

Ref: MIL /BSE/NSE/23

Date: August 17, 2023

The Manager Corporate Relationship Department BSE Limited 1st Floor, New Trading Wing, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai -400001	The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400051
BSE Security Code: 539400	NSE Symbol: MALLCOM

Dear Sir/Madam,

Sub: Submission of Notice of the 39th Annual General Meeting of Mallcom (India) Ltd along with the Annual Report for the Financial Year ended March 31, 2023

Pursuant to Regulation 30 read with Part A (Para A) of Schedule III and Regulation 34(1)(a) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), we hereby enclose the **Notice of the 39th Annual General Meeting of Mallcom (India) Ltd** to be held on **Monday, September 11, 2023 at 11.30 A.M. (IST)** through Video Conferencing or Other Audio Visual Means and the **Annual Report of the Company for Financial Year ended March 31, 2023** respectively.

The Company has engaged the services of NSDL to provide remote e-Voting facility and e-Voting facility during the AGM. **The remote e-Voting period will commence on Friday, September 8, 2023 (9:00 A.M. IST) and will end on Sunday, September 10, 2023 (5:00 P.M. IST).** During this period, the Members of the Company, holding shares either in physical or dematerialized mode, as on the cut-off date, i.e. Monday, September 4, 2023, may cast their votes. The remote e-Voting module shall be disabled by NSDL for voting thereafter.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on **Monday, September 4, 2023** being the cut-off date, are entitled to vote on the Resolutions set forth in the said Notice.

The said Notice which forms part of the Annual Report for the Financial Year ended March 31, 2023 is being sent only through e-mails to the shareholders of the Company at their registered e-mail addresses and the same has also been uploaded on the website of the Company under the web-link <https://mallcom.in/pages/investor-relations/Annual-Report-2022-23>.

This is for your information and record.

Thanking you,

Yours faithfully

For MALLCOM (INDIA) LTD

SHALINI OJHA
Company Secretary & Compliance Officer

Encl.: As above



SAFETY IN EVERY STRIDE

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report contains statements – written and oral – that we periodically, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we make, contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipates’, ‘estimates’, ‘expects’ ‘believe’ we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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SAFETY IN EVERY STRIDE

At Mallcom India Limited, we are engaged in a business of increasing relevance.

At a time when governance has become integral to the existence of companies, we are not just practising responsible governance but are engaged in the manufacture of a product that deepens the governance commitment for our customers.

We manufacture products that enhance people safety, strengthen business continuity, attract specialized talent, catalyse business sustainability and make the world safer.

PART

1

WHAT
WE ARE
AND
WHAT
WE DO

Mallcom India Limited.

India's

LARGEST

integrated head-to-toe personal protective equipment (PPE) manufacturer.

Manufacturing one of the

WIDEST

protective gear product ranges, addressing diversified industries.

Operating

13 MANUFACTURING

units across India, equipped with best-in-class technologies.

Marketing products in over

50 COUNTRIES

across six continents.

Helping

BUILD SECURITY,

scalability and sustainability for all stakeholders.



Values



Commitment: At Mallcom, our attempt is to stay committed to all our stakeholders, be it colleagues, suppliers, associates or clients.



Ownership: Mallcom believes in creating entrepreneurs by creating a conducive environment for growth along with responsibility.



Integrity: Integrity has been the foundation of our core values. This value is ingrained in each decision taken by Mallcom and its employees.

Our ethos

Vision: Mallcom's vision is to become the most trusted brand for all personal protective equipment across the globe. Mallcom actively attempts to achieve this by relentlessly working towards innovating new products, responsibly serving the stakeholders and sustainably increasing its presence.

Mission: Mallcom's mission is to continue its unwavering commitment to keeping active doers safe in their workplaces. Mallcom believes it is the people who make organisations and help in the growth of the nation, for this reason, it is imperative to keep people safe in their environments. Mallcom aims to solve this by using Design Thinking to create smart and comfortable PPEs for its clients.

Our pedigree

Founded in 1983, Mallcom India Ltd. started as a small leather gloves manufacturer based in Kolkata, India. Over 40 years, the company has transformed into an integrated manufacturer and distributor of head-to-toe protective equipment. The Company has earned the trust of global brands and established itself as a reliable partner. Over 80% of the company's orders are generated from repeat customers, highlighting the company's commitment to customer satisfaction and long-term partnerships.

Ratings upgrade

ICRA upgraded Mallcom's credit rating from (ICRA) A- (Stable) to (ICRA) A (Stable). This upgrade reflects Mallcom's comfortable financial risk profile, driven

by healthy profits, robust cash accruals and a conservative capital structure. The company also maintains strong debt protection metrics and a solid liquidity profile, reinforcing its creditworthiness.

Our presence

Mallcom has made significant investments in manufacturing facilities located in West Bengal, Uttarakhand and Gujarat; its headquarters are situated in Kolkata. The company's products are widely distributed across various regions, including, but not limited to, Europe, USA, South America, MENA (Middle East and North Africa), Asia and SDAC (Southern African Development Community). The Company has established a strong network with over 80 distributors, serving importers and brand owners in 50+ countries across six continents.

Our manufacturing facilities

Mallcom's manufacturing facilities span 750,000 sq. ft. in industrial parks, SEZ and EOUs. The Company possessed the capacity to produce annually: 12 Million pairs of leather gloves, 8 Million knitted gloves, 3 Million shoes, 0.12 Million helmets, 3.3 Million units of apparel, 150 Million masks and 14 Million nitrile gloves. To protect high quality standards, Mallcom uses German, Japanese, and Taiwanese equipment and partners globally acclaimed material suppliers. These advanced facilities and machinery ensure the highest quality standards and address diverse product demands.

Our quality assurance

Mallcom's manufacturing facilities are marked by prestigious certifications, such as ISO, SA, SEDEX and Fair Wear, its products hold certifications like EN, BIS, ANSI, ASTM, UKCA and, AS/NZS, to name a few. The Company's laboratories adhere to the demanding regulatory requirements of Europe, America and India, ensuring a compliance with the highest standards across these regions.

Our affiliation

Mallcom is affiliated with esteemed organizations such as FIEO (Federation of Indian Export Organizations), AEPC (Apparel Export Promotion Council), CII (Confederation of Indian Industry), CLE India (Council of Leather Exports) and SAMA (Safety Equipment Manufacturers Association). These affiliations reflect a commitment to industry collaboration and innovation.

Our management

Mallcom is led by Mr Ajay Mall, Managing Director and Founder, who possesses an extensive experience in the personal protection equipment industry drawn from across almost four decades. His leadership has been pivotal in driving the company's growth and success. Assisting him is Mr. Giriraj Mall, the Executive Director, who participates in various industry associations and committees, including CII (ER)-Safety Task Force, SAMA and ASQC. This involvement has not only enhanced Mallcom's reputation as a respected industry player but also highlights the company's commitment to social responsibility.

Our team

Mallcom employs more than 3,000 skilled workers, women comprising 36% of the total workforce. The company recognizes and values diverse talent and contributions of employees, fostering an inclusive and gender-diverse work environment. Nearly 32% of employees had been with the Company for five years or more, enhancing stability.

Our product portfolio

Mallcom offers comprehensive head-to-toe protective solutions, including helmets, garments, rainwear, eyewear, face masks, shoes and gloves made from various materials such as nitrile, latex, neoprene, leather, rubber, textiles and polymers. This unique expertise in diverse materials sets it apart as the sole company in the Indian personal protective sector capable of delivering a wide array of quality products.

Research and development

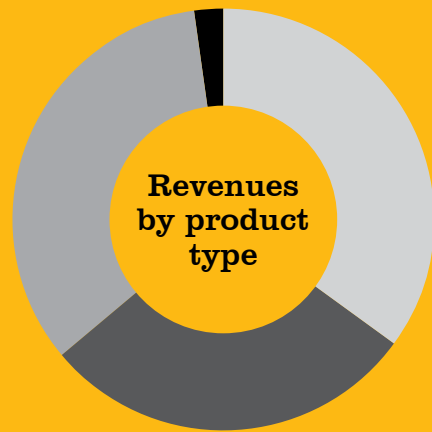
Mallcom has dedicated research and development (R&D) centres and teams focused on product innovation and continuous improvement. With a strong emphasis on staying ahead of market trends, the Company launches new product ranges every season, ensuring that customers enjoy access to the latest and most advanced protective gear options.

Ownership extended

The Company invested ₹12.50 Crore to assume a complete ownership of Mallcom Safety Private Limited from foreign investors through a fresh issue of equity shares.



mallcom



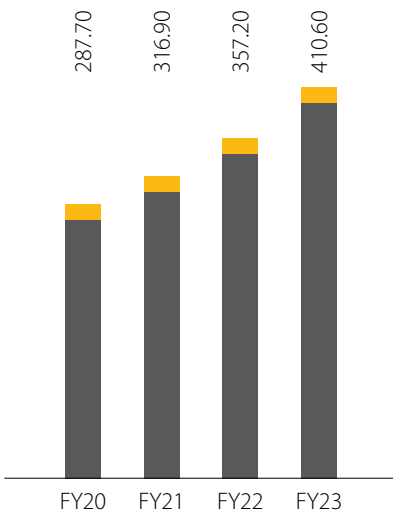
- Feet protection: 35%
- Hand protection: 34%
- Body protection: 29%
- Others: 2%

Milestones, FY 22-23

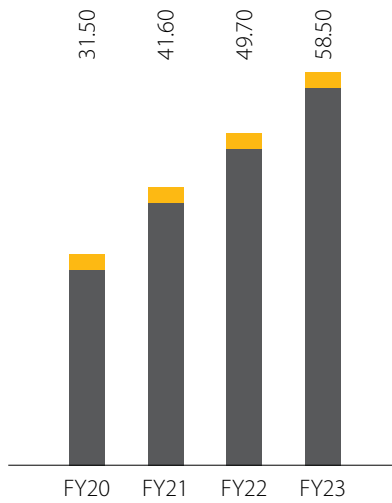
- **Recognized as a Three-Star export house**
- **Signed MOU with Govt. of Gujarat for setting up of new Protech Unit with proposed investment of ₹108 Crore at SANAND-II, GIDC**

How we strengthened our performance over the years

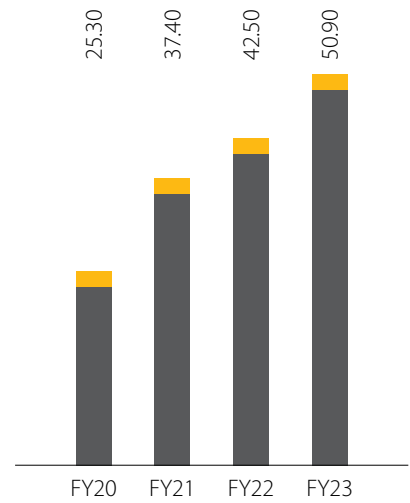
Revenues
(₹ Crore)



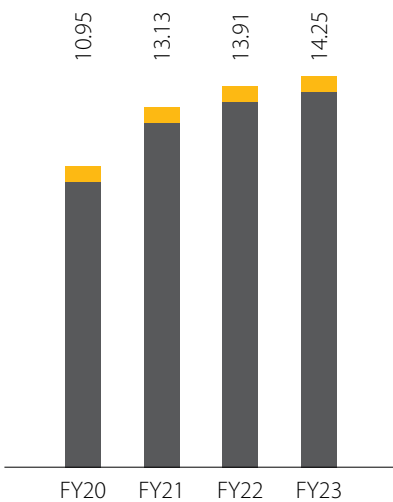
Operating EBITDA
(₹ Crore)



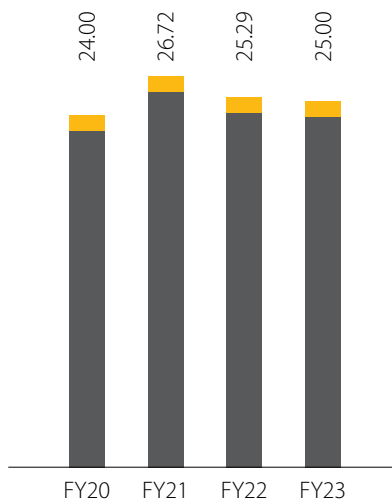
Profit before tax before exceptional items (₹ Crore)



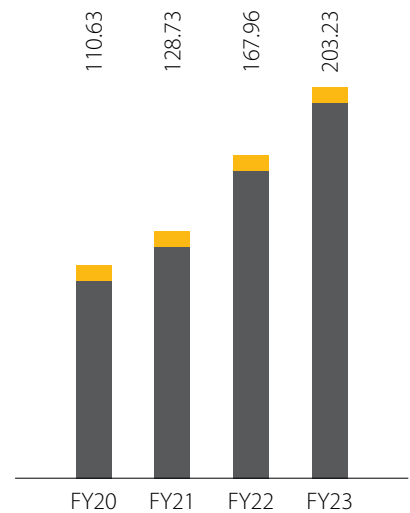
Operating EBITDA margin (%)



Return of capital employed (ROCE) (%)



Net worth
(₹ Crore)





PART





PERSP- ECTIVE AND PROS- PECTS

EAGLE VISION

Mallcom possesses a

rob



Ajay Mall
Managing Director

Trust

platform to take its business ahead in a profitable and sustainable way for the benefit of all stakeholders

Overview

I am pleased to present the year's performance and prospects for stakeholder review.

Your company reported a 15% increase in revenues and a 18% growth in EBITDA and a 17% increase in profit after tax.

This improvement was in line with the optimism shared in the previous year's annual report.

I am even more optimistic of prospects this time around, given a structural shift in India and the world.

Sectorial

Much of our optimism is derived from the Indian government's decision to catalyse the Indian economy through an unprecedented outlay for infrastructure creation. The Union Budgets of 2022-23 and 2023-24 cumulatively proposed an outlay of ₹17.28 Lakh in the country's infrastructure. Our business of safety equipment and clothing responds most

positively to infrastructure spending for two reasons: one, an investment in infrastructure generates spinoff downstream investments in a range of sectors, catalyzing industrial expansion for the moment (when the infrastructure investment is being made) and for the future (widening the economy, initiating the second round of industrial growth). In view of this, outsized nation-transforming infrastructure growth creates a platform for our safety accessories sector's climb into the next orbit.

During the last few years, with farm labour getting scarce, there has been a progressive movement toward enhanced farm mechanization. Wherever there is mechanization and moving parts, there is a related risk, and wherever there is risk, there is a need for safety. We believe that this opportunity could be bigger than what one has expected, considering that the size of India's agriculture has been estimated at US\$370 Billion – the second largest in the world – and grows around 3.5% per year, with faster growth coming out of related safety needs.

China + 1 factor

The most compelling reason for the growth of our safety accessories sector is a growing preference for the world seeking to reduce its excessive dependence on China. In the PPE sector, the dependence is almost complete; nearly 80% of the world's safety accessories are generated out of China. Following the pandemic, the world has awakened to the need to seek alternative supply chains. This could create one of the largest opportunities for the global non-Chinese safety accessories sector. Even a moderate shift of 20% away from China across the next five years could result in the non-Chinese proportion of trade doubling to 40%, almost three times the existing growth rate. To state that the world (outside of China) is sitting on an unprecedented cusp is to understate the magnitude of the opportunity.

The big question is when this is likely to transpire. There are some points to consider here. One, global companies that have been buying safety accessories out of China for the last few decades are unlikely

to switch overnight. Two, even if they did decide to shift, there is no country that can service the size of their needs and possibly not around the price-value proposition provided by China. Three, companies that seek to buy need to examine the macro-economic conditions, infrastructure, labour laws, working conditions, back-end supply chains, products quality, certifications and the financial credit worthiness of prospective suppliers, a study that is patiently conducted and exercised only at the opportune moment with trial orders. Four, to encourage the world's suppliers to establish large manufacturing capacities, there needs to be an assurance of the quantum and scale of orders, which could manifest in joint ventures and business alliances first and orders thereafter.

While this may appear to be a multi-year shift, I must assure our stakeholders that the direction has begun in good earnest. For instance, Mallcom is engaged in various global supply enquiries; these enquiries appear serious; these enquiries

will take some time to fructify into order books; when they finally do, we expect these to represent the start of multi-year supply contracts.

The last point of optimism is the emergence of Free Trade Agreements. The Indian government concluded a Free Trade Agreement with Australia last year; this has opened our sector to large enquiries without tariff impediments. Many Australian buyers who were earlier buying safety accessories from China are now seeking an alternative, which could result in a substantial shift to whichever countries are shortlisted for outsourcing. Besides, India is pursuing Free Trade Agreements with the UK, Canada, and the EU; some of these geographies have never brought safety accessories from any country outside China, so any alternative sourcing could create a substantial growth opportunity.

Mallcom's responsiveness

At Mallcom, we have deepened our preparedness to the emerging realities.

Primarily, the company has increased its manufacturing plants' geographical base from two to three in the last few years; it has increased manufacturing capacities of products within these plants; it has enhanced the compliance of its infrastructure in line with prevailing global and customer requirements; it has strengthened its infrastructure certifications; it has balanced manual and automated

interventions. The result is that the company's manufacturing facilities serve as exemplary demonstrations of global quality originating from India. At a time when various international customers are turning to India to address their safety accessory requirements, we believe that our advanced infrastructure ranks as possibly the most compelling point of attraction in transforming a business enquiry into our order book.

The company has altered its product mix in favour of value-added products like synthetic gloves, high-end workwear, and shoes; it has increased its manufacturing capacity; it has entered new global regions to market products and it now provides a comprehensive solution translating into a larger customer wallet share. The result of this comprehensive approach is that despite inflation and slowdown across global markets, the company strengthened international offtake 16% during the year under review.

Optimism

At Mallcom, we are optimistic of our capacity to capitalize on the evolving global environment.

The company enjoys a track record of four decades in this field, creating an attractive track record of presence, visibility, and credibility.

The company provides a complete solution of safety equipment across four product categories that makes it possible to service diverse customer needs from within a single company.

The company enjoys secure customer relationships; 50% of our revenues were derived from customers of 10 years or more. This indicates that many customers have brought into our relationship-driven approach, products quality, and service-orientation.

The company enjoys an attractive order book for the current financial year despite an evident de-stocking in large markets like the EU and USA. This indicates the strength of our brand and the beginning of a shift away from the largest global supplier to alternative vendors.

The company is strengthening its infrastructure, scaling its Chandipur facility by aggregating all its dispersed garment capacities under one roof; the Ahmedabad factory delivered a creditable performance in FY 22-23; it acquired land in Sanand for the phase 2 of its operations at that location.

The company is engaged in upskilling workers; it plugged management positions and created the next leadership tier to address the emerging opportunity.



The company provides a complete solution of safety equipment across four product categories that makes it possible to service diverse customer needs from within a single company.

Outlook

At Mallcom, we possess an under-borrowed Balance Sheet with high liquidity. This will ensure that we ride the ongoing global slowdown with minimal impairment.

Meanwhile, a structural shift transpiring within India and the world is too large an opportunity to be ignored. The global slowdown is unlikely to last long; when the rebound does transpire, it is expected to be vigorous, widening the market for focused players.

Besides, the movement towards safety is becoming an uncompromisable extension of human rights; transgressions are being addressed with stricter punitive action.

The complement of these realities provides Mallcom with a robust platform to take its business ahead in a profitable and sustainable way for the benefit of all its stakeholders.

Ajay Mall
Managing Director

PERSPECTIVE

A trusting and empowering environment will graduate us to become a

leader



Giriraj Mall
Executive Director

Overview

At Mallcom, we see ourselves at the cusp of an unprecedented opportunity.

This opportunity – comprising a structural shift in the world of personal protective-equipment – could transform our realities in a sustainable way for the next number of years.

This puts a premium on our company to be prepared. To be prepared with products and place is a small part of the story; there is a need to be prepared with the right culture that is global and yet local, with the right culture that is professional and yet personal, to be prepared with a culture that is profitable and yet sustainable.

If there is a message that I need to send out, it is this: across the last number of years, we seeded our culture with a complement of values that should translate into sustainably enhanced value. This culture – interpreted by some as a life philosophy - represents the platform around which we have built our company and believe that it represents a precious asset to lead us into the future.

gger

version of ourselves

Excellence

At Mallcom, we believe that we are engaged in a business larger and higher than that of manufacturing personal protective equipment; we are engaged in the business of excellence. If we believe we are in the PPE business then all our focus will be directed to the manufacture of a superior product but once that has ended, we share revert to status quo, assuming that our job is over. On the contrary, if we assume that we are engaged in the business of excellence – excellence in anything – we will not only create a holistically more sustainable company but also extend our professional personalities to the personal, touch lives of people and make the world a better place.

Thrift

At Mallcom, we believe that the biggest danger lies in being distracted from what we have been sent here to achieve. This distraction is the result of pursuing more than we need. As a company, we focus on minimising wasteful expenditure and doing more with less. Let me explain it this way: I have five Mallcom monogrammed shirts that I wear through the day hours of

the week. This has eliminated the need of a wider wardrobe, moderated consumption and brought me to conclude that to live a comfortable existence we do not need more than a few things. This has translated into a Mallcom way of thinking: *do more with less*.

