b>(1,044.99)</b>	<b>142.70</b>	<b>-</b>	<b>(902.29)</b>
<b>Net deferred tax assets / (liability)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 36 Leases

### As a Lessee (Ind AS 116)

(a) Lease expenses recognized in Statement of Profit and loss, not included in the measurement of lease liabilities :

Particulars	31 March 2023	31 March 2022
Expenses related to short term leases	1,643.20	1,564.81

(b) Maturity analysis of lease liabilities-contract undiscounted cash flows:-

Particulars	31 March 2023	31 March 2022
Less than one year	-	0.14
One to five years	-	0.56
More than five years	-	0.28
Total undiscounted lease liabilities	-	0.98
Discounted lease liabilities included in the statement of financial position	-	0.77
Current lease liability	-	0.05
Non-Current lease liability	-	0.72

(c) Interest on lease liabilities for the year ended 31 March 2023 ₹0.06 lakhs (31 March 2022: ₹0.06 lakhs)

(d) The total cash outflow for leases for the year ended 31 March 2023 including short term leases is ₹1,643.97 lakhs (31 March 2022: ₹1,564.93 lakhs).

## 37 Earnings per share (basic and diluted):

	31 March 2023	31 March 2022
Net Profit/ (loss) available for equity shareholders	2,444.73	(472.85)
1. Number of equity shares outstanding at the beginning of the year	100,303,806	100,303,806
2. Number of shares issued during the year	-	-
Weighted average of numbers of equity shares outstanding at the end of the year (Nos.)	100,303,806	100,303,806
Earnings per equity share ( Face value of Re. 1/- each)- Basic	2.44	(0.47)
Earnings per equity share ( Face value of Re. 1/- each)- Diluted	2.44	(0.47)

## 38 Employee Benefits :

### Defined Contribution Plans

Company's contributions paid/payable during the year to provident fund, ESIC and superannuation fund are recognised in the statement of profit and loss. The contributions charged to the statement of profit and loss is ₹439.89 lakhs (31 March 2022 ₹ 437.12 lakhs)

### Defined Benefit Plans

Company's liabilities towards gratuity and leave encashment are determined on actuarial basis using the projected unit credit method, which consider each period of service as giving rise to an additional unit of benefit and measure each unit separately to build up the final obligation. Obligation is measured at the present value of estimated future cash flow using a discount rate that is determined by reference to market yields at the Balance Sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the defined benefit obligation.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## Description of the Plan

The Company has covered its gratuity liability by a Group Gratuity Policy named 'Employee Group Gratuity Assurance Scheme' issued by LIC of India. Under the plan, employees at retirement are eligible for benefit, which will be equal to 15 days salary for each completed year of service. Thus, it is a defined benefit plan and the aforesaid insurance policy is the plan asset.

### a Actuarial assumptions:

	31 March 2023	31 March 2022
Discount rate	7.50%	7.23%
Rate of increase in salary	5.00%	5.00%
Expected return on plan assets	7.50%	7.23%
Attrition rate	For Service 4 years and below-20% ,5 years and above - 2.5%	For Service 4 years and below-20% ,5 years and above - 2.5%

### b Reconciliation of benefit obligation:

	31 March 2023	31 March 2022
Present value of benefit obligations at the beginning of the year	1,299.15	1,599.95
Interest cost	93.93	109.71
Current service cost	91.93	96.05
Benefit paid from the fund	(206.31)	(402.55)
Actuarial gain on obligations recognized in other comprehensive income	58.20	(104.01)
<b>Present value of defined benefit obligation at the end of the year</b>	<b>1,336.90</b>	<b>1,299.15</b>

As at 31 March 2023, the weighted average duration of defined benefit obligation is 8 years. (31 March 2022 : 8 years)

### c Reconciliation of fair value of plan assets:

	31 March 2023	31 March 2022
Fair value of plan assets at the beginning of the year	1,681.52	1,851.60
Expected return on plan assets	121.57	126.98
Contributions by the employer	3.98	152.30
Benefit Paid	(206.31)	(402.55)
Actuarial gain/(loss) on plan assets recognized in other comprehensive income	12.69	(46.81)
<b>Fair Value of Plan Assets at the end of the year</b>	<b>1,613.45</b>	<b>1,681.52</b>