Glocal

At Mallcom, we recognise that even as we may be based in suburban Kolkata or on the outskirts of Ahmedabad, we need to make products that protect users across the world. This puts a priority on reconciling the two cultures, which is not the easiest thing to do. Over the years, we have trained our people, most being women; we have inspired them to think big; we located our factory in a suburban pocket where they would not need to commute extensively; we provided them with a fair wage, benefits, and respect. The result is that our products, processes, and plants have been certified by some of the most demanding quality certifying agencies in the world; when customers (irrespective of where in the world they may be) buy from us (located out of India), they do so with a peace of mind.

If there is a message that I need to send out, it is this: across the last number of years, we seeded our culture with a complement of values that should translate into sustainably enhanced value.

Validation

At Mallcom, we consider it important to transform positive one-off responses into enduring habits. We run our facilities in a manner that we could be considered global and anywhere in the world; our facilities could be ranked in terms of infrastructure and supports with any benchmarked facility. We have invested in cutting-edge technologies. We have expanded our facilities ahead of the demand curve. We have skilled our people. We have empowered employees into 'intrapreneurs'. We have strengthened our preparedness through periodic audits conducted by third party agencies comprising some of the most demanding quality agencies engaged by our customers. We have passed each of these audits; our products are tested and passed annually.

Social

At Mallcom, it is not enough to be vetted commercially by our customers; in the new world, one needs to pass a stringent responsibility audit. Our company needs to demonstrate that it recruits individuals fairly, does not exploit, does not dent human rights in exchange for employment, that we pay legal provisions in full and do not

employ children. This ensures that we do not cut moral or legal corners in our desire to compete across the world.

Clean

At Mallcom, we have invested in the 5R's – reduce, recycle, renewable, replace and reallocate – that makes it possible for our operations to be responsible. The result is that we responsibly allocate nitrile scrap through authorised recyclers; we seek to use biomass and solar energy to replace fossil fuel; we use khadi reusable bags for sampling; we focus on operations that moderate consumption; we recycle resources wherever possible.

Different

Even as our business is driven by a complement of standard operating protocols, there is a premium on the capacity to think different. The result is that we have a team that is perpetually engaged in the upgradation of personal protection equipment without incurring a proportionately higher cost. The result is that we are engaged in enhancing the price-value proposition of our products that deepen our relevance and enhance our competitiveness.

Balance Sheet

At Mallcom, we believe that the best way to do business is by not owing anyone anything. This may be considered conservative by a school of thought that considers leverage to be a powerful value-creator; however, by having no debt on our books we can survive any market cycle without impairing our Balance Sheet and can take any decision with safe long-term outcomes.

Conclusion

We believe that better people make better professionals. The focus on providing people with an environment to become a better version of themselves has worked for us in the past; we believe that a trusting and empowering environment will graduate us to become a larger version of ourselves across the foreseeable future.

Giriraj Mall

Executive Director

At Mallcom, we believe that we are engaged in a business larger and higher than that of manufacturing personal protective equipment; we are engaged in the business of excellence.

If we believe we are in the PPE business then all our focus will be directed to the manufacture of superior product but once that has ended, we share revert to status quo, assuming that our job is over.



CHIEF FINANCIAL OFFICER'S PERFORMANCE OVERVIEW

An

insights

How we have progressively transformed towards enhanced profitability and liquidity



Shyam Sundar Agrawal
Chief Financial Officer

Overarching message

The overarching message that we seek to communicate is that the company built on its business during the year under review even as it encountered challenges related to raw material cost volatility, global economic slowdown, increased working capital outlay for exports, protecting the price-value proposition of our end products, enhancing offtake of the product mix, increasing preference for environment-friendly products, enhancing cash flows and growing the business without seeking recourse to debt.

The company successfully addressed these challenges, making it yet another record year. The improvement in performance was a validation of the company's maturing, critical scale across its business and enhanced competitiveness.

Profitable growth

During the last decade, the company scaled its business profitably, enhancing resilience in the face of economic and market cycles. This long-term direction

g h t

into the financial heart of our business

was validated during the year under review: the company reported 14.95% revenue growth (compared with the Indian GDP growth of 7.2%). The company reported a 16.8% increase in PAT, the fifth successive year of profitable growth.

Profitable growth

Year	FY21	FY22	FY23
Revenue growth %	10.15	12.72	14.95
EBITDA growth %	32.06	19.47	17.70

Biggest achievement

The biggest achievement is not how we performed; it was how the improvement was perceived by some of the most demanding credit rating agencies in India. At a time when most companies struggled to protect their rating, your company protected its credit rating of 'A' for term borrowings as appraised by ICRA. This protection represents a validation of the company's performance, promoter, and prospects. This creditable rating is likely to have a range of spin-offs: from empowering the company to mobilise low-cost debt (should it ever need to do

so) and in strengthening its respect as a front-line talent recruiter.

Credit rating

Year	FY21	FY22	FY23
Credit rating	BBB+, Stable outlook	A-, Stable outlook	A, Stable outlook

Margins

Our objective is to generate superior margins. During the last financial year, our EBITDA margin strengthened following an appreciable increase in manufacture and sales, which covered profitable infrastructure, raw material, and logistics costs. The improved margins were the result of an increase in sales volumes and value-addition from non-protection gloves, a validation of our volume- and value-driven approach. The rising margins reflect the company's activity-based costing, helping moderate costs down to one of the lowest within the sector in India.

EBITDA margin

Year	FY21	FY22	FY23
EBITDA margin %	13.13	13.91	14.25

Liquidity

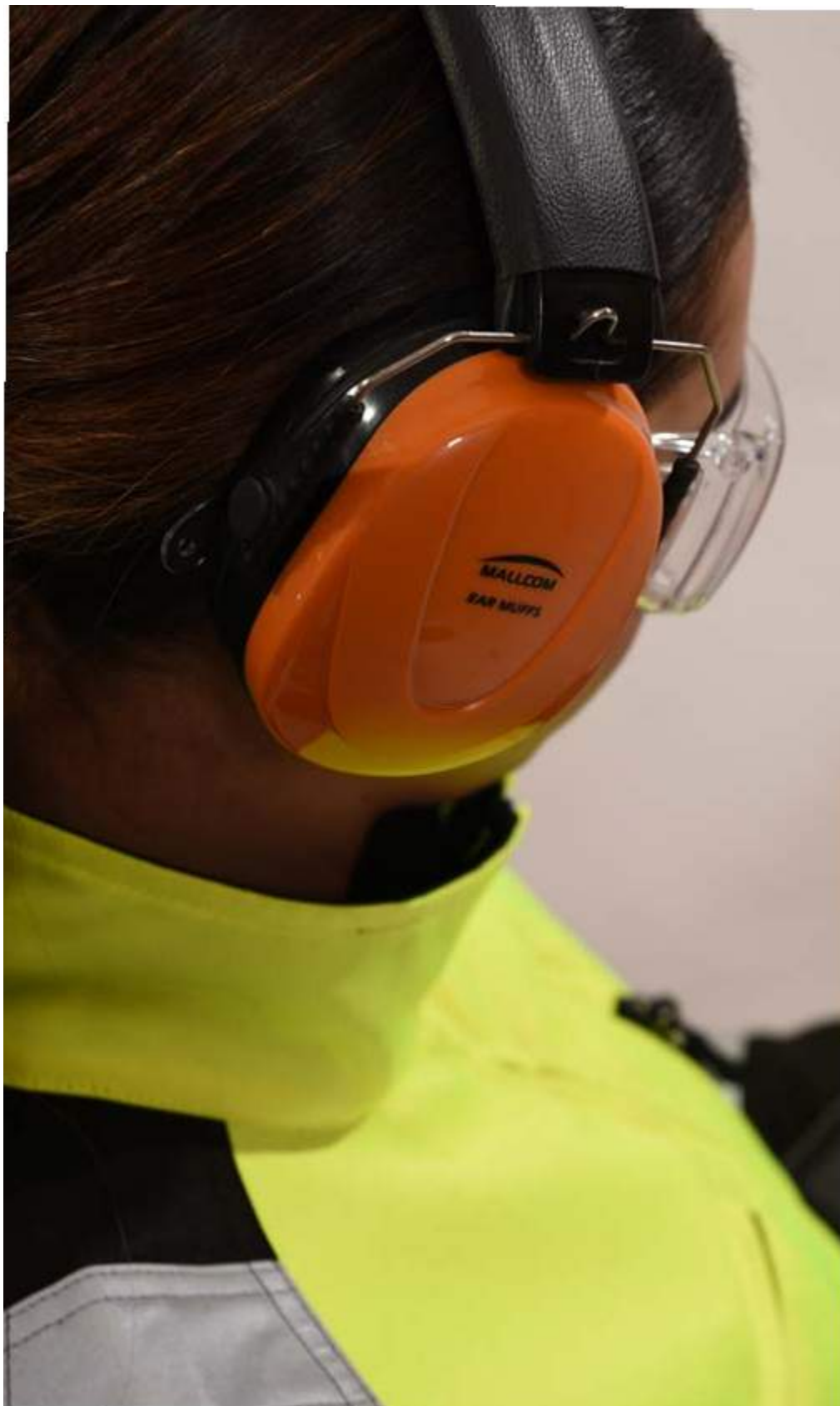
As a policy, we seek to maximize the use of accruals in business growth, moderating the use of borrowed funds. During the year under review, we drew 62.08% of the sanctioned short-term loans (on average), which made it possible to moderate interest outflow and enhance profitability. We enhanced our working capital hygiene through the following priorities: shrinking our receivables cycle through better terms of trade with our primary customers (trade partners), marketing products with strong offtake and graduation to a value-added product mix. We continued to put a premium on liquidity, preferring it over profitability, when the alternative is between maximum revenues with stretched liquidity and reasonable revenues with enhanced liquidity. The success of this approach was evident in the higher cash flows reported by the company in FY 22-23. Over the years, the company recognized the importance of working with an under-stretched Balance Sheet, marked by attractive cash, rising interest cover, better gearing, and lower Net debt/EBITDA. The Company focussed on protecting terms of trade (within tolerance limits), leveraging cash in hand to generate raw materials discount, and addressing fresh capital expenditure with resources at disposal (no debt). The result of this financial discipline was that the company invested ₹45.84 Crore in greenfield or brownfield projects through net worth, strengthening a virtuous cycle of reinvestment, cash flow generation and enhanced organisational value.

Cash and cash equivalents

As on 31 March	FY21	FY22	FY23
Cash and cash equivalents (₹ Crore)	30.71	28.59	40.03

Realisations

The company has consistently enriched its portfolio through the manufacture of value-added personal protection equipment. Progressively superior



realisations were derived from a growing proportion of garments and shoes, translating into higher realisations. The increased realisation was also catalysed by the weakness of the rupee against the US dollar (8.13% depreciation in FY 22-23)

Average realisation

Year	FY21	FY22	FY23
% realisation from non-commoditized products	78.40	79.38	78.90

Capital expenditure

The company continued to invest in new manufacturing facilities, strengthening its gross block. This capex (Chandipur, Ahmedabad and Sanand) addressed the need to enhance capacity, increase the proportion of value-added personal protecting equipment products and moderate costs. The company expended ₹45.84 Crore in capex during the year under review.

Year	FY21	FY22	FY23
Capital expenditure (₹ Crore)	26.67	23.81	45.84

Working capital management

Our focus is not just the quantitative growth of our business but also the hygiene of our numbers, reflected in superior working capital management. We generally seek to draw working capital less than the sanctions provided by the banks. During the year under review, the company drew only 62.08% of the sanctioned working capital. There was a premium on competent working capital management during the year under review; there was an increase in the cost of raw materials, putting a premium on the ability to buy right in terms of timing, price, and quantity. Working capital as a proportion of the total employed capital was 45% and 58.5% in the last two years; the proportion of inventory in the working capital outlay was 40.15% and

40.61%, respectively. The working capital tenure reduced from 105 days of turnover equivalent in FY 21-22 to 86 days in FY 22-23. The company's receivables were a comfortable 52 days of turnover equivalent during the year under review.

Working capital intensity

Year	FY21	FY22	FY23
Working capital as % of total capital employed	52.87	58.50	45.00

Accruals management

Capital discipline is central to the company's sustainability. The company generated ₹45.21 Crore in cash profit during the year under review. Some 4.14% of this availability was returned to shareholders as dividend. Of what was left, the company invested ₹43.34 Crore (95.86%) in its business.

Accruals intensity

Year	FY21	FY22	FY23
Accruals as a % of capital expenditure	127.81	167.38	98.61

Reinvestment

Year	FY21	FY22	FY23
Business reinvestment (₹ Crore)	32.23	37.97	43.34

Way forward

The corporation enjoyed a strong financial position at the end of the fiscal year under review. The company's net worth stood at ₹203.23 Crore as on 31 March, 2023, with no long-term debt. The company's large net worth was the outcome of a long-term build-up of surpluses. In an unpredictable world, this significant net worth bias implies relative de-risking; it provides the company patient and resilient capital in challenging periods.

Shyam Sundar Agrawal
Chief Financial Officer

PART

3

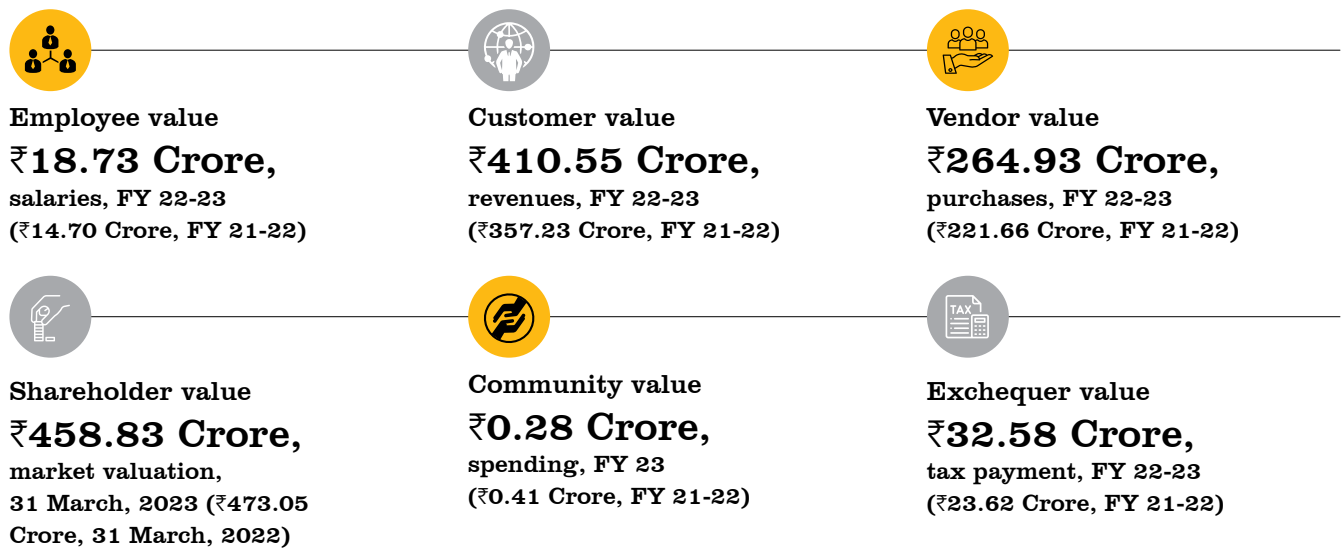
HOW WE ARE STRUC- TURED TO ENHANCE VALUE

INTEGRATED VALUE CREATION

Mallcom’s integrated value-creation report

Mallcom’s multi-decade growth has been derived through the interplay of various competencies

The score card



Overview

In the modern world, it is no longer enough to enhance shareholder value. The operative term that is being increasingly used is ‘stakeholder value’. By the very nature of the term, ‘stakeholder’ does not merely refer to the interest group that owns shares in the Company. It refers to every single individual or sentient being likely to be influenced by the Company’s brand, product or operations. In short, it refers to everyone and everything, living or not. This represents an understanding of how the value sought to be created needs to be integrated across all stakeholders, the measure by which all companies are appraised.

This Integrated Value-Creation Report is being increasingly respected for its appraisal of ‘hard’ and ‘soft’ initiatives in its reporting format. The report draws on diverse strands (financial, management commentary, governance, remuneration and sustainability reporting) in explaining an organisation’s ability to create, enhance and sustain value. Interestingly, the influence of an Integrated Report enhances an understanding across diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers), underlining the need for

an organisation to enhance value in a sustainable manner.

The Integrated Report enhances an understanding across diverse stakeholders (employees, customers, suppliers, business partners, local communities, legislators, regulators and policy makers), underlining the need for an organisation to enhance value in a sustainable manner. The report draws on diverse strands (financial, management commentary, governance, remuneration and sustainability reporting) in explaining an organisation’s ability to create, enhance and sustain value.

Our sustainability framework

Strategy

- Manufacture products that address critical and mandatory needs
- Enhance the environment responsibility of operations
- Provide an integrated PPE basket

Procurement economies

- Procure abundant resources through enduring relationships
- Procure economically through proximate procurement
- Procure superior materials by quality

Products basket

- Manufacture a range of PPE
- Products linked by complementarity
- Facility of products cross-sale

Manufacturing excellence

- Maximise asset utilisation
- Invest in cutting-edge technologies and research
- Maximise products manufacture in each location

Financial structure

- Stay zero debt
- Strengthen working capital efficiency
- Utilise resources to negotiate better and build assets using accruals

Environment integrity

- Moderate resource consumption per unit of production
- Protect the region's environment balance
- Benchmark as per compliance standards

People competence

- Enhance talent productivity (revenues per person)
- Invest in knowledge, experience, safety and passion
- Deepen sustained productivity around the best standards

Community support

- Provide community support
- Focus on integrated development
- Engage in a sustainable way for extended impact

Drivers of our value

Our employees represent the aggregate knowledge of how to grow the business across a range of functions (resource procurement, manufacturing, quality, finance etc.). We provide an exciting workplace, generate stable employment and help enhance productivity

Our shareholders provided capital when we went into business. Our focus is to generate free cash, enhancing RoCE and, in doing so, increase value of their holdings

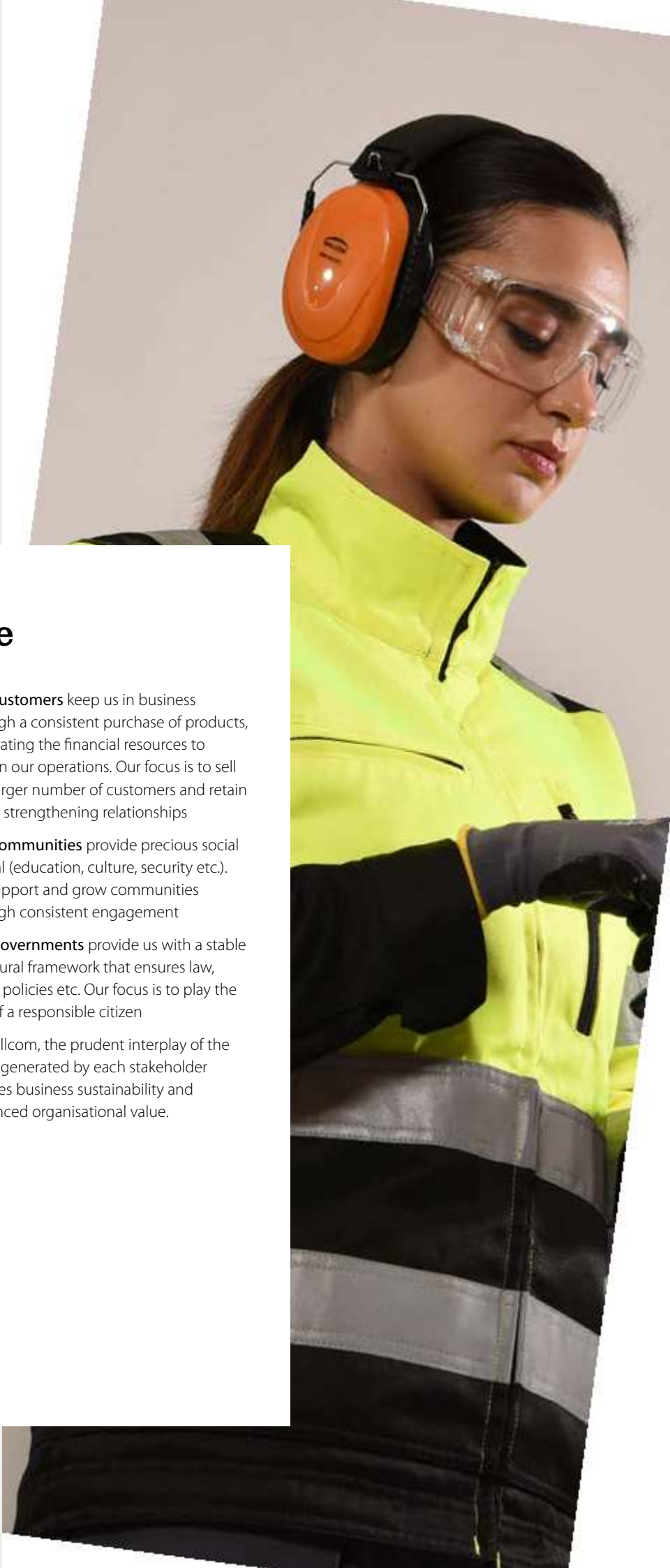
Our vendors provide credible and a continuously supply of resources (fabric, leather, equipment and services). We maximise quality resource procurement that is remunerated with speed, incentivizing additional supply

Our customers keep us in business through a consistent purchase of products, generating the financial resources to sustain our operations. Our focus is to sell to a larger number of customers and retain them, strengthening relationships

Our communities provide precious social capital (education, culture, security etc.). We support and grow communities through consistent engagement

Our governments provide us with a stable structural framework that ensures law, order, policies etc. Our focus is to play the role of a responsible citizen

At Mallcom, the prudent interplay of the value generated by each stakeholder ensures business sustainability and enhanced organisational value.



The resources of value creation



Natural capital

We derive all our resources - fabric, leather, water, fossil fuels and the world's carbon sinks — from this capital. Our engagement is influenced by the degree of dependence on natural resources, environmental impact of the production process on the environment and what the organisation needs to do to operate within environment limits.



Social and relationship capital

This represents the relationships between our Company and stakeholders (community, governments, customers and supply chain partners). These could also comprise operating licenses, dependence on the public sector or supply chain.



Intellectual capital

This includes resources such as patents, copyrights, intellectual property and organisational systems, procedures and protocols, which can provide competitive advantages. Conversely, companies that pollute could attract censure or closure.



Human capital

This refers to skills and know-how of an organisation. The success of an organisation is tied to the competent management of teams. Excessive employee turnover or inadequate remuneration can affect the brand and our ability to enhance value



Financial capital

This includes funds obtained through financing or generated through our accruals - the funds pool available in the production of goods or the provision of services, including debt and equity



Manufactured capital

This comprises physical infrastructure like buildings or technology equipment and tools that contribute to organizational productivity.

Our Capitals

An organisation is driven by a complement of Capitals that translate into enhanced value. Our growth is derived from interrelated Capitals (inputs), our expertise in their value-accretive use, our progressive investments and translated value (output and outcomes).

Capitals and Mallcom



	Financial Capital	Manufactured Capital	Intellectual Capital
What it is	Financial resources that the Company already possesses or mobilises	Tangible and intangible infrastructure used by the company to enhance value through its business	Intangible, knowledge-based assets
Management approach	Enhance value for shareholders through sustainable growth	Invest in resilient assets to strengthen customer service	Deepen the role of innovation in our existence
Significant outcomes	<ul style="list-style-type: none"> ▪ Diversified growth across segments and products ▪ Robust financial structure; no debt ▪ Culture of operational excellence ▪ Sustainable outcomes and dividends payout 	<ul style="list-style-type: none"> ▪ Large range of branded products, supported by different grades ▪ Leading market shares ▪ High unaided consumer recall as a pioneering category creator 	<ul style="list-style-type: none"> ▪ Digitalisation investment for enhanced efficiency ▪ Investment in disruptive technology and business models ▪ Collaboration with partners leading to innovative solutions

Mallcom's Capitals performance

Financial capital

- EBIDTA: ₹58.50 Crore (₹49.70 Crore, FY 21-22)
- Cash earnings per share: ₹73.32 (₹65.14, FY 21-22)
- ROCE: 25% (25.29%, FY 21-22)
- Net cash surplus: ₹11.44 Crore (₹-2.12 Crore, FY 21-22)
- RoNW: 18.16% (18.36%, FY 21-22)
- Borrowing : ₹37.36 Crore (₹2.51 Crore, FY 21-22)
- Cash operating profit: ₹59.82 Crore (₹49.75 Crore, FY 21-22)

Manufactured capital

- Raw material costs as a % of sales: 61
- Manufacturing units: 13
- Manufactured Value: ₹346.30 Crore (₹326.31 Crore, FY 21-22)

Human capital

- Permanent employees: 809 (740, FY 21-22)
- Age profile: 64% less <45 years
- Employee benefits: ₹18.72 Crore (₹14.7 Crore, FY 21-22)
- Training: 1,250 person-hours (1,104, FY 21-22)



Human Capital	Natural Capital	Social and Relationship Capital
Employee knowledge, skills, experience and motivation	Natural resources impacted by the Company's activities	Ability to share, relate and collaborate with stakeholders, promoting community development and wellbeing
<ul style="list-style-type: none"> Committed and qualified workforce translates into an inclusive and balanced workplace Remunerating as per cost of living and industry standards Timely skill creation and development 	<ul style="list-style-type: none"> Ensure the sustainable use of natural resources; contribute to counter-climate change Encourage use of recycled materials in production 	<ul style="list-style-type: none"> Promote trust with stakeholders and community life quality in the areas of our presence Protect the well-being and dignity of workers Sustained zero incidents commitment across factories and workplaces
<ul style="list-style-type: none"> Employee well-being Talent management Diversity, equal opportunity Learning & development Enhanced productivity 	<ul style="list-style-type: none"> Climate change Preservation of biodiversity Moderated environment footprint Operational excellence; enhanced energy efficiency 	<ul style="list-style-type: none"> Stable multi-year engagement Social upliftment of weaker section of society Brand management Transparency and good governance Corporate reputation

Intellectual capital

- Research spending: ₹1.02 Crore (₹0.77 Crore, FY 21-22)
- Research spending as % of revenues: 0.25% (0.22%, FY 21-22)
- Average Senior Management Experience: 15 years (14 years, FY 21-22)
- Employees of 5+ years: 32% (39%, FY 21-22)

Natural capital

- 100% NBR gloves and 25% leather goods production from renewable source of energy
- Eliminated 5,642MT of CO2 and 11MT of SO2 emissions
- Reduced CO2 emission by 97.66% and SO2 by 60.66%
- Sourcing recycled materials for production

Social and Relationship capital

- Vendors: 600+ (550+, FY 21-22)
- Primary customers: ~70 (67, FY 21-22)
- Community lives touched: 1,000+ (150+, FY 21-22)

How we engaged with our stakeholders

Mallcom's inclusive, collaborative and responsive approach has helped deepen stakeholder relationships. This has helped empower businesses to engage locally in a transparent way, enhancing trust. An active stakeholder engagement helped the company understand stakeholder requirements and respond accordingly. A structured engagement ensured timely communication, precise and relevant information transfer and consistent stakeholder interaction.

Stakeholder group	Importance	Interests	Engagement mode and frequency	Engagement topics	Activities
Employees	<ul style="list-style-type: none"> Our employees reside at the center of our operations. Their collaborative skill and expertise are essential for our growth 	<ul style="list-style-type: none"> An inclusive work culture A spirit of innovation while interacting with a unique set of markets and customers Enriching career and development opportunities 	<ul style="list-style-type: none"> Periodic engagement with the CEO Senior management interactions Performance Management System Intranet Direct communication with senior leaders Grievance mechanism Whistleblower (Integrity cases) Virtual Engagement initiatives 	<ul style="list-style-type: none"> Local employment generation Happy and productive employees Employee growth and development Human rights Safety Diversity and equal opportunity Community initiatives 	<ul style="list-style-type: none"> Regular interactions between senior management and employees is forged. Programs help develop skill sets. Employee welfare helps gauge employee expectations and conduct specific engagements The company's open-door policy makes it possible for employees to access the Company's leadership
Partners and suppliers	<p>Our operations are closely linked with the timely availability of services that we source. These, in turn, have a material impact on the efficiency of our service delivery</p>	<ul style="list-style-type: none"> Open, transparent and consistent process Willingness to adopt supplier-driven innovation 	<ul style="list-style-type: none"> Operational review – ongoing Engagement forums – ongoing Specific category and service partner meet – annual Bi-annual supplier satisfaction survey 	<ul style="list-style-type: none"> Brand Supplier engagement and development Compliance with regulatory/ statutory requirements 	<p>To ensure quality and compliance with applicable environmental, social and governance standards, we engage with suppliers through audits, training and knowledge exchange</p>
Investors and shareholders	<p>As providers of capital, they are key to our growth</p>	<ul style="list-style-type: none"> Safe, strong and sustainable financial performance Progress on environment, social and governance matters 	<ul style="list-style-type: none"> Quarterly investor calls/ presentations Annual General Meeting Integrated Annual Report 	<ul style="list-style-type: none"> Credit rating Sustainable business model Governance Return on net worth / earnings per share Communication with investors 	<p>We strive to maintain profitability with cost management efforts for better efficiency and sustainable growth</p>

Stakeholder group	Importance	Interests	Engagement mode and frequency	Engagement topics	Activities
Regulators and policymakers	Key for ensuring compliance, interpretation of regulations and uninterrupted operations	<ul style="list-style-type: none"> Strong capital base and liquidity position Robust standard of conduct Positive sustainable Development - environmental and social 	<ul style="list-style-type: none"> Continued engagement and representation Quarterly and Annual Compliance Reports Performance reports shared with the Securities and Exchange Workshops Panel discussions with nodal industry bodies and industry associations Steering Committees 	<ul style="list-style-type: none"> Credit rating Governance Transparency and disclosures Investor security Representation with regulators 	We focus on creating a business-friendly environment that supports overall industry growth
Customers	Customer feedback, or as we call it, the Voice of Customer, is key to process improvements, quality enhancement, service performance and cost optimization	<ul style="list-style-type: none"> Differentiated service offering Digitally enabled and positive experience 	<ul style="list-style-type: none"> Project feedback through surveys – Operational and mid level contacts – Quarterly Customer experience survey - CXO and senior level contacts – Annual Customer visits – Quarterly Steering Committee meetings for big customers – Quarterly 	<ul style="list-style-type: none"> Digital disruption Customer need identification and satisfaction Brand Customer privacy Product portfolio 	Our endeavor is to provide our customers value-added and competitive solutions tailored to the present and future needs of their end users
Communities and NGOs	A harmonious relationship with the communities where we operate is key to our social license to operate; they are our partners in progress	<ul style="list-style-type: none"> Positive, social and economic contribution Support for the long term Climate change and environmental issues 	<ul style="list-style-type: none"> CSR initiatives – Ongoing Volunteering activities Community need identification – ongoing as per CSR project requirement Community engagement initiatives Impact assessment studies 	<ul style="list-style-type: none"> Local employment generation Gender equality GHG emissions Waste management Community initiatives 	We believe in developing and steering long-term relationships with our local stakeholders across the globe. The company spearheads all activities related to its contribution to society

PART

4



WHAT DRIVES OUR BUSI- NESS



How we strengthened our operations

Overview

In the business of safety products, success is reinforced through the ability to manufacture around a high standard of excellence. Over the years, the company invested in manufacturing operations to widen its value chain, enhance quality consistency, optimise costs and strengthen customer responsiveness.

Mallcom is proficient in managing four key raw materials, namely textiles, leather, polymers (polyethylene/polyurethane), and synthetic chemicals (NBR). The company places a significant emphasis on essential factors such as quality, cost management, environmental stewardship, and value-added services. The Company's strategic plant locations resulted in enhanced access to adequate raw materials, skilled workers and power. The Company enhanced capacity utilisation, revenues and amortisation economies. The Company's competitiveness has been reinforced by a combination of

modest capital cost per tonne of invested equipment, superior asset utilisation and a high conversion efficiency.

Strengths

Automation: The Company implemented an integrated manufacturing system equipped with advanced automated control systems, enhancing product quality.

Expertise: The Company comprises a skilled workforce of 1,010 individuals, who possess expertise in design, material utilization, stitching and product customization.

Geographical advantage: The Company's operations are proximate to downstream users and talented workforce, enhancing scalability and logistical accessibility.

Innovation: The Company consistently invested in technology upgrades to modernize manufacturing facilities.

Achievements, FY 23

- By conducting successful trials and rigorous testing, the company introduced new materials across several product categories
- The company upgraded products and processes to create smarter, ergonomically comfortable and visually appealing personal protective equipment
- The company outlined a significant investment plan in state-of-the-art equipment and high-end computer/PLC-aided machines
- The Company invested in new moulds and designs for the diversification of its product offerings
- The Company increased production and warehousing capacities for workwear and footwear

How we strengthened our sales and marketing

Overview

At Mallcom, we recognize the importance of embracing continuous change and staying ahead of market trends. The Company remains a visible brand in the segments where it operates, evidenced by the increasing revenues. Mallcom has built a strong marketing edge through its diverse product range, benefiting customers and reducing reliance on a single category. The Company monitored market conditions, engaged closely with distributors, optimized in-trade inventory and moderated output.

Performance highlights, FY 23

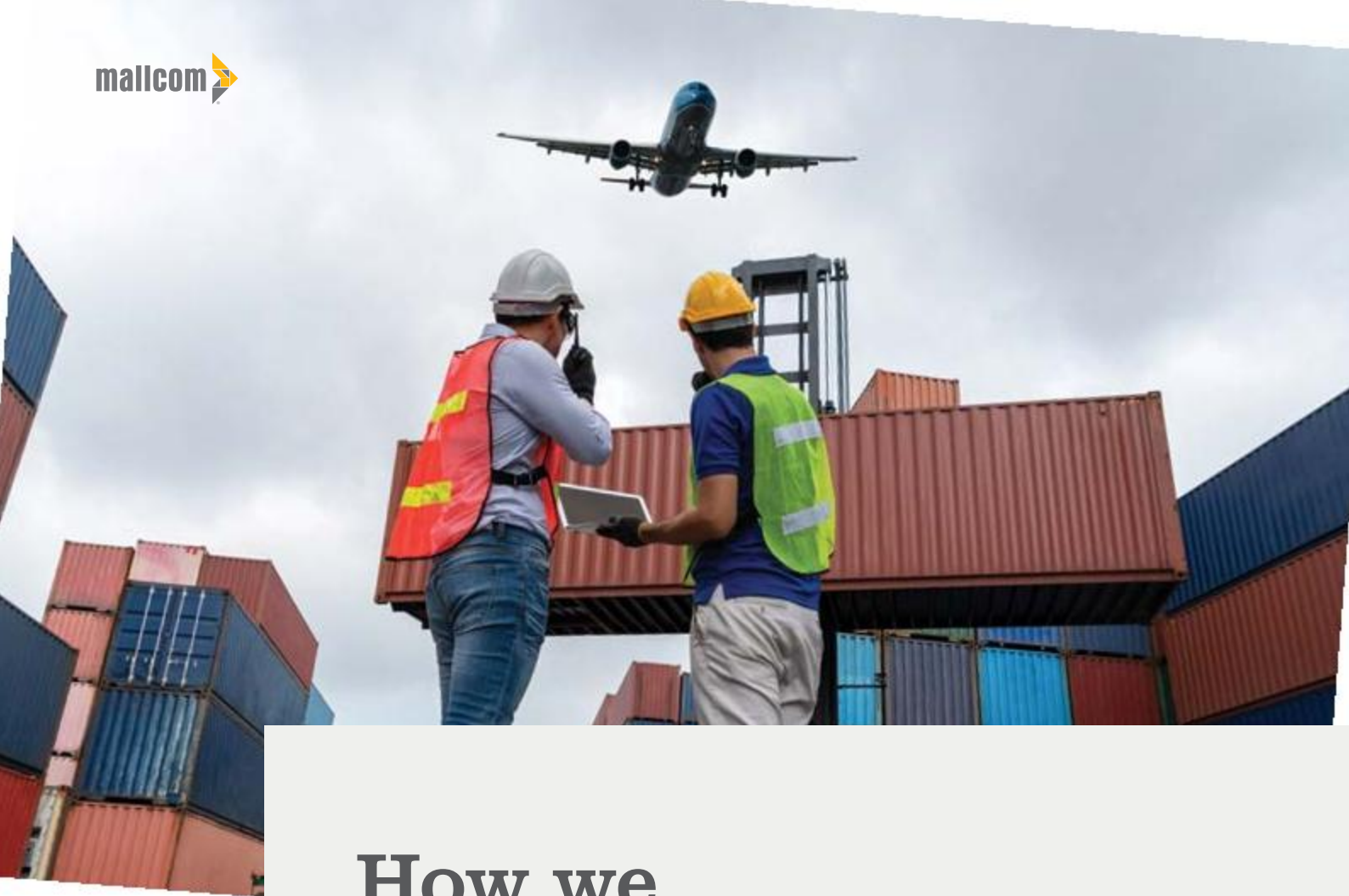
- Introduced an updated range of products to address a large clientele, which includes high visibility garments, mechanical gloves, recycled gloves, innovative shoe designs and a new hand protection line.

- Prioritized e-commerce platforms to establish a last-mile connection with B2C clients in remote areas
- Outlined strategic expansion plans for South America, Australia, UK; focused on South Asian markets, MENA region and Africa

Overseas trade in FY 23

- Noticeable increase in inquiries and significant export growth following the China + 1 factor
- Depreciation of the Indian rupee against the US dollar catalysed exports
- Increased European region investments in renewable energy, driving market growth
- Supportive regulations (EU Directive 2016/425) on personal protective equipment, ensuring an adherence to quality standards for safety equipment





How we strengthened our supply chain

Overview

In a competitive world, there is a growing premium on business continuity. This is increasingly derived from the ability to secure supply chains leading to stable manufacture, superior capacity utilisation and the ability to deliver to customers on schedule.

At Mallcom, success has been influenced by our ability to work with a set of dependable suppliers. Mallcom operates manufacturing units in West Bengal, Uttarakhand, and Gujarat. As a comprehensive manufacturer of head-to-toe protection, Mallcom has positioned itself as a trusted partner for buyers. The company offers a range of products, serving as a one-stop solution provider for a range of customer needs. By appraising the selection of suppliers holistically and with constant interaction to elicit constructive performance feedback, Mallcom ensures a trusted long-term collaborative engagement and mutually beneficial growth.

Strengths

Logistics: Mallcom maintains control across the entire supply chain, eliminating the need for any external dependencies or third-party involvement

Raw material: Mallcom sources 85% of its raw materials locally, and the company remains committed to fostering relationships with local suppliers.

Minimum order quantity: Mallcom utilizes container consolidation, which combines various PPE items into a single shipment, enabling Mallcom to cater to clients with smaller minimum order quantities.

Dealing with INCOTERM: Mallcom handles a range of INCOTERM and multi-modal deliveries, streamlining international trade processes and enabling smoother transactions.



How we strengthened our R&D capability

Overview

In a knowledge-intensive industry characterized by stringent quality standards, investing in competent Research and Development (R&D) is critical to business sustainability. Mallcom made substantial investments in cutting-edge R&D, generating a recall for thought leadership. Continuous research in product enhancements, process optimization and best practices empowered the company to consistently improve or introduce product offerings

Strengths

Accomplishment: The Company developed a versatile formulation for helmets that addresses diverse global performance standards.

Innovation: The Company developed innovative solutions to improve product quality and reduce costs.

Evaluation: The Company conducted a comprehensive examination of materials utilized in good manufacturing practices to enhance productivity.

Achievements, FY 23

- Developed a new range of helmets, bump caps, performance-enhanced yarn-based dipped gloves; commissioned state-of-the-art testing equipment
- Developed a new line of gloves that prioritized safety standards and fashion-oriented design
- Dedicated and centralized R&D provided a direction to embark on new ventures and expand into different operational areas
- Achieved highest cut levels in gloves as per the international standard
- Introduced new sustainable materials across workwear, footwear, and gloves



Mallcom: Enhancing product quality

Overview

At Mallcom, we address an overarching quality requirement through the most important priority – a quality mindset.

Mallcom maintains a comprehensive quality assurance system that encompasses vendor selection, raw material evaluation, work-in-progress quality checks and in-house laboratory testing. To ensure product quality, the company periodically conducts tests through third-party testing agencies and client evaluations. The implementation of Inline Product Quality Control (IPQC) ensures that all incoming materials undergo rigorous testing in the in-house laboratory. Mallcom is ISO-certified, and its products are certified in accordance with EN, NFPA, BIS, AS/NZ and ASTM standards.

Strengths

Quality team: The team expanded with the addition of skilled professionals and centralising the division.

Quality culture: The Company fostered a strong quality culture, comprising skilled operators, experienced supervisors and professional managers

Quality systems: The Company implemented quality systems throughout its various functions, incorporating multiple checkpoints to ensure consistent quality

Highlights, FY 23

- Reduced complaints regarding material failures
- Implemented process for Corrective & Preventive Action (CAPA) reports
- Conducted quality audits by third-party agencies, recommended or approved by our clients
- Consistently applied Plan-Do-Check-Act cycle to ensure planning, execution, evaluation and improvement in activities



How we strengthened our human capital

Overview

Mallcom's HR practice conforms to all the norms laid down in the national and international labour regulations. The Company is an equal opportunity employer with no bias for gender, race, religion, linguistic or geographic preference. Professional credentials are the only criteria for selection of a candidate by the Company. The demographic profile of the Company reflects national diversity. Built on the foundation of its values and a commitment to the Group Code of Conduct, Mallcom strives to provide a safe, challenging and rewarding environment for employees. The Company provides a learning work environment where necessary resources are provided to employees to maximise

productivity. The Company's strength lies in its diverse, experienced, talented and professional workforce, enabling it to survive in the dynamic business environment.

HR goal

The company's human resource objective is to cultivate a talent pipeline and facilitate the seamless transition of talent between different organizational cultures. Retaining top talent for long-term growth is a key priority. The company aims to establish a more process-driven approach to human resource management by designing new standard operating protocols. The ultimate goal is to create one of the industry's best workplaces.