## Expected Contribution

The expected contribution for defined benefit plan for the next financial year will be in line with the contribution for the period and is expected by the management to be ₹5.00 lakhs ( 31 March 2022: ₹ 3.98 lakhs)

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## d Balance sheet reconciliation

	31 March 2023	31 March 2022
Opening net (asset) / liability	(382.37)	(251.68)
Expenses recognized in the Statement of Profit and Loss	64.28	78.81
Expense / (income) recognized in Other Comprehensive Income	45.51	(57.20)
Employer's contribution	(3.98)	(152.30)
<b>Net asset recognised in Balance sheet</b>	<b>(276.56)</b>	<b>(382.37)</b>

## e Expenses recognized in the Statement of profit and loss under the head employee benefits expenses

	31 March 2023	31 March 2022
Current service cost	91.93	96.05
Net interest cost	(27.65)	(17.24)
<b>Expenses recognized in the Statement of profit and loss</b>	<b>64.28</b>	<b>78.81</b>

## f Income recognised in Other Comprehensive Income for the year

	31 March 2023	31 March 2022
Actuarial loss / (gain) on obligation for the year	58.20	(104.01)
Actuarial (gain) /loss on plan assets	(12.69)	46.81
<b>Expense / (income) recognized in the other comprehensive income</b>	<b>45.51</b>	<b>(57.20)</b>

## g Sensitivity Analysis

	31 March 2023	31 March 2022
Defined Benefit Obligation		
Discount Rate		
a. Discount Rate - 100 basis points	95.34	94.79
b. Discount Rate + 100 basis points	(84.27)	(83.48)
Salary Increase Rate (considered taking into account inflation, seniority, promotion and other relevant factors)		
a. Rate - 100 basis points	(86.93)	(85.91)
b. Rate + 100 basis points	96.78	95.97
Employee Turnover		
a. Rate - 100 basis points	(17.40)	(15.30)
b. Rate + 100 basis points	15.66	13.69

### Note on Sensitivity Analysis

- 1 Sensitivity analysis for each significant actuarial assumptions of the Company which are discount rate and salary assumptions as of the end of the reporting period, showing how the defined benefit obligation would have been affected by changes is shown in the table above.
- 2 The method used to calculate the liability in these scenarios is by keeping all the other parameters and the data same as in the base liability calculation except for the parameters to be stressed.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## h Expected future cash flows

The expected future cash flows in respect of gratuity as at Balance Sheet dates will be as follows :

Projected benefits payable in future years from the date of reporting	31 March 2023	31 March 2022
1 <sup>st</sup> following year	138.61	143.24
2 <sup>nd</sup> following year	91.31	100.87
3 <sup>rd</sup> following year	127.94	99.47
4 <sup>th</sup> following year	138.84	117.59
5 <sup>th</sup> following year	119.66	132.35
Sum of years 6 to 10	636.88	738.38
Sum of years 11 and above	1,264.87	1,090.60

## Other long term employee benefit - Compensated absences

The accrual for unutilised leave is determined for the entire available leave balance standing to the credit of the employees at the year-end. The value of such leave balances that are eligible for carry forward, is determined by an actuarial valuation as at the end of the year and actuarial gains and losses are charged to the Statement of profit and loss. The following table provides details in relation to compensated absences.

	31 March 2023	31 March 2022
Expense for the year	166.94	81.50
Closing balance	698.74	654.00

## 39 Related parties:

Related party disclosures, as required by Indian Accounting Standard 24 (Ind AS 24) are given below :

### a Name of related parties and nature of relationship

- |   |                    |                 |
|---|--------------------|-----------------|
| 1 | Kokuyo Co. Limited | Holding Company |
|---|--------------------|-----------------|

### b Name of related parties with whom there were transactions during the year

#### Fellow Subsidiary

- |   |                                    |
|---|------------------------------------|
| 2 | Kokuyo Vietnam Trading Co. Limited |
| 3 | Kokuyo Co.Limited, Hong Kong       |
| 4 | Kokuyo Vietnam Co. Limited         |