HR policy

- The Company focuses on hiring the best talent, engaging with them through various training and development opportunities and retaining them for longer periods of time.
- The company emphasizes continuous talent upgradation.
- The company focuses on nurturing resources for senior-level positions.

Strengths

Strong employee retention: Enhanced employee retention fosters heightened productivity, a positive work culture and an improved customer experience.

Partnership: The enduring commitment of key employees signifies job satisfaction and facilitates knowledge retention.

Innovation: Data-centric decision-making enabled Mallcom to enhance the efficiency of its systems, products and services.

Responsible: The Company made investments in safety and conscientious work practices, resulting in improved operational safety within and around its manufacturing facilities

Initiatives, FY 23

Organizational development: HR policy at Mallcom centers around fostering a positive workplace environment, optimizing workforce utilization for profitable margins, managing performance and productivity, promoting employee career growth, and cultivating a culture of happiness in the workplace.

Skill enhancement: The Company sources talent through online platforms, consulting firms, employee referrals, internal mobility and assigning mentors to new hires. Skill development is reinforced through career advancement, training programs,

mentorship, feedback, and skill assessment. The company encourages accountability by offering opportunities to engage with senior leaders and customer-facing positions.

Human resource practices: The Company maintains regular employee engagement through skip-level meetings, quarterly performance feedback, periodic addresses by the senior leadership team and consistent on-the-job and off-the-job training.

Employee efficiency: Investing in upskilling and reskilling has resulted in an adaptable workforce empowered to make informed decisions and drive research and development. Mallcom places a strong emphasis on achieving work-life balance and actively supports training and development initiatives.

Code: The Company established a Code of Conduct communicated to employees during the onboarding process. Standard Operating Procedures (SOPs) and standing orders were displayed to ensure worker awareness. The company prioritized employee safety during the pandemic through measures such as vaccination, insurance coverage, work-from-home arrangements, and bio bubble protocols. Compliance with SA8000 standards and third-party verification were implemented to monitor and improve the company's systems and processes.





Our esteemed Board of Directors



Mr Ajay Mall
Managing Director

Recognized as a seasoned entrepreneur, Mr. Mall has been honoured with awards from various agencies for his contributions to the business world. Additionally, he holds membership in leading trade bodies related to the leather, textile, and export sectors. His expertise and involvement in these industry associations further validate his reputation as a respected business expert in the field of PPE.



Mr Giriraj Mall
Executive Director

Mr. Giriraj Mall's involvement in the Executive Committee of CII (ER)-Safety Task Force, Safety Appliance Manufacturers' Association (SAMA), and the American Society for Quality Control (ASQC) has played a pivotal role in enriching the company's Board. His active participation in these industry associations has allowed him to contribute his expertise and keep Mallcom at the forefront of safety standards and best practices in the field.



Mr Ravindra Pratap Singh
Director

Mr. Singh holds a senior partnership position at Lodha & Co, where he is highly regarded as an influential professional in the corporate and management advisory field. His expertise spans various areas, including corporate restructuring, mergers and demergers, valuations, debt restructuring, asset reconstruction, and due diligence, among others. Mr. Singh brings valuable insights and guidance to Mallcom with his extensive experience in these domains.



Dr. Barsha Khattry
Director

Dr. Khattry has been actively involved in leading a government project focused on maternal and child health in Rajasthan. She has played a pivotal role in guiding Mallcom towards sustainability practices and environmental preservation. Her expertise and insights have been instrumental in shaping the company's approach towards these critical areas.



Mr. Arindam Bose
Director

Mr. Arindam Bose is a highly experienced professional with over 20 years of expertise in investment banking, private equity, wealth management, and client relationship management. He has played a crucial role in mobilizing over a billion US dollars through private equity and direct placement transactions. Additionally, he has successfully concluded equity finance transactions worth another billion dollars. Mr. Bose possesses extensive knowledge of the GCC (Gulf Cooperation Council) region, which he brings to the Board.



Dr. Himanshu Rai
Director

Dr. Himanshu Rai serves as the Director of IIM Indore. Dr. Rai imparts his expertise by teaching various courses to postgraduate and doctoral students, covering subjects such as Negotiation, Justice, Leadership, and Business Research Methods. Additionally, he has provided consultancy services to esteemed organizations such as the World Bank, Planning Commission of India, International Finance Corporation, UP State Road Transport Corporation, Mahindra & Mahindra, Hero Honda, and SEWA.

Our experienced key managerial team



Rana Das

Associate Vice President - Branded Sales

Mr. Rana Das has been a part of the organization since 2005. He is dedicated to generating revenue through business development, sales, strategic sourcing, procurement, vendor development, logistics, and supply chain management. Mr. Das plays a crucial role in driving the growth and success of the company in the APAC market.



Shyam Sundar Agrawal

Chief Financial Officer

Mr. Shyam Sundar Agarwal has been associated with Mallcom since 1996. As a Chartered Accountant, he is responsible for overseeing various financial aspects of the company. His role encompasses tasks such as fundraising, managing investor relations, ensuring compliance with legal regulations, handling corporate taxation matters, overseeing stock exchange listings, developing business plans, managing revenue, and overseeing other financial activities within the organization.



Jyoti Prakash Lakhota

Vice President - Operations

Mr. JP Lakhota is the Vice President (VP) of Operations of the leather business. As a Chartered Accountant, he is entrusted with the responsibility of overseeing the overall operations of the company's leather division. His role primarily involves leading the manufacturing facilities responsible for producing safety shoes, hand gloves, face masks, and helmets. In this capacity, he manages a large team of over 1,200 employees.



Joydeep Sarkar

Senior Manager - Private Label Sales

Mr. Joydeep Sarkar is working as Senior Manager - Private Label Sales. His primary responsibilities include sales & marketing of OEM products in LATAM, US and East Europe. He explores business opportunities, sales, marketing, logistics and relationship development.



Rohit Mall

General Manager

Mr. Rohit Mall serves as the General Manager overseeing various key areas including product development, branding, e-commerce and business development. He is a qualified Chartered Accountant and has gained over two years of valuable experience at Mallcom. In 2021, he successfully completed his Master of Business Administration (MBA) degree from IESE, located in Barcelona. Additionally, he has a noteworthy four-year tenure as the Founder and CEO of Pedagoge, an education technology start-up supported by Nasscom.



Rimi Ghosh

General Manager- HR & Admin

Experienced corporate human resource professional, Rimi has worked across multiple industries like EPC, construction, pharmaceuticals and manufacturing for 18 years. She has worked with Groups like Srei, Shrachi and Aventis Pharma. She has taken initiatives in the field of process development, restructuring, corporatization, uniformity of systems.

Management discussion and analysis

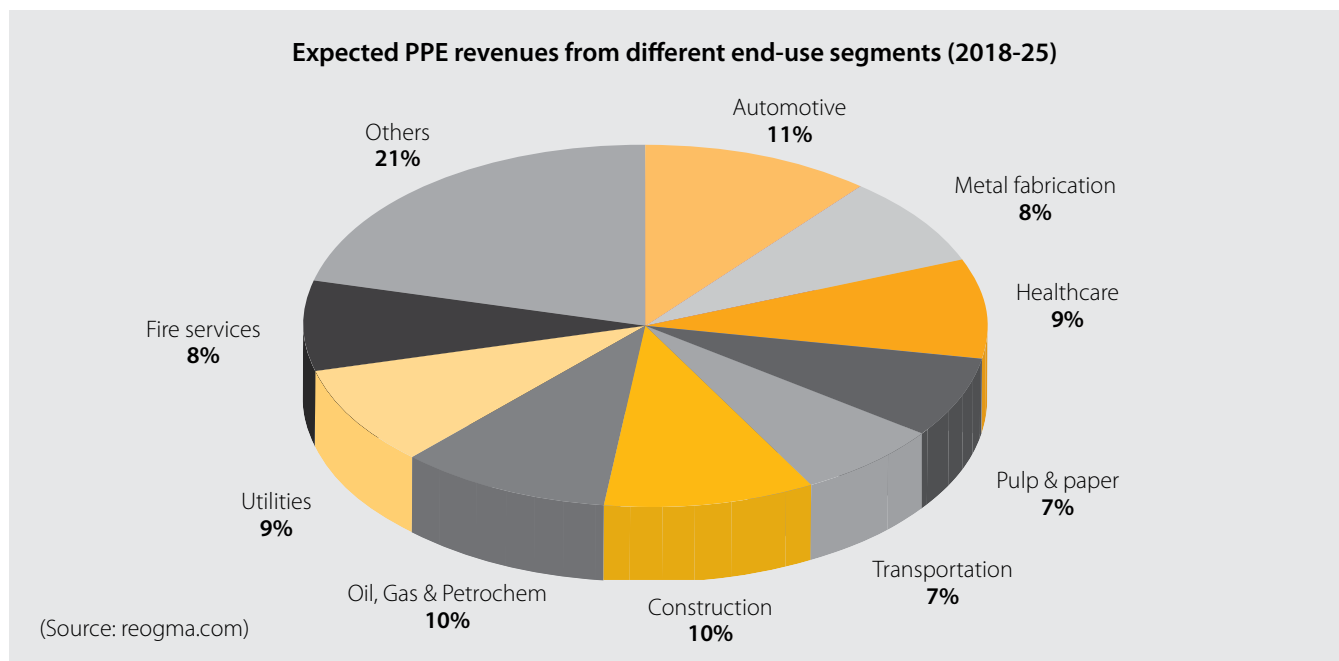
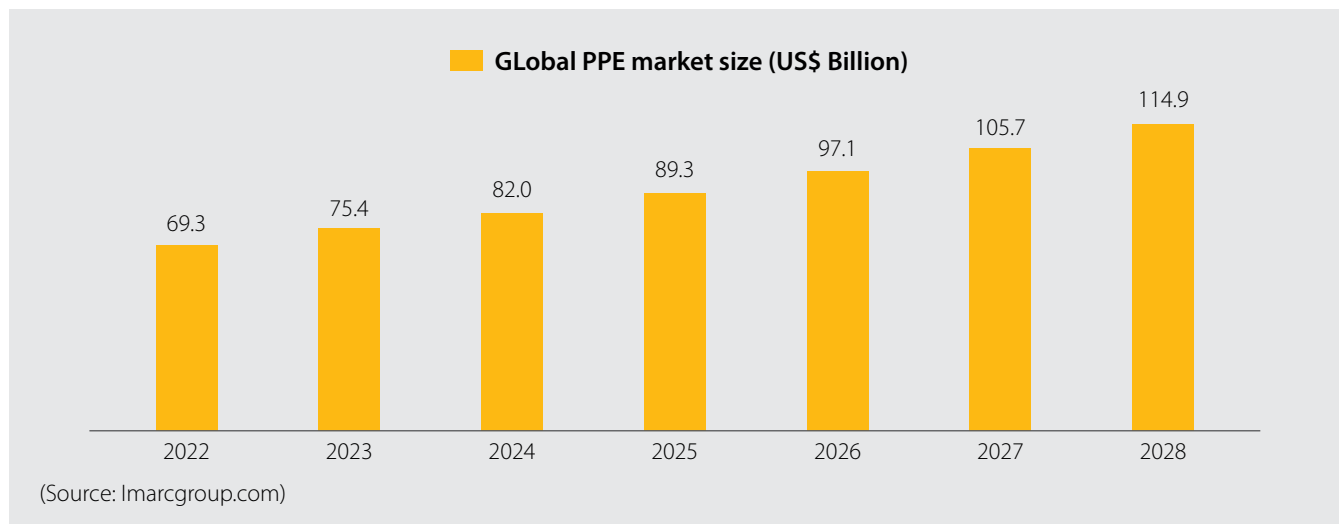
Personal protective equipment industry overview

Global: The global market size for personal protective equipment (PPE) reached US\$ 69.3 Billion in 2022 and is projected to reach US\$115.0 Billion by 2028, with a compound annual growth rate (CAGR) of 8.7% during the period from 2023 to 2028. The growth is driven by government safety regulations, rising workplace safety awareness, increasing demand for high-tech and comfortable PPE products, growing instances of occupational

accidents, expanding construction activities and the introduction of smart PPEs. Stringent guidelines by organizations such as the Occupational Safety and Health Administration (OSHA) and the International Labour Organization (ILO) will further contribute to the market expansion.

The personal protective equipment (PPE) market is divided into key regions,

namely North America, Europe, Asia-Pacific, Middle East and Africa and South and Central America. In 2022, Asia-Pacific emerged as the dominant region in terms of PPE market share. The Asia-Pacific market is expected to sustain its growth trajectory due to the increasing demand for PPE across various industries, including healthcare, manufacturing and construction.



Sectorial growth drivers

Increasing safety awareness: The focus on worker safety has led to a significant rise in PPE adoption. Effective safety and health management systems have shown a 20% reduction in lost workdays and a return on investment of US\$4 to US\$6 for every dollar invested, as per OSHA statistics. The increasing workplace hazards have compelled workers to use PPE for personal safety.

Stringent standards: Governments and regulatory bodies implemented strict guidelines and standards for workplace safety, driving the global PPE market. Key certifications include CE marking in Europe, NIOSH certification in the US, BIS certification in India and CDSCO license for face masks. These certifications ensure compliance with quality and safety standards, instilling confidence in the effectiveness of PPE products. Adhering to these guidelines contributes to the growth and credibility of the PPE industry.

Rising occupational hazards: The expansion of industries and technological

advancements has increased the risks faced by workers, leading to significant growth in the global PPE market. In 2022, OSHA reported 39 deaths in trench and excavation incidents, which is more than double the number of deaths recorded in 2021. (Source: equipmentworld.com)

Growing healthcare sector: The healthcare industry's rapid growth, combined with post-pandemic awareness, has driven the demand for PPE. In India, the PPE market crossed the ₹7,000 Crore mark and continues to grow steadily.

Technological advancements: The PPE industry has experienced growth through innovative advancements, including the introduction of smart PPE with advanced features. The global smart PPE market is expected to reach a size of US\$ 8.7 Billion by 2027, demonstrating a notable CAGR of 15.9%. This highlights the increasing importance of technology-driven solutions in ensuring enhanced protection and safety measures. (Source: GlobeNewswire)

Increasing focus on worker well-being: The growing emphasis on employee well-being has resulted in a notable increase in the demand for PPE, driven by employers' dedication to ensuring worker safety and morale. This substantial shift has had a positive impact on the market, solidifying PPE as a vital component of employee protection programs. In a recent survey conducted by Aon, it was found that the majority (83%) of global employers now have an employee well-being strategy, marking a significant rise from 55% in 2020.

Global events and emergencies: Outbreaks and emergencies, including the COVID-19 pandemic, have significantly boosted the global demand for PPE. According to the 2020 Ecological Threat Register, the number of natural disasters increased by tenfold since the 1960s and data from the Institute for Economics and Peace shows a rise from 39 incidents in 1960 to 396 incidents in 2019.

Company strengths

Operating in sector agnostic product segment with high demand outlook

MIL (Mallcom India Ltd) is positioned for growth as the demand for industrial safety products continues to rise globally. With a substantial order book position of approximately ₹125 Crore as of 31 March, 2023, we are experiencing favourable market conditions. The company expects further revenue growth, supported by a healthy order book and strong demand for safety products. Additionally, the company foresees more than 10% increase in operating income for FY 23-24, driven by both domestic and export sales.

Strong promoter support and established track record of operations

The company has been involved in the manufacturing, export and distribution of industrial safety products for four decades. The products are sold in the domestic and export markets. The company's established track record of operations and rich experience as the promoter mitigate operational risk to a significant extent.

Strong client relationships and diversified product portfolio

The company holds a prominent position as a major manufacturer and distributor of PPE products in India. With a remarkable customer retention rate of over 80%, the company receives a significant majority of its orders from repeat customers. Its diverse product portfolio ensures comprehensive protection for individuals across various industries and work environments.

Diversified customer base and global presence

Mallcom maintains a diversified customer base and global presence. The Company has established a strong reputation and client base across various industries, resulting in repeat orders that signify its reliable product quality and low counterparty risk. While the top ten customers account for 40% of total revenue, indicating a moderately diversified customer base, supply products to approximately 50+ countries across six continents.

Robust capacity expansion alongside sustained operational efficiency

Your company continues to pursue aggressive capacity addition plans driven by the strong demand outlook for PPE products in domestic and export markets. The Ghatakpukur expansion project in West Bengal is approaching the completion of its first phase, while the newly installed, Ahmedabad unit is targeting turnovers of ₹30 Crore this year. All the while, the company has been able to maintain a commendable operational efficiency of 80%.

Steady operating margin growth and robust profitability

Over the past five years, your company has consistently experienced profitable performance, with healthy profits and cash accruals. The RoCE has remained at a satisfactory level of 25%.

Due to the increasing sales of high-margin products, the company's margins in FY 22-23 were at par with the previous years. Cash accruals remained strong, reflecting a positive outlook

Risk management

Competition risk: The international safety wear market faces fierce competition from organized and unorganized players, which has the potential to impact profit margins.

Mitigation: The company has established a strong brand reputation for itself, delivering high-quality safety wear products consistently. We fostered reliable supplier relationships with 80% of the revenues from repeat customers.

Working capital risk: The elevated working capital intensity stems from the substantial inventory requirements resulting from a diverse product range, coupled with an extended receivables cycle, which may potentially lead to liquidity challenges and inventory turnover issues.

Mitigation: The company has a robust inventory and supply chain management system to minimize the risk of obsolescence. The Net Working Capital to Operating Income ratio (NWC/OI) of the company improved to 23.4% in FY 22-23 from 28.84% in FY 21-22. The company's significant cash/bank balance and liquid investments offer reassurance regarding its liquidity position.

Supply chain risk: The company relies on suppliers and manufacturers to source raw materials and produce their products. Disruptions in the supply chain, such as delays, quality issues or the

inability to secure necessary materials, can impact production and delivery.

Mitigation: The company strengthens resilience and reliability by diversifying suppliers, establishing contingency plans, and enhancing supply chain visibility. It maintains strong supplier relationships, conducts risk assessments and optimizes inventory management, ensuring operational stability while mitigating supply chain risks.

Forex risk: A considerable percentage (64% in FY 22-23) of the company's revenue is derived from export sales, which may expose MIL to the risk of foreign exchange rate fluctuations.

Mitigation: The company has implemented a formal hedging mechanism to hedge all of its foreign currency receivables. Furthermore, the import of certain raw materials acts as a partial natural hedge, effectively mitigating the company's exposure to foreign exchange rate fluctuations.

Regulatory risk: MIL is subject to regulatory risks, as it benefits from export incentives and interest subvention provided by the Government of India (GoI). Consequently, changes in duty structure and the rate of export incentives may pose a potential risk to the company's revenues.

Mitigation: The company installed measures for regulatory risks including diversifying the product portfolio and actively monitoring duty structures, export incentives and regulations through engagement with industry associations and government authorities.

Product liability risk: The companies may face product liability claims if their products are defective or fail to provide the intended protection. These claims can result in legal costs, settlements, or damage to the company's reputation.

Mitigation: The company addresses this risk by implementing rigorous quality control measures, ensuring clear documentation and instructions, and securing sufficient product liability insurance coverage.

Environmental and sustainability risks: Failure to meet sustainability standards and address environmental concerns can damage the company's reputation and result in potential business losses.

Mitigation: The company embraces sustainable manufacturing practices, complies with environmental regulations, and prioritizes supply chain sustainability. It emphasizes product design, transparency and collaboration with stakeholders to enhance environmental performance and mitigate reputational risks.

Internal control systems and their adequacy

Your Company is having adequate systems of internal control commensurate with its size and nature of its business. These internal controls have been designed to provide reasonable assurance that all company operational and financial processes are adequate to safeguard and protect against any loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly.

Internal control system is highly important in the light of current economic downturn. Monitoring, review and assessment of internal controls across various functions is performed at regular intervals by the Audit Committee and corrective actions are initiated whenever deemed necessary. Continuous evaluations is necessary to ensure whether the implemented internal control system is effective as intended by the Board of Directors. The Audit

Committee also meets the Company's Internal Auditors as well as Statutory Auditors to ascertain for their views on the adequacy of internal control systems of the Company and keeps the management informed of its major observations.

Human resources management and industrial relations

The Company considers the quality and commitment of its human resources to be its most important asset and places great emphasis on the training and development of human resources at all levels and providing conducive working environment. The management firmly believes that business cannot grow without utilising the potential of its human resources.

As on 31 March, 2023, the total strength of permanent employees is 330 as

compared to 289 in the previous year as on 31 March, 2022. Your Company maintains a cordial relationship with its employees and values the safety of its employees ensuring safe work practices. Despite the pandemic bringing new challenges, your Company continued to evolve its people practices in supporting its employees through the challenging times. The Company pursued vaccination of its workforce and their family members and achieved the vaccination coverage of over 99% of employees across all

location and businesses. Your Company has a culture of working together through joint consultation between senior management and employees and a very strong commitment towards mutual development. Your Company believes in developing long term relationships with all our employees on an ongoing basis. Industrial relations at all the manufacturing units of your Company have been harmonious and peaceful with active involvement of the employees in the collective bargaining process.