#### Entities over which KMPs /directors and/or their relatives are able to exercise significant influence

- |   |   |
|---|---|
| 5 | Excella Pencils Limited                     |
| 6 | Nilmac Packaging Industries Private Limited |

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## c Key Management Personnel and their Relatives

Name of the Person	Nature of Relationship
<b>Key Management Personnel</b>	
Mr. Dilip Dandekar *	Chairman & Non Executive Director (C& Non ED)
Mr. Shriram Dandekar	Vice Chairman & Executive Director (VC & ED)
Mr. Satish Veerrappa	Chief Executive Officer
Mr. Chetan Badal	Chief Financial Officer
Mr. Ravindra Damle **	V.P. (Corporate) & Company Secretary
Ms. Hinal Chheda ***	Company Secretary & Compliance Officer
<b>Relatives</b>	
Mr. Subhash. Dandekar	Chairman Emeritus and brother of C & Non ED
Ms. Aditi Dighe	General Manager and daughter of C & Non ED
Mr. Rahul Dandekar	General Manager and son of C & Non ED

\* Mr. Dilip Dandekar ceased to be executive director with effect from 01 September 2021

\*\* Mr. Ravindra Damle ceased to be Company Secretary and KMP with effect from 01 March 2022

\*\*\* Ms. Hinal Chheda appointed as Company Secretary with effect from 01 March 2022

## d Transactions with Holding Company

Particulars		31 March 2023	31 March 2022
Purchase of goods	Kokuyo Co. Limited	398.32	228.54
	<b>Total</b>	<b>398.32</b>	<b>228.54</b>
Sale of goods	Kokuyo Co. Limited	1,500.41	1,042.94
	<b>Total</b>	<b>1,500.41</b>	<b>1,042.94</b>
Reimbursement of expenses paid	Kokuyo Co. Limited	6.25	2.12
	<b>Total</b>	<b>6.25</b>	<b>2.12</b>
Reimbursement of expenses received	Kokuyo Co. Limited	21.50	-
	<b>Total</b>	<b>21.50</b>	<b>-</b>

### Balances with Holding Company

Particulars	Name of entity	31 March 2023	31 March 2022
Net amount receivable	Kokuyo Co. Limited	196.03	252.03
	<b>Total</b>	<b>196.03</b>	<b>252.03</b>

## e Transactions with Fellow subsidiary company

Particulars	Name of entity	31 March 2023	31 March 2022
Purchase of goods	Kokuyo Vietnam Co Ltd	-	3.79
	Kokuyo Co. Ltd. Hong Kong	79.84	-
	<b>Total</b>	<b>79.84</b>	<b>3.79</b>
Sale of goods	Kokuyo Vietnam Trading Co. Limited	1.18	13.70
	Kokuyo Commerce Shanghai	-	0.61
	<b>Total</b>	<b>1.18</b>	<b>14.31</b>

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## Balances with Fellow subsidiary company

Particulars	Name of entity	31 March 2023	31 March 2022
Net amount receivable	Kokuyo Vietnam Trading Co. Limited	1.18	9.90
	Kokuyo Co.Limited, Hong Kong	0.18	-
	<b>Total</b>	<b>1.36</b>	<b>9.90</b>

## f Transactions with entities over which KMPs / directors and/or their relatives are able to exercise significant influence

Particulars	Name of entity	31 March 2023	31 March 2022
Receiving services	Nilmac Packaging Industries Private Limited	120.93	111.09
	Excella Pencils Limited	1,096.40	758.23
	<b>Total</b>	<b>1,217.33</b>	<b>869.32</b>
Reimbursement of expenses	Excella Pencils Limited	18.33	12.57
	<b>Total</b>	<b>18.33</b>	<b>12.57</b>

## Balances with entities over which KMPs / directors and/or their relatives are able to exercise significant influence

Particulars	Name of entity	31 March 2023	31 March 2022
Net amount payable	Excella Pencils Limited	48.07	9.26
	<b>Total</b>	<b>48.07</b>	<b>9.26</b>

## g Remuneration to Key Management Personnel and their relatives

		31 March 2023	31 March 2022
Remuneration	Mr. Dilip Dandekar *	-	96.58
	Mr. Shriram Dandekar	134.82	134.95
	Mr. Satish Veerappa	219.13	208.98
	Mr. Chetan Badal	105.07	90.63
	Mr. Ravindra Damle **	-	49.83
	Ms. Hinal Chheda ***	19.05	1.86
	Ms. Aditi Dighe	35.14	28.69
	Mr. Rahul Dandekar	31.20	27.39
	<b>Total</b>	<b>544.41</b>	<b>638.91</b>

\* Mr. Dilip Dandekar ceased to be executive director with effect from 01 September 2021

\*\* Mr. Ravindra Damle ceased to be Company Secretary and KMP with effect from 01 March 2022

\*\*\* Ms. Hinal Chheda appointed as Company Secretary with effect from 01 March 2022

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 40 Financial instruments – Fair values and risk management

### A. Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2023	Carrying amount				Fair Value			
	FVTOCI	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non-Current</b>								
(i) Investments	1,273.97	-	-	1,273.97	1,018.80	-	255.17	1,273.97
(ii) Other financial assets	-	-	325.42	325.42	-	-	-	-
<b>Current</b>								
(iii) Trade receivables	-	-	7,351.08	7,351.08	-	-	-	-
(iv) Cash and cash equivalents	-	-	825.03	825.03	-	-	-	-
(v) Bank balances other than (iv) above	-	-	24.14	24.14	-	-	-	-
	<b>1,273.97</b>	<b>-</b>	<b>8,525.67</b>	<b>9,799.64</b>	<b>1,018.80</b>	<b>-</b>	<b>255.17</b>	<b>1,273.97</b>
<b>Financial liabilities</b>								
<b>Non-Current</b>								
(i) Borrowings	-	-	-	-	-	-	-	-
(ii) Other financial liabilities	-	-	-	-	-	-	-	-
<b>Current</b>								
(iii) Short term borrowings	-	-	5,580.71	5,580.71	-	-	-	-
(iv) Trade payables	-	-	7,360.98	7,360.98	-	-	-	-
(v) Other financial liabilities	-	-	2,972.88	2,972.88	-	-	-	-
	<b>-</b>	<b>-</b>	<b>15,914.57</b>	<b>15,914.57</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

31 March 2022	Carrying amount				Fair Value			
	FVTOCI	FVTPL	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
<b>Non-Current</b>								
(i) Investments	1,369.81	-	-	1,369.81	1,116.00	-	253.81	1,369.81
(ii) Other financial assets	-	-	265.69	265.69	-	-	-	-
<b>Current</b>								
(iii) Trade receivables	-	-	5,943.87	5,943.87	-	-	-	-
(iv) Cash and cash equivalents	-	-	700.56	700.56	-	-	-	-
(v) Bank balances other than (iv) above	-	-	25.03	25.03	-	-	-	-
	<b>1,369.81</b>	<b>-</b>	<b>6,935.15</b>	<b>8,304.96</b>	<b>1,116.00</b>	<b>-</b>	<b>253.81</b>	<b>1,369.81</b>
<b>Financial liabilities</b>								
<b>Non-Current</b>								
(i) Borrowings	-	-	592.97	592.97	-	-	-	-
(ii) Other financial liabilities	-	2.31	0.72	3.03	-	2.31	-	2.31
<b>Current</b>								
(iii) Short term borrowings	-	-	6,454.22	6,454.22	-	-	-	-
(iv) Trade payables	-	-	4,755.08	4,755.08	-	-	-	-
(v) Other financial liabilities	-	-	1,707.33	1,707.33	-	-	-	-
	<b>-</b>	<b>2.31</b>	<b>13,510.32</b>	<b>13,512.63</b>	<b>-</b>	<b>2.31</b>	<b>-</b>	<b>2.31</b>

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## B. Measurement of fair values

### Fair value hierarchy/Valuation technique

No financial instruments are recognised and measured at fair value, except derivative contracts which are measured at fair value through Statement of profit and loss and certain investments in equity instruments which are measured at fair value through OCI. These derivative contracts are currency and interest rate swap contracts that are not traded in an active market. Their fair valuation is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates and quotes received from the banks. Since all significant inputs required to fair value these derivative contracts are observable, the instruments are classified as level 2.