Financial overview

The Company recorded a profit after tax of ₹3,693.71 Lakh during the financial year ended 31 March, 2023 as against ₹3,155.63

Lakh during the financial year ended 31 March, 2022. The basic & diluted earnings per share were ₹59.19 for the financial

year FY 22-23 as against that ₹52.28 for the financial year FY 21-22.

Highlights of our financial performance

(₹ in Lakh)

Particulars	Standalone	Standalone	Consolidated	Consolidated
	FY23	FY22	FY23	FY22
Net sales/ Income from operations	40,443.16	36,387.84	41,055.39	35,722.85
Other income from operations	299.00	309.86	314.69	313.81
Total income from operations (1 + 2)	40,742.16	36,697.70	41,370.08	36,036.66
Total expenditure	35,831.39	32,577.04	36,279.68	31,787.65
EBITDA	5,505.11	4,620.65	5,848.31	4,968.36
EBITDA Margin (%)	13.61	12.70	14.25	13.91
Depreciation	665.84	625.28	826.81	828.84
Finance Cost	227.60	184.57	245.79	204.32
Profit Before Tax (PBT)	4,910.67	4,120.66	5,090.40	4,249.01
Provision for tax	1,244.98	1,031.74	1,396.69	1,093.38
Profit/loss after tax (PAT)	3,665.69	3,089.26	3,693.70	3,155.63
PAT Margins (%)	9.00	8.42	8.93	8.76

Cash flow analysis

(₹ in Lakh)

Particulars	Standalone	Standalone	Consolidated	Consolidated
	FY23	FY22	FY23	FY22
Source of cash				
Cash flow from operations	7,104.05	1,387.57	6,589.63	1,330.96
Increase in Borrowings	3,876.13	-	3,736.27	250.81
Sale of Investment	-	1,878.58	-	1,878.58
Cash Flow from Investing Activities	172.69	304.15	188.31	306.04
Decrease in cash & cash equivalent	-	242.74	-	212.01
Total	11,152.87	3,813.04	10,514.21	3,978.40
Use of cash				
Net capital expenditure	4,452.41	1,532.67	4,584.40	2,380.52
Financial expenses	227.60	184.57	245.79	204.32
Dividend (Including dividend tax)	187.20	187.20	187.20	187.20
Direct taxes paid	1,201.27	1,119.88	1,244.38	1,206.36
Purchase of Investment	-	-	2,698.63	-
Increase/(Decrease) in Non-current investments/ Acquisitions	3,948.10	-	409.48	-
Repayment of borrowings	-	788.72	-	-
Increase/(Decrease) in cash & Cash Equivalent	1,136.29		1,144.33	
Total	11,152.87	3,813.04	10,514.21	3,978.40

Key financial Indicators

Particulars	Standalone	Standalone	Consolidated	Consolidated
	FY23	FY22	FY23	FY22
Debtor Turnover Ratio (Times)	6.01	6.10	6.07	6.40
Inventory Turnover Ratio (Times)	7.21	6.56	5.55	5.22
Interest coverage Ratio (Times)	22.58	23.33	21.71	21.80
Current Ratio (Times)	2.15	1.59	2.14	1.69
Debt/equity Ratio (Times)	0.29	0.44	0.43	0.28
PAT (%)	8.42	9.00	8.76	8.93
EBITDA (%)	12.70	13.61	13.91	14.25
Return on Net Worth (%)	19.03	19.66	18.18	18.33

Cautionary statement

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or forecast may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ materially

from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes

in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

CORPORATE INFORMATION

Board of Directors

Mr. Ajay Kumar Mall,
Chairman, Managing Director & CEO

Mr. Giriraj Kumar Mall,
Executive Director

Mr. Arindam Bose,
Non-Executive Non-Independent Director

Mr. Ravindra Pratap Singh,
Non-Executive Independent Director

Dr. Barsha Khattry,
Non-Executive Independent Director

Dr. Himanshu Rai,
Non-Executive Independent Director

Chief Financial Officer

Mr. Shyam Sundar Agrawal

Company Secretary & Compliance Officer

Ms. Shalini Ojha

Auditors

S. K. Singhania & Co.
Chartered Accountants
1st Floor, "Leslic House",
19A, Jawaharlal Nehru Road, Kolkata - 700 087
Ph: +91 33 4065 6139 / 2249 5211 / 2249 5224 / 2249 6831
Email: clients@ksco.in

Registrar & Share Transfer Agent (RTA)

Niche Technologies Pvt. Ltd.
3A Auckland Place, 7th Floor
Room No. 7A & 7B, Kolkata- 700017
Ph- (033) 2280 6616 / 17 / 18; Fax- (033) 2280 6619
Email-nichetechpl@nichetechpl.com

Bankers

Citibank N.A.
Standard Chartered Bank
ICICI Bank
RBL Bank
HDFC Bank

Corporate Identity Number

L51109WB1983PLC037008

Registered Office

Mallcom Tower
EN-12, Sector-V, Salt Lake,
Kolkata-700091, India
Website: www.mallcom.in

Works:

Location	Unit	Address
Kolkata, West Bengal	Garments	34B-C, Chandra Nath Roy Rd, Tiljala, Kolkata - 700039, WB, India
	GRT & Knitted Gloves (100% EOU)	34B, Chandra Nath Roy Rd, Tiljala, Kolkata - 700039, WB, India
Falta SEZ, Falta, 24 Parganas (South), W.B.	MVSFT (Dipped Gloves)	Sector II, Falta SEZ, 24 Parganas (South) - 743504, WB, India
	Safety Shoes	Plot No. 25, Sector-II, Falta SEZ, 24 Parganas (South) - 743504, WB, India
	Knitted Gloves	Plot No. 35 & 36, Sector 1, FSEZ, Falta, 24 Parganas (South) - 743504, WB, India
Kolkata Leather Complex, Bantala, 24 Parganas (S), W.B.	Garments	Plot-1665, Zone-9, Kolkata Leather Complex, Bantala, 24 Parganas (South) - 743502, WB, India
	Safety Shoes & Shoe Uppers	Plot-1666, Zone-9, Kolkata Leather Complex, Bantala, 24 Parganas (South) - 743502, WB, India
	Tannery	Zone -5, Plot No – 394, Kolkata Leather Complex, Bantala, 24 Parganas (South) - 743502, WB, India
Ghatakpur, Chandipur, 24 Parganas(S), W.B.	Garments	Ghatakpur, Vill: Chandipur, Jhaulgachi, P.O: Ghoshpur, 24 Parganas (South) - 743502, WB, India
	Knitted Gloves	
	Helmets & Facemask	
Haridwar	Safety Shoes	Plot No.32, Sector-3A, IIE, SIDCUL, Haridwar - 249403, Uttarakhand
Ahmedabad	MSPL (Garments)	49B, GIDC Apparel Park, SEZ, Ahmedabad 380008, Gujarat

BOARD'S REPORT

Dear Shareholders

Your directors are pleased to present the Thirty-Ninth Annual Report on the business and operation of the Company together with an Audited Statement of Accounts for the year ending 31st March, 2023.

FINANCIAL HIGHLIGHTS

(₹ in Lakhs)

Particulars	Consolidated		Standalone	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Total Revenue	41,370.08	36,036.66	40,742.16	36,697.70
Profit Before Tax (PBT)	5,090.40	4,249.01	4,910.67	4,120.66
Provision for Tax	1,396.69	1,103.56	1,244.98	1,031.74
Profit After Tax (PAT)	3,693.71	3,155.63	3,665.69	3,089.26
Other Comprehensive Income (Net of Tax)	7.90	(1.54)	7.9	(1.54)
Total Comprehensive Income for the period	3,701.61	3,260.85	3,613.59	3,087.72
Appropriations				
Transfer to General Reserve	3,525.00	2,750.00	3,525.00	2,750.00
Dividend Distributed	187.20	187.20	187.20	187.20
Surplus carried to the next year's account	528.59	151.23	223.51	262.12

OVERVIEW OF COMPANY PERFORMANCE

During the financial year 2022-23:

- The Standalone Revenue of the Company increased to ₹40,742.16 Lakhs from ₹36,697.70 Lakhs registering a growth of 11.02% over previous year.
- The Consolidated Revenue of the company increased to ₹41,370.08 Lakhs from ₹36,036.66 Lakhs registering a growth of 14.80% over previous year.
- The Standalone and Consolidated profit after tax for the current year was ₹3,665.69 Lakhs and ₹3,693.71 Lakhs respectively as against ₹3,089.26 Lakhs and ₹3,155.63 Lakhs respectively for the previous year.

SHARE CAPITAL

The paid-up Equity Share Capital as at 31st March, 2023 was ₹624.00 Lakhs. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

TRANSFER TO RESERVE

The Company has transferred an amount of ₹3525.00 Lakhs to the General Reserve for the financial year ended 31st March, 2023.

DIVIDEND

The Board of Directors at their meeting held on 29th May, 2023, has recommended payment of ₹3/- (Rupees Three only) (30%) per equity share of the face value of ₹10/- (Rupees Ten only) each as final dividend for the financial year ended 31st March, 2023. The payment of the final dividend is subject to the approval of the shareholders

at the ensuing Annual General Meeting (AGM) of the Company. The dividend, if approved by the shareholders at the ensuing Annual General Meeting shall be paid to those shareholders whose names appear in the Register of Members as on Book Closure Date.

Total dividend of 30% for the financial year 2022-23 would absorb ₹187.20 Lakhs.

In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provision of Section 124(5) of the Companies Act, 2013, dividend which remains unpaid or unclaimed for a period of seven years from the date of its transfer to unpaid/ unclaimed dividend account is required to be transferred by the Company to Investor Education and Protection Fund (IEPF), established by the Central Government under the provisions of Section 125 of Companies Act, 2013.

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, your Company has transferred ₹6,872/- during the year to the Investor Education and Protection Fund. This amount was lying unclaimed/ unpaid with the Company for a period of 7 (Seven) years after declaration of Final Dividend for the Financial Year ended 2014-15.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

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

CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the company. Your Company continues to be one of the leading Personal Protective Equipment Manufacturer and exporter in the country.

SUBSIDIARY COMPANIES

The Company has two wholly owned subsidiaries, namely Mallcom VSFT Gloves Pvt. Ltd. (MVSFT), and Mallcom Safety Pvt. Ltd. (MSPL). The Company regularly monitors the performance of these companies.

During the year under review, the erstwhile wholly owned subsidiary "Best Safety Private Limited" got merged with your Company with effective date of 1st April, 2021 as per the Statutory Approval dated 30th November, 2022.

The Consolidated Profit and Loss Account for the period ended 31st March, 2023, includes the Profit and Loss Account for the subsidiaries for the complete Financial Year ended 31st March, 2023.

The Consolidated Financial Statements of the Company including all subsidiaries duly audited by the statutory Auditors are presented in the Annual Report. The consolidated financial statements have been prepared in strict compliance with applicable Indian Accounting Standards and wherever applicable, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as prescribed by the Securities and Exchange Board of India.

A Report on Performance and Financial Position of each of the Subsidiaries in Form AOC—1, is annexed herewith as Annexure – A of this report. The annual accounts of the subsidiary companies and the related detailed information shall be made available to Shareholders of the Company upon request, and it shall also be made available on the website of the Company at www.mallcom.in.

The policy for determining material subsidiaries as approved may be accessed from the Company website at www.mallcom.in under the "Codes & Policies" tab.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Your Company Board is duly constituted and is in compliance with the requirements of the Act, the listing regulations and provisions of the Articles of Association of your Company. Your Board has been constituted with requisite diversity, wisdom, expertise and experience commensurate to the scale of operations of your Company.

Retirement by Rotation

Mr. Ajay Kumar Mall (DIN 00473184), retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment in accordance with the provisions of Section

152(6) and other applicable provisions of the Companies Act, 2013.

Appointment / Re-appointment of Directors

Mr. Ajay Kumar Mall (DIN 00473184), was re-appointed as the Managing Director and CEO of the Company at the 34th Annual General Meeting held on 27th August, 2018, for a period of 5 (Five) years. Accordingly, the tenure of him as the Managing Director of the Company would end on 27th August, 2023.

The Nomination and Remuneration Committee and Board of Directors of the Company at their respective meeting(s) held on 7th August, 2023, subject to the shareholders approval re-appointed Mr. Ajay Kumar Mall (DIN 00473184) as Chairman, Managing Director and CEO of the Company, with effect from 28th August, 2023 for a period of 5 years, up to 27th August, 2028, to maintain continuity.

The Ordinary Resolution for his re-appointment as Managing Director and Special Resolution for the remuneration payable to him have been included in the Notice convening 39th Annual General Meeting for the approval of Members.

Key Managerial Personnel

Cessation of Mrs. Anushree Biswas (ACS: 40821) as Company Secretary cum Compliance Officer of the Company with effect from the close of business hours on 21st April, 2023.

Appointment of Mrs. Shalini Ojha (ACS: 48483) as Company Secretary & Compliance Officer of the Company with effect from 29th May, 2023.

Non-Disqualification of Directors

The Company has received declaration from each of the Independent Directors under Section 149(7) of the Companies

Act, 2013 that, they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, and expertise in the fields of finance, people management, strategy, auditing, tax and risk advisory services, banking, financial services, investments; and they hold highest standards of integrity.

The Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs, ('IICA') as required under Rule 6 of Companies (Appointment and Qualification of Directors) Rules, 2014.

A Certificate of Non-Disqualification of Directors, pursuant to Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 obtained from M/s. Rakhi Dasgupta and Associates, Practicing Company Secretaries has been annexed as Annexure – D of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2023, the applicable accounting standards have

been followed along with proper explanation relating to material departures.

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

COMMITTEES OF THE BOARD

Currently, the Board has four committees: Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. A detailed note on the composition of the Board and its committees is provided in the Corporate Governance Report section of this Report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year under review, 5 (Five) meetings of the Board of Directors were held. The details of the meetings of the Board of Directors of the Company held and attended by the Directors during the financial year 2022-23 are given in the Corporate Governance Report which forms part of this Annual Report.

The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act.

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meetings.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board of Directors in consonance with the recommendation of the Nomination and Remuneration Committee (NRC) has adopted a term of reference which, inter alia, deals with the manner of selection of Director and Key Managerial Personnel of the Company. The NRC recommends appointment of Director, Chief Executive Officer and Manager based on their qualifications, expertise, positive attributes, and independence in accordance with prescribed provisions of the Companies Act, 2013 and rules framed there under. The NRC is responsible for identifying and recommending persons who are qualified to become directors or part of senior management of

the Company. Remuneration Policy for the members of the Board and Executive Management has been framed, the said policies earmark the principles of remuneration and ensure a well-balanced and performance related compensation package considering shareholders' interest, industry practices and relevant corporate regulations in India. The Nomination and Remuneration Policy of the Company is available on the website of the Company at www.mallcom.in under the "Codes & Policies" tab.

ANNUAL EVALUATION OF BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS

Annual evaluation of Board, its performance, Committees, and individual Directors pursuant to applicable provisions of the Companies Act, 2013 and applicable regulations of the Listing Regulations, was carried out.

The performance of the Board was evaluated after seeking input from all the Directors present in the meeting on the basis of criteria such as the board composition and structure, effectiveness of board processes, information, and functioning, etc.

The Board and Nomination & Remuneration Committee had evaluated / reviewed the performance of individual Directors on the basis of criteria such as the contribution of the individual Director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

The Securities and Exchange Board of India vide circular SEBI / HO /CFD /CMD/ CIR/ 2017/004 dated January 05, 2017, issued a Guidance Note on Board Evaluation about various aspects involved in the Board Evaluation process to benefit all stakeholders. While evaluating the performance, the above guidance note was considered. Performance evaluation of Independent Directors was carried out by the entire board, excluding the Independent Director being evaluated.

A meeting of the Independent Director for the FY 2022-23 was held on 8th February, 2023, to review the performance of the Non-Independent Directors and performance of the Board as a whole, on the parameters of effectiveness and to assess the quality, quantity and timeliness of the flow of information between the Management and the Board.

The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the board, its committees, and individual Directors were also discussed. The Directors expressed their satisfaction with the evaluation process.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received the necessary declarations from each Independent Director under Section 149(6) of the Act, that he/she meets the criteria of independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) read with Regulation 25(8) of the SEBI Listing Regulations. The Board has taken on record these declarations after undertaking the due assessment of the veracity of the same.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

All Independent Directors are familiar with the operations and functioning of the Company. The details of the training and familiarization program are provided in the Corporate Governance Report.

CODE OF CONDUCT

The Company's code of conduct is based on the principle that business should be conducted in a professional manner with honesty and integrity and thereby enhancing the reputation of the Company. The Code ensures lawful and ethical conduct in all affairs and dealings of the Company. The Company's Policy on Code of Conduct is available on the website of the Company at www.mallcom.in under the "Codes & Policies" tab.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board has Four Committees that have been mandatorily constituted in compliance with the requirements of the Companies Act, 2013 and the Listings Regulations. The Board has adopted charters setting forth the roles and responsibilities of each of the Committees. The Board has constituted following Committees to deal with matters and to monitor activities falling within their respective terms of reference: As on 31st March, 2023, the following 4 (Four) committees are as follows:

1. Audit Committee,
2. Nomination and Remuneration Committee,
3. Corporate Social Responsibility Committee and
4. Stakeholders Relationship Committee.

A detailed note on the composition of the Board and its committees, including its terms of reference, is provided in the Corporate Governance Report. The composition and terms of reference of all the Committee(s) of the Board of Directors of the Company is in line with the provisions of the Act and Listing Regulations.

During the year, all recommendations made by the committees were approved by the Board.

ANNUAL RETURN

The Annual Return of the Company as on 31st March 2023 in Form MGT-7 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014, is available on the website of the Company www.mallcom.in.

STATUTORY AUDITORS

The Report given by M/s. S. K. Singhania & Co, Chartered Accountants, on the financial statements of the Company for the financial year 2022-23 forms part of this Annual Report. There is no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Auditors did not report any matter under Section 143 (12) of the Act.

DISCLOSURE ON MAINTENANCE OF COST RECORDS

The Company made and maintained the Cost Records under section 148 of the Companies Act, 2013 (18 of 2013) for the Financial Year 2022-23.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had appointed M/s. Rakhi Dasgupta & Associates, Company Secretaries in practice to undertake the Secretarial Audit of the Company for the financial year 2022-23. The Secretarial Audit report forms part of this Report as Annexure – B. The Secretarial Audit Report does not contain any qualifications, reservation, and adverse remark.

A Secretarial Compliance Report for the financial year ended 31st March, 2023 on compliance of all applicable SEBI Regulations and circulars/ guidelines issued thereunder, was obtained from M/s. Rakhi Dasgupta & Associates, Secretarial Auditor, and duly submitted to the stock exchanges.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY

The Particulars of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements] Regulation, 2015 are given in the notes to the Financial Statements.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business and the provision of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted. Thus, disclosure in form A0C—2 in terms of Section 131 of the Companies Act, 2013, is not required. Further, there are no material related party transactions during the year under review with the Promoters, Directors, or Key Managerial Personnel. The Company's policy on Related Party Transaction is available on the website of the Company at www.mallcom.in under the "Codes & Policies" tab.

The details of related party disclosure under the relevant accounting standard form part of the notes to the financial statement provided in the Annual Report.

DEPOSIT

During the financial year under review, the company did not accept any deposit covered under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY

During the financial year ended 31st March, 2023, the Company incurred CSR Expenditure of ₹17.16 Lakhs. The CSR initiatives of the Company were under the thrust area of health & hygiene, girl child education and promotion of Olympic Sports and training of Sports-person. The CSR Policy of the Company is available on the website of the Company under the heading "Codes & Policies" at www.mallcom.in.

The Company's CSR statement and report on the CSR activities undertaken during the financial year ended 31st March, 2023, in

accordance with Section 135 of the Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in Annexure – C to this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management's Discussion and Analysis forms part of this annual report and is annexed to this Report.

CORPORATE GOVERNANCE

The Company is committed to adopting good corporate governance practices. The report on Corporate Governance for the financial year ended 31st March, 2023, as per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms a part of this Annual Report. The requisite Certificate from Practicing Company Secretary for confirming the compliance with the conditions of Corporate Governance is annexed to the Report.

RISK MANAGEMENT

Risk Management has always been an integral part of the corporate strategy which complements the organization's capabilities with business opportunities, robust planning and execution. Structured risk management system permits the management to take calibrated risks, which provides a holistic view of the business, wherein risks are identified in a structured manner from Top down to Bottom-up approach. A key factor in sustainable value is the risk that the company is willing to take and its ability to manage them effectively. In line with new regulatory requirements, the Company has framed a Risk Management Policy to identify the key risk areas, monitor and report compliance and effectiveness. Appropriate actions pursuant to the Policy from time to time are taken to mitigate adverse impact of various Risks which may adversely affect the performance of the Company. The Risk Management Policy of the Company may be accessed on the Company's website www.mallcom.in under the "Codes & Policies" tab.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has robust Internal Financial Controls Systems in place commensurate with the size and nature of its business, which facilitates orderly and efficient conduct of its business including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. The internal control system ensures compliance with all applicable laws and regulations and facilitates the optimum utilization of available resources and protects the interests of all stakeholders. The internal control systems are monitored and evaluated by the internal auditors and their audit reports are reviewed by the Audit Committee of the Board at periodic intervals. The details of the internal control system and adequacy are covered in the Management Discussion and Analysis Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In compliance with the provisions of Section 177(9) of the Act and SEBI Listing Regulations, the Company has framed a Whistle Blower

Policy / Vigil Mechanism for Directors, employees, and stakeholders for reporting genuine concerns about any instance of any irregularity, unethical practice and/or misconduct. Besides, as per the requirement of Clause 6 of Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company ensures to make employees aware of such Whistle Blower Policy to report instances of leak of unpublished price sensitive information. The Vigil Mechanism provides adequate safeguards against victimization of Directors or employees or any other person who avails the mechanism and provides direct access to the Chairperson of the Audit Committee. The Whistle Blower Policy may be accessed on the Company's website www.mallcom.in under the "Codes & Policies" tab.