For all the financial assets and liabilities referred above that are measured at amortised cost, their carrying amounts are reasonable approximations of their fair values. The carrying amounts of loans, trade receivables, trade payables, cash and cash equivalents, other bank balances, other financial assets, other financial liabilities are considered to be the same as their fair values due to their short term nature.

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

The Company has established the following fair value hierarchy that categorises the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Investments in quoted equity shares are measured at fair value through other comprehensive income using quoted market price as at reporting date. These instruments are classified as level 1. For investments in non quoted equity shares the Company obtained Independent Valuations of underlying assets of the entity to determine the fair value of Land and Building and arrived at fair value of its investments. These instruments are classified as level 3.

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

### Valuation techniques and significant unobservable inputs ( for level 2 and level 3 instruments)

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurements
Un-quoted investments	Valuation of underlying assets of the entity	Market rate used for valuation	10% increase (decrease) would result in increase (decrease) in fair value by ₹ 25.51 lakhs
Other financial liabilities -Derivative Liabilities	The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.  The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and an appropriate discount factor.	Not applicable	Not applicable

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## Reconciliation of fair value measurement of investment in unquoted equity instrument classified as FVTOCI (Level 3):

The following table shows a reconciliation from the opening balances to closing balances for Level 3 fair value.

	31 March 2023	31 March 2022
Opening balances	253.81	245.47
Remeasurement recognised in OCI	1.36	8.34
Closing balances	255.17	253.81

## C Financial risk management

### Risk management framework

The Company's business activities expose it to a variety of financial risks, namely credit risk, liquidity risk and market risks. The Company's senior management and key management personnel have the ultimate responsibility for managing these risks. The Company has a process to identify and analyse the risks faced by the Company, to set appropriate risk limits and to control and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

#### i Management of the credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

#### Trade Receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Concentrations of credit risk with respect to trade receivables are limited, due to the Company's customer base being large. All trade receivables are reviewed and assessed for default on a regular basis. The historical experience of collecting receivables, supported by the level of default, is that the credit risk is low.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. The Company assesses and manages credit risk based on the Company's credit policy. Under the Company's credit policy, each new customer is analyzed individually for credit worthiness before the Company's standard payment and delivery terms and conditions are offered. The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company's trade receivables are geographically dispersed. The Management do not believe there are any particular customers or group of customers that would subject the Company to any significant credit risks in the collection of accounts receivable.

The carrying amount of trade receivables represents the maximum credit exposure. The maximum exposure to credit risk was ₹ 7,351.08 lakhs and ₹ 5,943.87 lakhs as at 31 March 2023 and 31 March 2022 respectively.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

**Following is the movement in Provision for Expected credit loss on trade receivables:**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	506.65	546.86
(Reversal of impairment loss)	(12.97)	(18.30)
Amounts written off	(98.98)	(21.91)
Closing balance	394.70	506.65

**Cash and cash equivalents**

The Company is also exposed to credit risks arising on cash and cash equivalents and term deposits with banks. The Company believes that its credit risk in respect of cash and cash equivalents and term deposits is insignificant as funds are invested in term deposits at pre-determined interest rates for specified period of time. For cash and cash equivalents and other bank balances, only high rated banks are accepted.

**Other Financial Assets:**

The Company periodically monitors the recoverability and credit risks of its other financial assets including employee loans, deposits and other receivables. The Company evaluates 12 month expected credit losses for all the financial assets for which credit risk has not increased. In case credit risk has increased significantly, the Company considers life time expected credit losses for the purpose of impairment provisioning.

**Following is the movement in Provision for Expected credit loss on Other non-current and current assets:**

	Year ended 31 March 2023	Year ended 31 March 2022
Loss allowance at the beginning of the year	16.85	65.12
Changes in allowance during the year	10.16	(48.27)
Loss allowance as at the end of the year	27.01	16.85

**ii Liquidity risk**

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses.