HUMAN RESOURCES

The Company believes that the quality of employees is the key to its success. In view of this, it is committed to equip them with skills, enabling them to evolve with technological advancements.

During the year, Industrial relations with employees remained cordial. Human Resource Development activities continued to receive considerable attention. The emphasis was on imparting training and developing the skill set of the employees to enable them to face the challenges in an increasingly complex work environment. The Company routinely organizes workshops and seminars focused on creating a harmonious work environment, promoting ethical practices, and strengthening the drive for high level performance. The company does not have any employees of the category as specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Disclosure pertaining to remuneration and other details as required under Section 197 (12) of the Companies Act, 2013 read with Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure - E

CREDIT RATING

During the year under review, ICRA Limited has upgraded the long-term rating for the Company's Bank Facilities to [ICRA]A (pronounced ICRA A) from [ICRA]A- (pronounced ICRA A minus) ("Rating"). The outlook on the long-term rating is Stable.

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

As per the requirement of the Act, the Company has in place a policy on prevention of sexual harassment of women which provides for the protection of women employees at the workplace and for prevention and redressal of complaints. The Policy may be accessed on the Company's website www.mallcom.in under the "Codes & Policies" tab. During the year no complaints were received.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of

the Companies (Accounts) Rules, 2014, is annexed herewith as Annexure — F.

SIGNIFICANT AND MATERIAL ORDER PASSED BY THE REGULATION

There were no significant and material orders passed by the Regulators or Courts or Tribunal during the year impacting the going concern status and the operations of the Company in future.

LISTING

The equity shares of the Company continue to be listed at the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company has paid the requisite listing fees to all the Stock Exchanges for FY 2022-23.

GREEN INITIATIVES

As a responsible corporate citizen, the Company supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report etc. to Shareholders at their e-mail address previously registered with the DPs and RTAs. To support the 'Green Initiative', Members who have not registered their email addresses are requested to register the same with the Company's Registrar and Share Transfer Agent/Depositories for receiving all communications, including Annual Report, Notices, Circulars, etc.,

from the Company electronically. Pursuant to the MCA Circulars and SEBI Circulars, copies of the Notice of the 39th AGM and the Annual Report of the Company for the financial year ended 31st March, 2023 including therein the Audited Financial Statements for the year 2022-23, are being sent only by email to the Members.

ACKNOWLEDGEMENT

Your directors place on records their gratitude to the dealers, agents, suppliers, investors, and bankers for their continued support, co-operation, and their valuable guidance to the Company and for their trust reposed in the Company's management.

Your directors also place on record their sincere appreciation to employees at all levels for their hard work, dedication, and continuous contribution to the Company.

For and behalf of the Board

Ajay Kumar Mall

Chairman, Managing Director & CEO
(DIN: 00470184)

Place: Kolkata

Date: 7th August, 2023

Giriraj Kumar Mall

Executive Director
(DIN: 01043022)

Form AOC-1

[Pursuant to section 129(3)(1) read with rule 5 of Companies (Accounts) Rules, 2014]

Statement containing salient features of the financial statement of subsidiaries

Part "A": Subsidiaries

(₹ in Lakhs)

Sl. NO.	Particulars	Details	Details
1	Name of the subsidiary	Mallcom Safety Pvt. Ltd.	Mallcom VSFT Gloves Pvt. Ltd.
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2022-2023	2022-2023
3	Reporting Currency and Exchange Rate as on the last date	INR	INR
4	Share Capital	600.00	489.40
5	Reserves & Surplus	995.59	991.72
6	Total Liabilities	1226.62	796.77
7	Total assets	2822.22	2277.90
8	Investment	-	-
9	Turnover	1549.02	3780.57
10	Profit/ (loss) before taxation	(49.68)	229.40
11	Provision for taxation	39.67	112.03
12	Profit/(loss) after taxation	(89.35)	117.37
13	Proposed dividend	-	-
14	% of shareholding	100%	100%

Notes:

- Names of subsidiaries which are yet to commence operations: Not Applicable.
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable.

For and behalf of the Board

Ajay Kumar Mall

Chairman, Managing Director & CEO
(DIN: 00470184)

Giriraj Kumar Mall

Executive Director
(DIN: 01043022)

Shyam Sundar Agrawal

Chief Financial Officer

Shalini Ojha

Company Secretary
(ACS: 48483)

Place: Kolkata

Date: 7th August, 2023

Annexure - B

Form No. MR - 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2023

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

To,
The Members,
Mallcom (India) Limited,

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

Based on my verification of the Company's, Mallcom (India) Limited, books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Mallcom (India) Limited ("The Company") for the financial year ended on 31st March, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under; and to the extent of Regulation 76 of the Securities and Exchange Board of India / Depositories and Participants / Regulations 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas 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

- (d) The Securities and Exchange Board of India Share based employee benefits and regulations 2021 including erstwhile Regulation to the extent - **NOT APPLICABLE**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021;
NOT APPLICABLE
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **NOT APPLICABLE** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **NOT APPLICABLE**
- (i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015, (hereinafter referred to as "Listing Regulation, 2015");
- (vi) Secretarial Standards 1 & 2 as issued by the Institute of Company Secretaries of India;

I, having regard to the compliance System existing in the Company and on the basis of my examination of the documents and records maintained in pursuance thereof, report that the company has complied with the following laws applicable specifically to the company:

1. Factories Act, 1948;
2. The Minimum Wages Act, 1948;
3. The Employee's Compensation Act, 1923 (Earlier known as Workmen's Compensation Act, 1993);
4. The Employees Provident Fund & Miscellaneous Act, 1952.
5. The Employees' State Insurance Act, 1948;
6. Employees' State Insurance (General) Regulations, 1950 and Employees' State Insurance (Central) Rules, 1950;
7. The Payment of Gratuity Act, 1972 and Rules made thereunder;
8. The Industrial Disputes Act, 1948;
9. The Maternity Benefit Act, 1961 and subsequent amendments thereof;

10. Equal Remuneration Act, 1976;
11. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013;
12. Competition Act, 2002;
13. Environment Protection Act, 1986 and Environment Protection Rules, 1986;
14. The Air (Prevention & Control of Pollution) Act, 1981 and Rules made thereunder;
15. The Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder.

Management's Responsibility:

1. Maintenance of secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on the basis of my Secretarial Audit based on the secretarial records provided to me by the management;
2. I have followed the appropriate Audit Practices and the processes to obtain a reasonable assurance about the correctness of the content of the records. The verification was done on test-check basis to ensure that the facts are correctly reflected on the records.
3. I have not verified the correctness and the appropriateness of the financial records and Books of Account of the company.
4. Wherever required, I have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure 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.

Recommendations:

I report that, during the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines and Standards mentioned above.

I further report that, there were no events / actions in pursuance of: -

- a) The Securities and Exchange Board of India (Issue and Listing of Non-convertible Securities) Regulations, 2021; and

- b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, requiring compliance thereof by the Company during the audit period.

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

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

As per the 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.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates / reports taken on record by the Board of Directors of the Company, in my opinion, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, based on the information provided by the Company during the period under review and also on the review of quarterly compliance reports by the Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws.

I further report that, during the Audit Period under review, the Company has not incurred any specific event/ action that can have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Signature: Sd/-

Name of Company Secretary in practice:

CS Rakhi Dasgupta

Proprietor: M/s. Rakhi Dasgupta & Associates

Firm: S2019WB692200

ACS No. 28739

CP No.: 20354

Place: Kolkata

UDIN: A028739E000751560

Date: 7th August, 2023

Peer Review No.: 1342/2021

Annexure - C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 2022-23

[Pursuant to Section 135 of the Companies Act, 2013 Read with Companies
(Corporate Social Responsibility Policy), Rules, 2014]

1. A brief outline of the company's CSR Policy

In accordance with the provisions of the Companies Act, 2013, as amended read with the Notification issued by the Ministry of Corporate Affairs and the rules made thereunder, the Company has framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act. The Company is one of the pioneers of the Personal Protective Equipment industry in India. Through the values and principles inherent within the Group, the Company strives to positively impact the community by promoting inclusive growth in the areas of education, healthcare, sports, environmental sustainability and conservation etc. Along with sustained economic performance, environmental and social stewardship is also a key factor for holistic business growth. Corporate Social Responsibility is strongly connected with the principles of sustainability. As a corporate citizen receiving various benefits out of society, it is our co-extensive responsibility to pay back in return to the people, society and the environment for inclusive growth of the society where we operate. The company aims to continue its efforts to build on its tradition of social responsibility to empower people and deepen its social engagements.

The CSR initiatives of the Company aim towards inclusive development of the communities largely around the vicinity of its plants and registered office and at the same time ensure environmental protection through a range of structured interventions in the areas of (i) promoting education, growth and development of children from lower socio-economic section of society (ii) promotion of Health, Safety and Sanitation (iii) promotion of Olympic Sports. The Company's focus has always been to contribute to the sustainable development of society and the environment and to make our planet a better place for future generations.

The Corporate Social Responsibility (CSR) Committee has formulated and recommended to the Board, this Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board, for the benefit of different sections of the society. The revised CSR Policy may be accessed on the Company's website www.mallcom.in under the "Codes & Policies" tab.

2. The composition of the CSR Committee:

The CSR Committee of the Board of Directors oversees the CSR undertakings to ensure that the CSR objectives are met. The CSR Committee Comprises of: -

- Mr. Ajay Kumar Mall, Managing Director - Chairman
- Mr. Giriraj Kumar Mall, Executive Director – Member
- Dr. Barsha Khattry, Non-Executive Independent Director – Member

The CSR Committee of the Board of Directors of the Company met 1 time on 30th May, 2022 during the financial year ended 31st March, 2023.

3. Web-Link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

The requisite details may be accessed on the Company's website www.mallcom.in under the head "Codes & Policies".

4. Details of impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the companies (corporate social responsibility policy) rules, 2014:

Not Applicable

5. Details of the amount available for set off in pursuance of sub rule (3) of rule 7 of the companies (corporate social responsibility policy) rules, 2014 and amount required for set off for the financial year, if any:

Nil

6. Average Net Profit of the company for the last three Financial Year and prescribed CSR expenditure:

₹3,179.31 Lakhs

Sl. NO.	Particulars	Amounts
7 (A)	Two percent of average net profit of the company as per section 135(5)	63.59
7 (B)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years:	-
7 (C)	Amount required to be set off for the financial year, if any	-
7 (D)	Total CSR obligation for the financial year	63.59

8 (A). CSR amount spent or unspent for the financial year 2022-23:

Total Amount Spent for the Financial Year 2022 – 2023 (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
17.16	46.43	28th April, 2023	N.A.	0	-

8 (B). Details of CSR amount spent against ongoing projects for the financial year 2022-23: Nil.
8 (C). Details of CSR amount spent against other than ongoing projects for the financial year 2022-23:

Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project	Mode of implementation -Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Training & Promotion of Olympics Sports via Para Badminton Athlete Ms. Manasi Joshi	Para-Olympics Sports	-	-	-	15.00	Yes	-	-
2	Education of underprivileged children	Childhood Education	Yes	West Bengal	Kolkata	0.39	No	Karani Dan Mall Charitable Trust	CSR00015870
3	Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts	Flag Hosting	Yes	West Bengal	Kolkata	0.41	Yes	-	-
4	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects	IIT Kharagpur	Yes	West Bengal	Kolkata	1.36	No	IIT Kharagpur	CSR00015417

8 (D). Amount spent in administrative overheads: Nil
8 (E). Amount spent on impact assessment, if applicable: Not Applicable
8 (F). Total amount spent for the financial year 2022–23: ₹17.16 Lakhs
8 (G). Excess amount for set off, if any:

Sl. No.	Particulars	Amounts
i	Two percent of average net profit of the company as per Section 135(5)	63.59
ii	Total amount spent for the Financial Year	17.16
iii	Excess amount spent for the financial year (ii-i)	-
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
v	Amount available for set off in succeeding financial years (iii-iv)	-

9(A). Details of unspent CSR amount for the preceding three financial years: Nil

9(B). Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year (s): ₹10.39 Lakhs

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details): Not Applicable

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):

The total amount required to be spent by the Company towards CSR Projects for the Financial Year 2022-2023 was ₹63.59 Lakhs. As against the required sum, the Company had spent an amount of ₹17.16 Lakhs in aggregate towards various CSR Projects. As per the provisions of Section 135(6) of the Companies Act, 2013, unspent amount of ₹46.43 Lakhs has been transferred to separate bank account namely Unspent Corporate Social Responsibility Account, within 30 days from the end of the Financial Year and shall be utilized for the ongoing CSR Project namely Education of Unprivileged children and as per the recommendation of the CSR committee.

For and behalf of the Board

Place: Kolkata

Date: 7th August, 2023

Ajay Kumar Mall

Chairman, Managing Director & CEO

(DIN: 00470184)

Giriraj Kumar Mall

Executive Director

(DIN: 01043022)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members,
M/s. Mallcom (India) Ltd,
EN-12, Sector-V, Salt Lake, Kolkata-700091

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Mallcom (India) Ltd having CIN- L51109WB1983PLC037008 and having registered office at EN-12, Sector-V, Salt Lake, Kolkata-700091 and (hereinafter referred to as "the Company"), produced before me by the authorized officials of the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the Portal <http://www.mca.gov.in/mcafoportal/viewSignatoryDetails.do>) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs (MCA) or any such other Statutory Authorities:

Sl. No.	Name of Directors	DIN	Date of Appointment
1	Ravindra Pratap Singh	00240910	26/04/2011
2	Ajay Kumar Mall	00470184	13/12/1983
3	Giriraj Kumar Mall	01043022	07/08/2010
4	Barsha Khattry	01974874	16/01/2014
5	Arindam Bose	05202786	01/04/2020
6	Himanshu Rai	07039217	19/10/2020

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

Place- Kolkata
Date- 7th August, 2023

CS Rakhi Dasgupta
Membership No.: ACS-28739
CP No.: 20354
UDIN: A028739E000751593
Peer Review No.: 1342/2021

Annexure - E

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

The percentage increase in remuneration of each Director, Chief Financial Officer, and Company Secretary during the financial year 2022-23, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/ KMP for FY 2022-23 (₹ in Lakh)	% increase in Remuneration in FY 2022-23	Ratio of remuneration of each Director to median remuneration of employees
1.	Ajay Kumar Mall, Managing Director	144.01#	13.28	22.20%
2.	Giriraj Kumar Mall, Executive Director	38.46	21.94	19.20%
3.	Ravindra Pratap Singh, Independent Director	NA	NA	NA
4.	Barsha Khattry, Independent Director	NA	NA	NA
5.	Arindam Bose, Non-executive Non Independent Director	NA	NA	NA
6.	Himanshu Rai, Independent Director	NA	NA	NA
7.	Shyam Sundar Agarwal, Chief Financial Officer	16.19	8.29	NA
8.	Shuvanki Purakayastha, Company Secretary*	1.88	NA	NA
9.	Anushree Biswas, Company Secretary**	4.63	NA	NA

#Remuneration includes ₹99.76 Lakhs being profit in lieu of salary earned from assignment of Keyman Policy.

*Appointed as Company Secretary as on 24th August 2022 and resigned w.e.f 21st April, 2023

**Resigned w.e.f 29th July, 2022

Sitting Fees paid to the Independent Directors have not been considered as remuneration.

The median remuneration of employees of the Company during the financial year was ₹2.01 Lakh. There was an increase of 1.70% in the median remuneration of employees during the financial year.

There were 330 permanent employees on the rolls of Company as on 31st March, 2023.

Average percentage increase made in the salaries of employees other than the managerial personnel in FY 2022-23 was 3.10%.

Average percentage increase in the Managerial Remuneration is 40%.

The average increase/decrease reflects the company's market competitiveness, salary benchmarking survey, inflation, and talent retention.

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

For and behalf of the Board

Place: Kolkata

Date: 7th August, 2023

Ajay Kumar Mall

Chairman, Managing Director & CEO
(DIN: 00470184)

Giriraj Kumar Mall

Executive Director
(DIN: 01043022)

INFORMATION ON CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO REQUIRED TO BE DISCLOSED UNDER SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 ARE PROVIDED HEREUNDER:

A. CONSERVATION OF ENERGY
(i) The steps taken or impact on conservation of energy:

The Company is preventing wastage of energy usage by relentless optimization process to achieve lower fuel/energy consumption. The Company has also placed well-structured energy management system.

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

The Company is exploring viability of renewable source of energy at its selected sites including installation of solar panels for generating electricity.

The capital investment on energy conservation equipment's:

The Company has not made any material capital investment on energy conservation equipment during the year.

B. TECHNOLOGY ABSORPTION

As your Company has not entered technical collaboration with any entity, there are no particulars relating to technology absorption and has not imported any technology during the year. The Company however has been continuously upgrading its manufacturing facility with the latest equipment and gadgets available in the market for automation as well as improved quality control.

The Company do have Research & Development (R&D) section and keeps developing various new products as per the market requirement either on demand or as per its own innovation and has been continuously adding to its range of products. Expenditure incurred by the company on R&D activities are clubbed with the normal business expenses and are not being shown separately since it is not material in nature apart from investment made on Laboratory Equipment.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars with regard to Foreign Exchange Earnings and Outgo are as follows:

(Rupees in Lakhs)

Particulars	2022-23	2021-22
Foreign Exchange earnings	23,297.12	20,996.07
Foreign Exchange Outgo	5,668.82	3,197.41

For and behalf of the Board

Place: Kolkata

Date: 7th August, 2023

Ajay Kumar Mall

Chairman, Managing Director & CEO

(DIN: 00470184)

Giriraj Kumar Mall

Executive Director

(DIN: 01043022)

REPORT ON CORPORATE GOVERNANCE

Corporate governance is the system by which companies are directed and controlled. It is a set of regulations, policies, and procedures that control the functioning of an organization. The Boards of directors are responsible for the governance of their companies. The responsibilities of the board include setting the company's strategic aims, providing the leadership to put them into effect, supervising the management of the business and reporting to shareholders on their stewardship. The five principles of corporate governance being:-

- **Responsibility-** A board is responsible for fulfilling shareholders' wishes which involves shepherding a company away from risk, around challenges, and towards success while staying true to its mission, respecting the law of the land, and the sensitivities of the politics around them. It's a difficult job, but this is what responsibility truly means.
- **Accountability-** Important corporate decisions will inevitably lead to questions which a sign of engagement and diligence.
- **Awareness-** Company's survival and growth will depend upon its awareness of landscape of risk around it. Boards are always at the forefront of this effort, not just because they are in a position of responsibility, but because they are usually in their roles thanks to years, if not decades, of Significant, relevant experience.
- **Impartiality-** Boards must strike a careful balance between their various responsibilities, the people who answer them, and the people they answer to.
- **Transparency-** Boards are responsible for documenting and reporting on everything that's expected of them as clearly and thoroughly as is necessary.

CORPORATE GOVERNANCE FRAMEWORK AT MALLCOM

At Mallcom (India) Limited, the Corporate Governance philosophy focuses on helps to build an environment of trust, transparency, and accountability for fostering long-term relationship with its stakeholders. The Company follows all ethical business standards in conduct in all its operations globally and considers stakeholders as its partners in this journey. Corporate Governance a pre-requisite for meeting the needs and aspirations of its shareholders and other stakeholders in the Company and firmly believes that the same could be achieved by maintaining transparency in its dealing, creating robust policies and practices for key process and systems with clear accountability, integrity, transparent governance practices and the highest standards of regulatory compliances. Mallcom (India) Ltd. aspires to reach the highest standards of Corporate Governance, while emphasizing on transparency, creating a sustainable culture, and setting industry-leading benchmarks.

The Company has set itself the objective of growth by expanding its operating units and existing capacities and becoming globally recognized in this industry. As a part of its growth strategy, the Company believes in adopting the 'best practices' that are followed in the area of Corporate Governance across multiple geographies.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency, and accountability in the management's higher echelons. The Board considers itself a trustee of its shareholders and acknowledges its responsibilities towards them for creating and safeguarding their wealth. In addition to compliance with regulatory requirements, the Company strives to ensure that highest standards of ethical and responsible conduct are met throughout the organization. Mallcom (India) Limited's governance structure comprises of Board of Directors, Committees of the Board, and the Management.

BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility for the management, general affairs, direction and performance of the Company and has been vested with requisite power, authorities and duties. The Board has an appropriate mix of vast knowledge, wisdom, and varied industry experience to guide the Company in achieving its objectives in a sustainable manner.