The Company maintains a cautious funding strategy. This is the result of cash generated from the business. Cash flow from operating activities provides the funds to service the working capital requirement. The Company also has adequate borrowings limits/funding from long term/short term sources. Accordingly, low liquidity risk is perceived.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## Exposure to liquidity risk

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

	Carrying amount	Contractual cash flows			
		Total	Less than 1 year	1- 5 years	More than 5 years
<b>As at 31 March 2023</b>					
<b>Non-derivative financial liabilities</b>					
Term Loans (including current maturities)	-	-	-	-	-
Short term borrowings	5,580.71	5,580.71	5,580.71	-	-
Trade payables	7,360.98	7,360.98	7,360.98	-	-
Other financial liabilities	2,972.88	2,972.88	2,972.88	-	-
Lease liabilities	-	-	-	-	-
<b>Derivative financial liabilities</b>					
Currency and interest rate swap contracts	-	-	-	-	-
<b>As at 31 March 2022</b>					
<b>Non-derivative financial liabilities</b>					
Term Loans (including current maturities)	1,386.45	1,386.45	793.48	592.97	-
Short term borrowings	5,660.74	5,660.74	5,660.74	-	-
Trade payables	4,755.08	4,755.08	4,755.08	-	-
Other financial liabilities	1,707.33	1,707.33	1,707.33	-	-
Lease liabilities	0.77	0.77	0.14	0.56	0.07
<b>Derivative financial liabilities</b>					
Currency and interest rate swap contracts	2.31	2.31	-	2.31	-

### iii Market risk - Currency risk

The Company's operations result in it being exposed to foreign currency risk on account of trade receivables, trade payables and borrowings. The foreign currency risk may affect the Company's income and expenses, or its financial position and cash flows. The objective of the Company's management of foreign currency risk is to maintain this risk within acceptable parameters, while optimising returns. The Company's exposure to, and management of these risks is explained below:

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

The Company's exposure to foreign currency risk at the end of the reporting period expressed in lakhs, are as follows:

	31 March 2023		31 March 2022	
	Foreign currency Amount	Amount in ₹	Foreign currency Amount	Amount in ₹
<b>USD</b>	-	-	18.23	1,383.61
Less: Currency swap	-	-	-	1,383.61
Net exposure	-	-	-	-
<b>Receivables</b>				
USD	5.17	425.06	2.80	212.22
YEN	548.38	338.90	453.03	281.57
<b>Payables</b>				
YEN	700.54	432.93	671.63	417.44
USD	6.83	561.64	3.19	241.78
EUR	0.03	2.66	-	-
GBP	0.05	4.87	0.05	4.97

	31 March 2023		31 March 2022	
	Foreign currency Amount	Amount in ₹	Foreign currency Amount	Amount in ₹
<b>Net exposure</b>				
USD	(1.66)	(136.58)	(0.39)	(29.56)
YEN	(152.16)	(94.03)	(218.60)	(135.87)
EUR	(0.03)	(2.66)	-	-
GBP	(0.05)	(4.87)	(0.05)	(4.97)

A 10% strengthening/weakening of the respective foreign currencies with respect to functional currency of the Company would result in increase or decrease in profit or loss and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Effect in ₹	Profit or (loss)/ Equity	
	31 March 2023	31 March 2022
Currencies (increase in rate by 10%)		
USD	(13.66)	(2.96)
YEN	(9.40)	(13.59)
EUR	(0.27)	-
GBP	(0.49)	(0.50)
	<b>(23.82)</b>	<b>(17.05)</b>

If the rate is decreased by 10% then there will be increase in profit and equity of ₹23.82 lakhs for the year ended 31 March 2023 and increase in profit and equity of ₹17.05 lakhs for the year ended 31 March 2022.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

#### iv Market risk - Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowings (excluding commercial paper) with floating interest rates. For all long-term borrowings with floating rates, which are in foreign currency, the risk of variation in the interest rates is mitigated through interest rate swaps and hence, considered fixed rate borrowings. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

#### Interest rate exposure:

	Total borrowings	Floating rate borrowings	Fixed rate borrowings
Term loan and short term borrowings	5,580.71	5,580.71	-
External Commercial borrowings	-	-	-
<b>Total as at 31 March 2023</b>	<b>5,580.71</b>	<b>5,580.71</b>	<b>-</b>
Term loan and short term borrowings	5,663.58	5,660.74	2.84
External Commercial borrowings	1,383.61	-	1,383.61
<b>Total as at 31 March 2022</b>	<b>7,047.19</b>	<b>5,660.74</b>	<b>1,386.45</b>