The Board of Directors has an optimum combination of Executive and Non-Executive Directors with 1 (One) Independent Woman Director. As of the date of this Report, the Board comprised of 6 (Six) members, 3 (three) of which are Independent Directors constituting half of the Board strength, 1 (one) is Non-Executive Director and 2 (two) Executive Directors. The Chairperson of the Board is an Executive Director who is also the Managing Director & CEO. The composition of the Board is in conformity with the requirements of Regulation 17 of the Listing Regulations as well as the Act read with the Rules issued thereunder.

The Board meets at least 5 times a year and more if the Company needs additional oversight and guidance. During the Financial Year 2022-23, the time gap between any two Board Meetings did not exceed 120 (One Hundred and Twenty) days. The Board of Directors periodically reviews compliance reports pertaining to all laws applicable to the Company. All statutory and other matters of significance including information as mentioned in Part A of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are informed to the Board to enable it to discharge its responsibility of strategic supervision of the Company.

The Company is fully in compliance with the requirements specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including any statutory modifications or re-enactments thereof, (hereinafter referred to as the "SEBI Listing Regulations").

BOARD PROCEDURES AND FLOW OF INFORMATION

The Board/Committee meetings are pre-scheduled and tentative dates of Board and Committee meetings are circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The Agenda of the Board / Committee Meetings is set up by the Company Secretary and includes detailed notes on the items to be discussed

at the meeting to enable the Directors to take an informed decision. All the statutory and other significant and material information is placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees of Shareholders. The Agenda for the Board and Committee Meetings cover items set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The agenda for the meetings is circulated well in advance to the Directors to ensure that sufficient time is provided to Directors to prepare for the meeting.

Keeping in view the underlying objective of the Company to impart and enhance the implementation of Green Initiatives across the organization and with a view to leverage technology and reduce paper consumption, the Company has adopted a practice of making electronic presentation of the Agendas of Board Meeting and other Committee Meetings in the form of a power point presentation. In order to facilitate effective discussions at the meetings, the agenda is bifurcated into items requiring approval and items which are to be taken note of the Board. Clarification/ queries, if any, on the items which are to be noted/ taken on record by the Board are sought and resolved promptly.

The Board has complete access to all Company-related information. The management makes concerted efforts to continuously upgrade the information available to the Board for decision making and the Board members are updated on all key developments relating to the Company. The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standards. Thereafter, the minutes are entered into the minutes book within 30 (thirty) days of conclusion of the meetings, after incorporation of the comments, if any, received from the Directors. The maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (one hundred and twenty) days.

COMPOSITION AND CATEGORY OF DIRECTORS

As at 31st March, 2023, the composition of the Board of Directors of the Company, their attendance at Board Meetings/Annual General Meeting held during the year 2022-23 and the number of Directorships and Committee Chairmanships/Memberships held by them in other Companies are given herein below:

Name of Directors	Category of Directorship	No. of Board Meetings		Attendance at the Last AGM held on 19.09.2022	No. Of Directorship held in other Companies	No. Of Other Committee		No. of Shares and Convertible instruments held by Non-Executive Directors
		Held	Attended			Members	Chairman	
Mr. Ajay Kumar Mall (DIN:00470184)	Chairman, Managing Director & CEO	5	5	Yes	Nil	2	1	10,25,320
Mr. Giriraj Kumar Mall (DIN:01043022)	Executive Director	5	5	Yes	Nil	2	Nil	47,628
Mr. Ravindra Pratap Singh (DIN: 00240910)	Non-Executive, Independent Director	5	3	Yes	Nil	2	1	Nil
Dr. Barsha Khattry (DIN: 01974874)	Non-Executive, Independent Director	5	4	Yes	Nil	4	1	Nil
Mr. Arindam Bose (DIN 05202786)	Non-Executive Non-Independent Director	5	3	Yes	Nil	2	1	Nil
Dr. Himanshu Rai (DIN 07039217)	Director (Non-Executive, Independent)	5	4	Yes	Nil	Nil	Nil	Nil

- For the purpose of considering the limit of the number of directorships in the other companies, only listed public companies are included and all other companies including unlisted public company, private limited companies, foreign companies and companies under section 8 of the companies act, 2013 have been excluded.
- For the purpose of considering the limit of the number of chairmanship/membership in committees of other companies only listed public companies are included and all other companies including unlisted public Company, private limited companies, foreign Companies and companies under section 8 of the Companies Act, 2013 have been excluded.
- Only Audit Committee and Stakeholders Relationship Committee of the Listed Public Company have been considered for the purpose of ascertaining number of membership & Chairmanship of the Committee.

NUMBER OF BOARD MEETINGS HELD AND THEIR DATES

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board businesses. The Board met Five (5) times during the financial year 2022-23 i.e., on 30th May, 2022; 30th July, 2022; 24th August, 2022; 10th November, 2022 and 8th February, 2023. The maximum interval between any two meetings was well within the maximum allowed time gap of 120 days. Directors attending the meeting actively participated in the deliberations at these meetings. The necessary quorum was present for all the meetings.

Schedule IV of the Act, Listing Regulations and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of Non-Independent Directors. During the financial year 2022-23, a separate meeting of the Independent Directors were held on 8th February, 2023.

DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Mr. Ajay Kumar Mall, Chairman, Managing Director and CEO, is the brother of Mr. Giriraj Kumar Mall, Executive Director.

INDEPENDENT DIRECTOR

The role of an independent director includes the task of improving the corporate credibility and governance standards of a company. An independent director is the final custodian of the sustainability of the company in matters such as corporate governance, greater productivity, major efficiencies, and many more. The independent role vis-a-vis the Company means they have a special contribution to make in situations where they add broader perspective by ensuring that the interests of all stakeholders are kept in acceptable balance and in providing an object view in instances where potential conflicts may arise between shareholders.

All Independent Directors make an annual disclosure of their Independence to the Company. None of the Independent Directors has any material pecuniary relationship or transactions with the Company or its subsidiaries, apart from receiving a sitting fee as an Independent Director.

The Independent Directors of the Board met on 8th February, 2023 without the presence of the Non-Independent Directors and members of the Management, inter alia to evaluate:

1. Performance of Non-Independent Directors, the Board as a whole including its committees
2. Performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
3. The quality, quantity, and timeliness of flow of information between the Company Management and the Board.

All Independent Directors were present at the meeting.

DECLARATIONS

The Company has received declarations from the Independent

Directors that they meet the criteria of Independence laid down under the Act and the Listing Regulations. The Independent Directors have also confirmed that they have registered themselves in the databank of persons offering to become Independent Directors. The Board of Directors, based on the declaration(s) received from the Independent Directors, confirm that the Independent Directors fulfil the conditions of independence specified in the Listing Regulations and the Act and are independent of the Management of the Company.

DETAILS OF FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS

All Independent Directors are familiar with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance covering all Business verticals, by way of presenting specific performance of each Plant, Product Category and Corporate Function from time to time. The entire Board, including Independent Directors has access to Product Heads/ Factory Heads and other commercial/ technical staff, wherever required for informed decision making. Detailed agenda are sent well in advance to all the Directors for the Board to perform its function and fulfill its role effectively. The details regarding Independent Directors' Familiarization Programs are given under the "Codes & Policies" section on the website of the Company www.mallcom.in.

SKILLS/ EXPERTISE/ COMPETENCE OF THE BOARD OF DIRECTORS INCLUDING THE AREAS AS IDENTIFIED BY THE BOARD IN THE CONTEXT OF THE COMPANY'S BUSINESS

The Company is a Personal Protective Equipment (PPE) manufacturer and exporter. The individual Members of its Board of Directors brings in knowledge and experience from a variety of sectors, demonstrating breadth and depth of management and leadership experience in the following competence areas:

- Financial and business acumen;
- Guiding and setting the pace for Company's Operations and future development by aiding implementation of best systems and processes;
- Building effective Sales & Marketing strategies, Corporate Branding and Advertising functions;
- Overseeing the development and implementation of Risk Management/ Governance, risk and compliance (GRC) tools;
- Management and strategy of the Information Technology function; and
- Human Resources Management.

The Nomination and Remuneration Policy of Directors, KMPs and Other Employees of the Company sets out the criteria which serve as guidelines in considering potential nominees to the Board of Directors to ensure the continuance of a dynamic and forward-thinking Board.

List of core skills/ expertise/ competencies required in the Company's Board to enable effective functioning and those available with individual Board Members:

The Board identifies the following core skills/ expertise/ competencies that it perceives it ought to have in the process of governance of the Company. It is further of the view that as a whole it possesses these skills/ expertise/ competencies and applying them in governance

Broad Category of Skill	Core skills/ Expertise/ Competencies Identified by the Board	Directors					
		Mr. Ajay Kumar Mall	Mr. Giriraj Kumar Mall	Mr. Arindam Bose	Dr. Barsha Khattry	Mr. Ravindra Pratap Singh	Dr. Himanshu Rai
Industry Knowledge	Knowledge of sector and industry	√	√	√	√	√	√
	General knowledge of public policy of PPE sector	√	√	√	√	√	-
	Strategic Marketing and Business development	√	√	√	-	-	√
	General understanding of government legislation / legislative process with respect to governance of the Board affairs	√	√	√	√	√	-
Technical Knowledge	Accounting and Finance management	√	√	√	√	√	-
	Operations of product manufacturing	√	√	√	√	-	-
	Marketing knowledge applicable to Company's product	√	√	√	√	-	-
	General understanding of Information technology	√	√	√	√	-	√
	General understandings of Laws applicable to the Company and sector	√	√	-	√	√	√
	Strategy development and implementation	√	√	√	√	-	√
	Understanding of risk management systems and its implementation	√	√	√	√	-	√
Governance	Focus on Compliance	√	√	√	√	√	√
	Internal Performance Management	√	√	√	√	√	√
	Strategic Thinking and planning	√	√	√	√	√	√
Behavioural	Understanding and effective decision making	√	√	√	√	√	√
	Willingness and ability to devote time and energy	√	√	√	√	√	√
	Ability and willingness to challenge board issues/ matters	√	√	√	√	√	√
	Ethical standards	√	√	√	√	√	√

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL BOARD MEMBERS

Pursuant to the provisions of the Act and the LODR Regulations, the Board carried out an annual appraisal of its own performance; of each Board Member individually; as well as an assessment of the functioning of Board Committees.

The evaluation process consistently followed over the years in the Company is in many ways unique. Each Board Member unambiguously delineates what has been his/ her contribution to his/her own functioning during the year as Member of both the Board as well as the Committee(s) in which she/he is or has been a member. No person was expected to be overly judgemental in this exercise. Other Board Members are permitted to question this self-evaluation. Such "open forum discussions" tend to promote a much sharper understanding between Board Members in their functioning. In the opinion of the Board, this process results in a much deeper bonding between Board Members. Such bonding ultimately ensures the benefit of the Company.

CODE OF CONDUCT

The Company has formulated a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons to deter insider trading in the securities of the Company based on the unpublished price sensitive information. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company. The Policy is available on the website of the Company under 'Codes & Policies' section and can be accessed at www.mallcom.in. All Board members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the code for the year ended on 31st March, 2023. Declaration to this effect signed by the Managing Director for the year ended on 31st March, 2023, has been included in this report.

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities as mandated by applicable regulations, which concern the Company and need a closer review. The Chairman of the respective Committee(s) brief the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees request special invitees to join the meeting, as and when appropriate.

During the year, all recommendations of the Committees of the Board which were mandatorily required, have been accepted by the Board. The terms of reference of the Committees are in line with the provisions of the Listing Regulations, the Act and the Rules issued thereunder. The Company currently has 4 (Four) Committees of the Board, namely,

- Audit Committee,
- Stakeholders Relationship Committee,
- Nomination and Remuneration Committee and
- Corporate Social Responsibility Committee.

AUDIT COMMITTEE

The composition, powers, role and terms of reference of the Audit

Committee are in accordance with the regulatory requirements mandated under section 177 of the Companies Act, 2013 and the Rules made thereunder read with Regulation 18 and Part C of Schedule II of the SEBI (LODR) Regulations, 2015. Apart from the above, the Committee also carries out such functions / responsibilities entrusted on it by the Board of Directors from time to time.

Brief description of terms of reference

- A) The Audit Committee of the company is entrusted with the responsibility to supervise the company internal control and financial reporting process inter alia, performs as follows:
1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 2. Recommending to the Board, the appointment, re-appointment if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
 3. Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.
 4. Reviewing, with the management, the Annual Financial Statements before submission to the Board for approval, with particular reference to: -
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of section 134 of the Companies Act, 2013.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
 - d) Significant adjustments made in the Financial Statements arising out of Audit findings.
 - e) Compliance with listing and other legal requirements relating to Financial Statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications, if any, in the draft Audit Report.
 - h) The going concern assumption.
 5. Reviewing and monitoring with the management, the quarterly Financial Statements before submission to the Board for approval.
 6. Approval of any subsequent modification of transactions of the company with related parties.
 7. Scrutiny of inter-corporate loans and investments.
 8. Valuation of undertakings or assets of the listed entity, wherever it is necessary.
 9. Evaluation of internal financial controls and risk management systems.
 10. Reviewing with the management performance of Statutory

and Internal Auditors, adequacy of the internal control systems.

11. Discussing with Internal Auditors any significant findings and following up thereon.
12. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the same to the Board.
13. Discussing with Statutory Auditors before the Audit commences about the nature and scope of Audit as well as post-audit discussion to ascertain any area of concern.
14. To look into the reasons for substantial defaults in the payment to the shareholders, (in case of non-payment of declared dividends) suppliers and other creditors, if any.
15. To review the functioning of the Whistle Blower Mechanism, in case the same exists.
16. Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee.

In addition to the above, the Audit Committee also reviews the following: -

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the audit committee), submitted by the management.
3. Management letters/letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal Audit Reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.
6. The quarterly/half yearly/annual financial performance of the Company before being presented to the Board.
7. Achievement of the actual financial results vis-à-vis the

budget of the Company.

8. The Statement of uses/application of funds raised through preferential issue.

B) Composition, Meeting and Attendance:

The composition of the Audit Committee is in accordance with the provisions of the Act and Regulation 18 of the Listing Regulations.

As on 31st March, 2023, the Audit Committee comprised of 1 (one) Executive Directors, 2 (two) of who were Independent Directors. All the members of the Audit Committee are financially literate with majority having accounting or related financial management expertise. The Chairman of the Committee is an Independent (Non-Executive) Director, nominated by the Board. The Statutory Auditors and the Chief Internal Auditor are amongst the permanent invitees to the Audit Committee meetings. The Company Secretary acts as the Secretary to the Committee. The minutes of the Audit Committee meetings were circulated to the Board, discussed and taken note of. All recommendations made by the Audit Committee during the year were accepted by the Board.

At least one meeting of the Audit Committee was held in every quarter of the financial year ended 31st March, 2023 and the time gap between any two consecutive meetings of the Audit Committee did not exceed 120 days.

During the year under review, the Audit Committee met four times i.e, on 30th May, 2022; 30th July, 2022; 10th November, 2022 and 8th February, 2023. The gap between the two meetings was not more than 120 days. The necessary quorum was present for all the meetings. The Annual Accounts for the year ended 31st March, 2023 was reviewed by the Audit Committee at its Meeting held on 29th May, 2023. The Audit Committee also reviewed the Audited Financial Results for the year ended 31st March, 2023 and Unaudited Financial Results for the quarters ended 30th June, 2022; 30th September, 2022 and 31st December, 2022 before recommending their adoption to the Board.

The details of member's attendance at the Audit Committee Meetings during the financial year 2022-23 are as under:

Sl. No.	Name Of the Member	Position	Category	No. of Meetings	
				Held	Attended
1	Mr. Ravindra Pratap Singh, (DIN: 00240910)	Chairman	Non-Executive, Independent Director	4	4
2	Mr. Giriraj Kumar Mall, (DIN:01043022)	Member	Executive Director	4	4
3	Dr. Barsha Khattry, (DIN: 01974874)	Member	Non-Executive, Independent Director	4	4

ROLE OF INTERNAL AUDITOR

The Internal Audit has a well laid internal audit methodology, which assesses and promotes strong ethics and values within the organization and facilitates in managing changes in the business and regulatory environment. It encompasses all the aspects of business such as operational, financial, information systems, risk management and all the regulatory compliances are reviewed periodically. The Internal Auditor makes presentations and reports

to the Audit Committee of the Board of Directors of the Company on a quarterly basis pertaining to the key internal audit findings and the action plan agreed with the Management.

NOMINATION AND REMUNERATION COMMITTEE

The Board constituted a Nomination and Remuneration Committee in terms of the requirements of Section 178 of the Act and Rules framed thereunder read with Regulation 19 of the Listing Regulations.

Terms of Reference

1. To identify persons who are qualified to become Director and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a directors, and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
3. To formulate the criteria for evaluation of Independent Directors and the Board.
4. To devise a policy on Board diversity.

5. To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment, or modification, as may be applicable.

Composition, Meeting and Attendance:

The Nomination and Remuneration Committee's composition and terms of reference are in compliance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the year under review, the Committee met on 30th May, 2022 and the Company Secretary acts as the Secretary of the Committee. The details of member's attendance at the Nomination & Remuneration Committee held during the financial year 2022-23 are as follows:

Sl. No.	Name Of the Member	Position	Category	No. of Meetings	
				Held	Attended
1	Dr. Barsha Khattry, (DIN: 01974874)	Chairperson	Non-Executive, Independent Director	4	4
2	Mr. Ravindra Pratap Singh, (DIN: 00240910)	Member	Non-Executive, Independent Director	4	4
3	Mr. Arindam Bose, (DIN:05202786)	Member	Non-Executive, Non- Independent Director	4	4

Nomination and Remuneration Policy

Pursuant to provision of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy for Directors and Senior Management. All decisions relating to the remuneration of the Directors were taken by the Board on recommendation of nomination and remuneration committee and in accordance with the Shareholder's approval wherever necessary. The remuneration policy of the Company is devised in such a manner as to remain competitive in the industry to attract and retain talent and appropriately reward employees on their contributions. The Policy is available on the website of the Company under 'Codes & Policies' section and can be accessed at www.mallcom.in.

Remuneration of Executive Director

The Committee recommends to the Board remuneration of Executive Directors subject to approval by the Members and such other authorities, as may be necessary. While recommending the remuneration, the Committee considers various factors such as qualifications, experience, expertise, position, leadership qualities, prevailing remuneration in the industry, volume of the Company's business and profits earned by it and the responsibilities taken by the director concerned. The remuneration is within the limits as prescribed under Section 197 and Schedule V of the Act and Rules made there under. Executive Directors are not paid sitting fees for attending the Meetings of the Board and its Committees thereon. The details of remuneration paid to Executive Directors during the financial year 2022-23 are as: -

Name of Executive Director	Category	Salary (₹ In Lakhs)	Perquisites	No. of Shares Held as on 31.03.2023
Mr. Ajay Kumar Mall, (DIN:00470184)	Managing Director	44,25,266	99,76,000	10,25,320
Mr. Giriraj Kumar Mall, (DIN:01043022)	Director	38,46,000	Nil	47,628

Remuneration of Non-Executive Director

The Non-Executive Directors receive sitting fees for attending meetings of the Board and its Committees and that the same does not exceed the maximum amount provided in Section 197(5) of the Companies Act, 2013 read with Rules 4 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Non-Executive Directors of the

Company are not paid any other remuneration or commission. There is no other pecuniary relationship or transaction of Non-Executive Directors with the Company which has potential conflicts with the interest of the Company at large. The details of remuneration, sitting fees and commission paid to each of the non-executive Director during the financial year 2022-23 are as follows:

Name of Non- Executive Director	Category	Sitting Fees	Commission	No. of Shares Held As on 31.03.2023
Mr. Ravindra Pratap Singh, (DIN: 00240910)	Non-Executive, Independent Director	₹96000	Nil	Nil
Dr. Barsha Khattry, (DIN: 01974874)	Non-Executive, Independent Director	₹1,16,000	Nil	Nil
Mr. Arindam Bose, (DIN 05202786)	Non-Executive, Non - Independent Director	₹1,00,000	Nil	Nil
Dr. Himanshu Rai, (DIN 07039217)	Non-Executive, Independent Director	₹20,000	Nil	Nil

CSR COMMITTEE

Pursuant to the requirement of Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee of Directors inter-alia, to oversee the Corporate Social Responsibility (CSR) and other related matters as referred by the Board of Directors and discharges the roles as prescribed under section 135 of the Companies Act, 2013.

Terms of Reference:

1. Formulation and ensuring compliance of CSR Policy;

2. Ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget;
3. Ensure compliance with the laws, rules and regulations governing the CSR and periodically report to the Board of Directors.

Composition, Meeting and Attendance:

During the year, the CSR Committee met on 30th May, 2022 to discharge its functions and the Company Secretary acts as the Secretary of the Committee. The composition and attendance details of the members of the CSR Committee are given below:

Sl. No.	Name of the Member	Position	Category	No. of Meetings	
				Held	Attended
1	Mr. Ajay Kumar Mall, (DIN:00470184)	Chairperson	Managing Director	1	1
2	Mr. Giriraj Kumar Mall, (DIN:01043022)	Member	Executive Director	1	1
3	Dr. Barsha Khattry, (DIN: 01974874)	Member	Non-Executive, Independent Director	1	1

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Committee's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, as amended from time to time.