Interest rate sensitivities for unhedged exposure (impact on profit on increase of interest rate by 100 bps):

Particulars	31 March 2023	31 March 2022
Term loan and short term borrowings	(55.81)	(56.61)
External commercial borrowings (hedged against interest rate swap)	-	-

If the rate is decreased by 100 bps profit will increase by an equal amount. Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

#### v Market risk - Other market price risks

The Company is exposed to equity price risk, which arises from Fair Value through Other Comprehensive Income (FVOCI) equity securities which are listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) in India. For such investments, classified as FVOCI, a 2% increase in the NSE index at 31 March 2023 would have increased equity by ₹ 20.40 lakhs (31 March 2022 : ₹22.32 Lakhs); an equal change in the opposite direction would have decreased equity by ₹20.40 lakhs (31 March 2022 : ₹22.32 lakhs).

#### vi Derivative instruments :

Currency and Interest Rates Swaps Contracts:

Derivatives for hedging currency and interest rates, outstanding are as under:

	Purpose	Currency	31 March 2023	31 March 2022	Cross Currency
Currency and interest rate swaps	ECB*	USD	-	18.23	₹
*External Commercial Borrowings					

Mark-to-market on above derivative contracts ₹NIL (31 March 2022 : ₹ 2.31 lakhs) is recognised as derivative liability under 'Other financial liabilities' in the balance sheet.

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 41 Segment Reporting

The Company is in the business of manufacturing, trading and selling of stationery. It manufactures art material, marker pens, inks, pencils and others stationery products. The Management is of the view that the risks and returns for these products are not significantly different. Accordingly, the Company has a single reportable segment i.e. 'Consumer products' as per Ind AS 108 'Operating Segments' which is reviewed by Chief Operating Decision Maker (CODM). Further, export sales are not significant and there is no reportable secondary segment.

## 42 Ind AS 115 – Revenue from Contracts with Customers

(A) The Company is in the business of manufacturing, trading and selling of stationery. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery depending on the contractual terms with the customers. Accruals for discounts/incentives and sales returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established and the Company does not give significant credit period resulting in no significant financing component.

### (B) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

	31 March 2023	31 March 2022
Revenue from contracts with customer as per Contract price	82,764.94	54,842.31
Less: Discounts, incentives, rebates	5,085.00	3,970.64
Less:- Sales Returns /Credits / Reversals	347.66	221.30
<b>Revenue from contracts with customer as per statement of profit and loss</b>	<b>77,332.28</b>	<b>50,650.37</b>

Disaggregation of revenue from contract with customers

	31 March 2023	31 March 2022
<b>Geography</b>		
Domestic	74,062.58	48,515.42
Exports	3,269.70	2,134.95
<b>Total</b>	<b>77,332.28</b>	<b>50,650.37</b>
<b>Sales channel</b>		
Distributors or dealers( including exports)	73,809.46	47,534.27
Modern trade	3,522.82	3,116.10
	<b>77,332.28</b>	<b>50,650.37</b>

### (C) Contract liability (advance from customers)

	31 March 2023	31 March 2022
Advance from customer	23.71	59.82

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

## 43 Corporate social responsibility expenditure

As per Section 135 of the Companies Act 2013, the Company has formed a Corporate Social Responsibility (CSR) Committee. The CSR Committee approved CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, have been identified to incur CSR expenditure.

	31 March 2023	31 March 2022
(a) Gross amount required to be spent by the Company during the year	NIL	12.72
(b) Actual amount spent by the Company during the year		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	-	-
Contribution to NGOs	-	-
Contribution to Company's own projects	-	7.32
Contribution to PM Cares Fund	-	6.00
<b>Total amount spent in cash</b>	<b>NIL</b>	<b>13.32</b>
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	-	Not applicable

## 44 Financial ratios

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	% of variance	Explanation for change in the ratio by more than 25%
<b>Liquidity Ratio</b>						
Current Ratio (times)	Current Assets	Current Liabilities	1.58	1.56	1.72%	
<b>Solvency Ratio</b>						
Debt-Equity Ratio (times)	Total Debt	Shareholder's Equity	0.21	0.29	-27.80%	During the year, the company prepaid its long-term debt and there was an increase in equity due to higher profits resulting into reduction in debt-equity ratio.
Debt Service Coverage Ratio (times)	Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Interest + Lease Payments + Principal Repayments	2.90	1.40	107%	As against the net loss in previous year (₹472.85 lakhs), there was a significant turnaround in the current year's net profit (₹ 2,444.73 lakhs) resulting into higher cash generation and improving the Debt service coverage ratio.
<b>Profitability ratio</b>						
Net Profit Ratio (%)	Profit After Tax	Total Sales	3.15	(0.93)	-439.2%	The company's turnover for 2022-23 witnessed a growth of 53% compared to 2021-22, resulting in a significant increase in the company's profits as compared to the previous year. Additionally, efficiency in the management of working capital constituents such as receivables and inventories has lead to a reduction in working capital borrowing. The composite effect of improved profitability and reduced borrowing has resulted in an improvement in three profitability ratios.
Return on Equity Ratio (%)	Profit After Tax - Preference Div. (if any)	Average Shareholder's Equity	9.74	(1.96)	-597.4%	
Return on Capital employed (%)	Earning before interest and tax	Total assets - current liabilities	12.12	(0.15)	-8175.2%	

# Notes to the Financial Statements

31 March, 2023 (Contd.)

(Currency: Indian rupees in lakhs)

Particulars	Numerator	Denominator	31 March 2023	31 March 2022	% of variance	Explanation for change in the ratio by more than 25%
Return on Investment (%)	Net return on Investment	Cost of Investment	(2.61)	0.02	-13036.1%	Market value of quoted investment has gone down in current year and Company registered loss over previous year. This has resulted in decrease in return on investment.
<b>Utilization Ratio</b>						
Trade Receivables turnover ratio (times)	Net Credit Sales	Average Trade Receivables	11.66	9.20	26.8%	During the year 2022-23, the Company has witnessed a sales growth of 53% (normalization of operations post Covid) as compared to the previous year. Further the Company witnessed an improvement in its efficiency of collections from trade. This has resulted in increase in the trade receivables turnover ratio.
Inventory turnover ratio (times)	Cost of goods sold or Sales	Average Inventory	3.41	2.46	38.6%	There has been an increase in cost of goods sold due to higher sales in current year by 53% over previous year. Further the Company has taken corrective steps to reduce the inventory resulting into lower average inventory over previous year. This has resulted in increase in the inventory turnover ratio.
Trade payables turnover ratio (times)	Net credit purchases	Average Trade Payables	8.60	7.30	17.9%	
Net capital turnover ratio (times)	Net Sales	Average Working Capital	8.80	6.63	32.7%	The Company's turnover has increased by 53% over previous year. However due to the efficiency in managing working capital, there has not been a corresponding increase, to that extent, in working capital constituents.

## 45 Disclosure of Intermediaries

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

As per our report of even date attached

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.: 101248W/W-100022

**Burjis Pardiwala**

Partner

Membership No : 103595

Place : Mumbai

Date : 12 May, 2023

**For and on behalf of the Board of Directors of Kokuyo Camlin Limited**

CIN : L24223MH1946PLC005434

**Satish Veerappa**

Chief Executive Officer

**Shishir B. Desai**

Director

(DIN-01453410)

Place : Mumbai

Date : 12 May, 2023

**Chetan Badal**

Chief Financial Officer

**Hinal Chheda**

Company Secretary &amp;

Compliance Officer

**Dilip Dandekar**

Chairman and Non Executive Director

(DIN-00846901)

**Shriram Dandekar**

Vice Chairman &amp; Executive Director

(DIN-01056318)





**KOKUYO CAMLIN LIMITED**

A SUBSIDIARY OF KOKUYO CO. LTD., JAPAN  
CIN: L24223MH1946PLC005434  
48/2, Hilton House, Central Road, MIDC,  
Andheri (East)  
Mumbai – 400 093.  
Tel.: (022) 6655 7000  
[www.kokuyocamlin.com](http://www.kokuyocamlin.com)