Terms of Reference:

1. Consider, resolve and monitor Reprisal of investor's/ shareholder's grievances related to transfer of securities, non-receipts of Annual Reports, non-receipts of declared dividend etc.
2. Oversee the performance of the Company's Registrars and Share Transfer Agents.

3. Carry out any other function as is referred by the Board from time to time and/or enforced by any statutory notification/ amendment or modification as may be applicable.
4. Perform such other functions as may be necessary or appropriate for the performance of its duties.

Composition, Meeting and Attendance:

During the year, the Stakeholders Relationship Committee met on 30th May, 2022 and the requisite quorum was present at the meeting. The Company Secretary is designated as the Compliance Officer.

Name and designation of the Nodal Officer for IEPF related matters: Mr. Ajay Kumar Mall, Managing Director.

Sl. No.	Name of the Member	Position	Category	No. of Meetings	
				Held	Attended
1	Mr. Arindam Bose, (DIN 05202786)	Chairperson	Non-Executive, Non-Independent Director	1	1
2	Mr. Ajay Kumar Mall, (DIN:00470184)	Member	Managing Director	1	1
3	Dr. Barsha Khattry, (DIN: 01974874)	Member	Non-Executive, Independent Director	1	1

Shareholder complaints received and redressed during the Financial Year 2022-23:

Nature of Grievances	Complaints received from				Total complaints received during 2022-23	Total complaints redressed during 2022-23	No. of complaints outstanding as on 31st March, 2023
	Investors directly	Stock Exchanges	SEBI "SCORES"	ROC			
Non-receipt of Share / Debenture Certificate(s)	-	-	-	-	-	-	-
Non-receipt of Duplicate Share/ Debenture Certificate(s)	-	-	-	-	-	-	-
Demat related grievances	-	-	-	-	-	-	-
Non-receipt of Annual Report(s)	-	-	-	-	-	-	-
Status of Application lodged for Rights Issue	-	-	-	-	-	-	-
Reason for Non- Allotment of Shares in Rights Issue	-	-	-	-	-	-	-
Change of Name on Securities	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

The requests for transfer of shares, if any, have been processed on time and there were no transfers pending for more than 15 days.

GENERAL BODY MEETINGS

The particulars of the last three Annual General Meetings of the Company are provided as under. All the resolutions set out in the respective notices were passed by the shareholders with requisite majority.

Nature of Meeting	Date and Time	Venue	Whether Special Resolution Passed
Thirty–Eight Annual General Meeting	19th September, 2022 at 11.00 AM	Conducted through Video Conferencing/Other Audio-Visual Means. Deemed location is the Registered Office of the Company at EN-12, Sector-V, Salt Lake, Kolkata - 700091	Yes
Thirty–Seventh Annual General Meeting	9th September, 2021 at 12.00 PM	Conducted through Video Conferencing/Other Audio-Visual Means. Deemed location is the Registered Office of the Company at EN-12, Sector-V, Salt Lake, Kolkata - 700091	Yes
Thirty–Sixth Annual General Meeting	24th September, 2020 at 12:05 PM	Conducted through Video Conferencing/Other Audio-Visual Means. Deemed location is the Registered Office of the Company at EN-12, Sector-V, Salt Lake, Kolkata - 700091	No

SPECIAL RESOLUTION PASSED LAST YEAR THROUGH POSTAL BALLOT

Nil

MEANS OF COMMUNICATION

- Financial Results: The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchange immediately after they are approved by the Board along with limited review report or audit report as applicable. These were published in English and in Bengali and leading newspapers.
- Website: These results are simultaneously posted on the website of the Company at www.mallcom.in and also uploaded on the website of the Exchange where the Company is listed. The Company has not made any presentation to the institutional investors or to the analysts during the financial year.
- Green environment: The Company's philosophy puts emphasis on making the environment greener for the benefit of posterity. In this regard, Your Company requests its shareholders to register/update the e-mail ids for communication purpose thereby contributing to our environment.

GENERAL SHAREHOLDER'S INFORMATION

a) Annual General Meeting:

Date:	11th September, 2023
Day	Monday
Time	11:30 AM
Mode	Through video conferencing or other Audio-Visual means (OAVM)
Venue	The Company Registered Office at EN-2, Sector-V, Salt lake, Kolkata - 700091, will be the venue for the purpose of this Annual general Meeting (AGM)

b) Financial Year

The Financial year of the Company starts from 1st April of the year and ends on 31st March of the following year.

Financial Calendar [Current Financial Year 2023-24]	Tentative Dates
First Quarter Financial Results (30th June, 2023)	By mid-August 2023
Second Quarter Financial Results (30th September, 2023)	By mid-November 2023

Financial Calendar [Current Financial Year 2023-24]	Tentative Dates
Third Quarter Financial Results (31st December, 2023)	By mid-February 2024
Fourth Quarter & Annual Audited Financial Results of the current Financial Year (31st March, 2024)	By end of May 2024

c) Dividend Payment:

Dividend, if declared, shall be paid within 30 days from the date of the Annual General Meeting. Dividend shall be remitted electronically i.e., through NECS, NEFT etc. wherever bank details of shareholders are available with the Company, and in other cases, through Demand Drafts, payable at par.

d) Dividend history for the last 5 years is as under:

Financial Year	Rate of Dividend (%)	Dividend Per Share (₹)	Total Dividend Amount (In ₹)
2017-18	20	2.00	1,24,80,000
2018-19	20	2.00	1,24,80,000
2019-20	20	2.00	1,24,80,000
2020-21	30	3.00	1,87,20,000
2021-22	30	3.00	1,87,20,000

e) Electronic Clearing Service (ECS):

The Company has extended the ECS facility to shareholders to enable them to receive dividend through electronic Mode in their bank account. The Company encourages members to avail this facility as ECS provide adequate protection against fraudulent interception and encashment of Dividend warrants, apart from eliminating loss/damage of dividend warrants in transit and correspondence with the Company on revalidation/issuance of duplicate dividend warrants.

f) Listing of Equity Shares on Stock Exchange:

Equity shares of Mallcom (India) Ltd. are listed on BSE Limited and National Stock Exchange of India Limited. The annual listing fees and custodian fees have been paid to the Stock Exchanges and Depositories within the stipulated due dates. The Company makes timely disclosures of necessary information to BSE and NSE in terms of the Listing Regulations and other applicable rules and regulations issued by the SEBI.

g) Stock code

BSE scrip code	539400
NSE Scrip Name	MALLCOM
ISIN	INE389C01015

h) Registrar & Share Transfer Agent

Niche Technologies Pvt. Ltd.
3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata- 700017
Ph- (033) 2280 6616 / 17 / 18; Fax- (033) 2280 6619
Email-nichetechpl@nichetechpl.com

i) Share Transfer System:

The Company's listed securities can be transferred only in dematerialized form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has mandated all listed companies to issue securities only in dematerialized form, while processing requests for issue of duplicate security certificate, claim against Unclaimed Suspense Account, renewal/ exchange of security certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission, and transposition. Transfer of equity shares in electronic form is effected through the Depositories with no involvement of the Company.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/ CIR/2023/37 dated 16th March, 2023 mandated all holders of physical securities in listed companies to update their KYC by furnishing the following documents/details to the RTA

- Register the PAN through form ISR – 1
- Compulsory linking of PAN and Aadhaar
- Nomination in form SH-13 or cancellation or variation in nomination through Form SH-14
- Declaration to Opt-out Nomination through Form ISR – 3 after cancelling his existing nomination, if any, through Form SH-14

- Bank account particulars through form ISR-2
- Specimen signature update
- All the above forms are available on the website of the Company www.kesorm.com and with RTA

The folios wherein any one of the cited document/ details as above are not available on or after October 01, 2023, shall be frozen by the RTA.

In compliance with the provisions of the Listing Regulations, the share transfer system of the Company is audited every six months by a Practicing Company Secretary and a certificate to that effect is issued by him/her. In case of request for dematerialization of shares, confirmation of dematerialization is sent to the respective depository i.e. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL), expeditiously.

The Board of Directors of the Company has delegated the authority to approve the transfer of shares, transmission of shares, requests for deletion of name of the shareholder etc. to the Stakeholder's Relationship Committee. A summary of approved transfers, transmissions, deletion requests, etc. is placed before the Board of Directors from time to time as per the Listing Regulations. Transactions involving issue of share certificates, namely, issuance of duplicate share certificates, split, rematerialisation, consolidation and renewal of share certificates are approved by the Stakeholder's Relationship Committee.

j) Dematerialization of shares:

Break up of shares in physical and demat form as on 31st March, 2023 is as follows:

Particulars	No. of Shares	% of Shares
Dematerialised Shares	62,28,384	99.8140
Physical Shares	11,616	0.1860
Total Issued Capital	62,40,000	100.0000

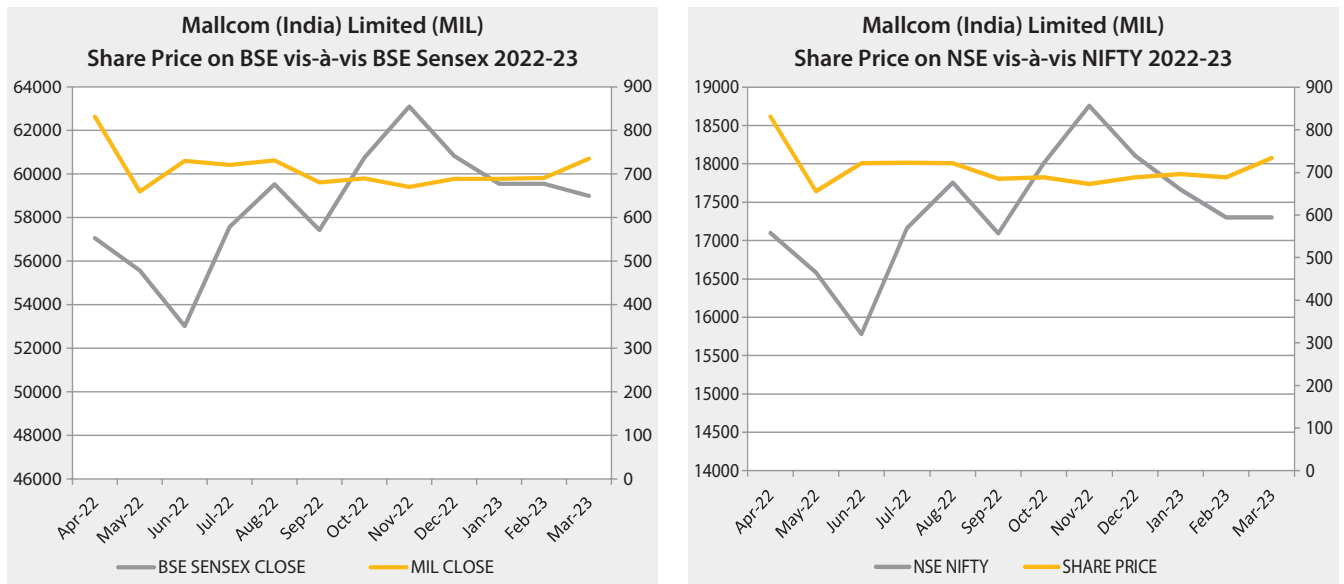
k) Monthly Comparison Chart of the Share Prices (in ₹) with the NSE Nifty and BSE SENSEX along with the No. of Shares traded during the period April 2022 to March 2023

Month	Nifty / Sensex (Close)		Share Price (Close) (₹)		No. of Shares Traded	
	NSE	BSE	NSE	BSE	NSE	BSE
April, 2022	17102.55	57060.87	831.20	831.5	1687	6606
May, 2022	16584.55	55566.41	655.8	659.9	2511	9562
June, 2022	15780.25	53018.94	721.6	730	1301	5081
July, 2022	17158.25	57570.25	722.6	720.6	1126	3520
August, 2022	17759.3	59537.07	722.1	730.75	9068	4711
September, 2022	17094.35	57426.92	684.7	680.8	767	21254
October, 2022	18012.2	60746.59	688.45	690.35	946	6110
November, 2022	18758.35	63099.65	672.6	670.4	1515	7672
December, 2022	18105.3	60840.74	688.15	688.65	1221	13,539
January, 2023	17662.15	59549.90	695.75	689.05	1261	12540
February, 2023	17303.95	59549.90	688.35	690.55	7112	17386
March, 2023	17303.95	58991.52	733.9	735.5	888	14547

l) Market Price high, low, close during each month from April 2022 to March 2023 (in ₹) (As available from the website of National Stock Exchange of India Limited and BSE Limited):-

Month	High		Low		Close	
	NSE	BSE	NSE	BSE	NSE	BSE
April, 2022	899.00	897.40	747.45	741.90	831.20	831.50
May, 2022	839.95	837.55	605.00	605.60	655.80	659.90
June, 2022	740.00	744.00	625.00	636.00	721.60	730.00
July, 2022	809.00	809.00	701.00	701.20	722.60	720.60
August, 2022	809.00	790.00	654.00	658.95	722.10	730.75
September, 2022	808.90	764.00	656.10	661.00	684.70	680.80
October, 2022	746.90	752.55	662.20	665.25	688.45	690.35
November, 2022	735.15	824.40	652.60	654.75	672.60	670.40
December, 2022	751.80	718.30	606.95	590.00	688.15	688.65
January, 2023	783.80	780.00	675.30	668.00	695.75	689.05
February, 2023	825.75	848.00	660.05	657.60	688.35	690.55
March, 2023	760.00	772.75	670.00	671.00	733.90	735.50

m) Performance in comparison to broad based indices such as BSE SENSEX AND NSE NIFTY



n) In case the securities are suspended from trading, the directors report shall explain the reason thereof

Not Applicable

o) Distribution of Shares:

The shareholding distribution of the equity shares as on 31st March, 2023, is given below: -

Group Of Shares	No. of Shareholders	% To Total	No. of Shares Held	% To Total
1 to 500	3878	95.7058	2,03,543	3.2619
501 to 1000	92	2.2705	67,887	1.0879
1001 to 5000	53	1.3080	1,14,836	1.8403
5001 to 10000	12	0.2962	82,952	1.3294
10001 to 50000	7	0.1728	2,48,745	3.9863
50001 to 100000	3	0.0740	2,65,300	4.2516
100001 and above	7	0.1728	52,56,737	84.2426
TOTAL	4052	100.0000	62,40,000	100.0000

p) Shareholding Pattern:

The shareholding of different categories of the shareholders as on 31st March, 2023, is given below: -

Category	No. of Shareholders	No. of Shares Held	% of Holding
Promoter Individual	9	1346348	22%
Promoters Body Corporates	7	3257166	52%
KMP	1	2	0%
IEPF	1	916	0%
Resident Individuals	3892	451896	7%
Non-Resident Indians	91	1071352	17%
Body Corporate	45	64854	1%
Clearing Members	5	516	0%
FPI (Category Iii)	1	46950	1%
Total	4052	6240000	100%

q) Outstanding GDRs /ADRs /Warrants or any Convertible instruments:

Not Applicable.

r) Commodity price risk or foreign exchange risk and hedging activities

The Company is exposed to the risk of price fluctuation. The Company proactively manages these risks through forward booking and proactive vendor development practices. The Company's reputation for quality, products differentiation, and service, coupled with the existence of a powerful brand image with robust marketing network mitigates the impact of price risk on finished goods.

s) Insider Trading & Structured Digital Database

The Company has implemented the Code of Internal Procedure & Conduct as required under the extant SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company also has in existence a Structured Digital Database as mandated under the above Regulations.

t) Plant Location:

The Company's plants are located at:

Location	Unit	Address
Kolkata, West Bengal	Garments	34B-C, Chandra Nath Roy Rd, Tiljala, Kolkata - 700039, WB, India
	GRT & Knitted Gloves (100% EOU)	34B, Chandra Nath Roy Rd, Tiljala, Kolkata - 700039, WB, India
Falta SEZ, Falta, 24 Parganas (South), W.B.	Safety Shoes	Plot No.25, Sector-II,Falta SEZ, 24 Parganas (South) - 743504, WB, India
	Knitted Gloves	Plot No. 35 & 36, Sector 1, FSEZ, Falta, 24 Parganas (South) - 743504, WB, India
	Garments	
Kolkata Leather Complex, Bantala, 24 Parganas (S), W.B.	Leather Gloves	Plot-1665, Zone-9, Kolkata Leather Complex, Bantala, 24 Parganas (South) - 743502, WB, India
	Safety Shoes & Shoe Uppers	Plot-1666, Zone-9, Kolkata Leather Complex, Bantala, 24 Parganas (South) - 743502, WB, India
	Tannery	Zone -5, Plot No – 394, Kolkata Leather Complex, Bantala, 24 Parganas (South) - 743502, WB, India
Ghatakpukur, Chandipur, 24 Parganas(S), W.B.	Garments	Ghatak Pukur, Vill: Chandipur, Jhaulgachi ,P.O: Ghoshpur, 24 Parganas (South) - 743502, WB, India
	Knitted Gloves	
	Helmets & Facemask	
Haridwar	Safety Shoes	Plot No.32, Sector-3A, IIE, SIDCUL, Haridwar - 249403, Uttarakhand

u) Address for correspondence:

Mallcom (India) Limited
 EN-12, Sector-V, Salt Lake, Kolkata- 700091
 Tel: +91 33 40161000; Fax: +91 33 40161010
 E-mail: investors@mallcom.in
 Website: www.mallcom.in

v) Credit Rating

During the year under review, ICRA Limited has upgraded the long-term rating for the Company's Bank Facilities to [ICRA]A (pronounced ICRA A) from [ICRA]A- (pronounced ICRA A minus) ("Rating"). The outlook on the long-term rating is Stable.

w) Audit of reconciliation of share capital:

As stipulated by SEBI, a practicing company secretary carries out the audit of reconciliation of share capital to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL) and the total issued and the paid-up capital. The audit is carried out every quarter and the report there on is submitted to the stock exchange and is placed before the board of directors of the company. The audit, inter alia, confirms that the total issued and paid aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and total number of shares in physical form.

x) Website:

The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website at www.mallcom.in. There is a separate section on the website of the Company containing details relating to the financial results declared by the Company, annual reports, presentations made by the Company to investors, press releases, shareholding patterns and such other material information which is relevant to shareholders.

y) i) Secretarial Compliance Report:

The Company has undertaken an Annual Secretarial Compliance Audit for the financial year 2022-23 for all applicable compliances as per SEBI Regulations and Circulars/Guidelines issued thereunder. Accordingly, the Annual Secretarial Compliance Report for the financial year ended 31st March 2023 was submitted to the Stock Exchanges within the prescribed time-line.

y) ii) Secretarial Audit Report

The Company has undertaken Secretarial Audit for the financial year 2022-23 which, inter-alia, includes audit of compliance with the Act, and the Rules made under the Act, Listing Regulations and applicable Regulations prescribed by SEBI, Secretarial Standards issued by the Institute of Company Secretaries of India and other allied laws. The Secretarial Audit Report forms a part of this Annual Report.

z) Code for Prevention of Insider Trading Practices

In compliance with the SEBI Regulation on Prohibition of Insider Trading, the Company has in place a comprehensive Code of Conduct to Regulate, Monitor and Report Trading by Insiders, for its Directors and Senior Management Officers. The Code lays down guidelines, which advise them on procedures to be followed and disclosures to be made, while dealing with the shares of the Company. The Code clearly specifies, among other matters, that Directors and Designated Persons of the Company, as defined in the Code, can trade in the shares of the Company only during 'Trading Window Open Period'. The trading window is closed during the time of declaration of results, dividend and other material events as per the Code. The intimation of the closure of Trading Window, as per the SEBI Regulations on Prohibition of Insider Trading, is given to the Stock Exchanges before the end of every quarter with effect from the 1st day of the month immediately succeeding the end of every quarter till 48 hours after the declaration of financial results of the Company to the Stock Exchanges. The same is intimated to the Designated Persons as well. Annual Declarations containing the disclosures of holding of securities have been obtained from all the Directors and the Designated Persons of the Company for the financial year ended 31st March, 2023. Besides, a declaration has also been obtained from the Managing Director of the Company ensuring compliance with the SEBI (Prohibition of Insider Trading) Regulations as amended. The Code of Conduct is available on the website of the Company www.mallcom.in under "Codes & Policies" section.

OTHER DISCLOSURES

i. All transactions entered into by the Company with related

parties, during the financial year 2022-23, were in ordinary course of business and on arm's length basis. The details of the Related Party Transactions are set out in the Notes to Financial Statements forming part of this Annual Report. The Related Party Transactions undertaken by the Company were in compliance with the provisions set out in the Act read with the Rules issued thereunder and relevant provisions of the Listing Regulations. During the year 2022-23, the Company had no significant material transaction with its related parties, which is considered to have potential conflict with the interest of the Company at large. The policy on dealing with related party transactions is available on the website of the Company www.mallcom.in under "Codes & Policies" section.

- ii. In accordance with the provisions of Regulation 26(6) of the Listing Regulations, the Key Managerial Personnel, Director(s), Promoter(s) and Employees including Senior Management Personnel of the Company have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.
- iii. The Company has not been penalized, nor have the stock exchanges, SEBI or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.
- iv. The Company has an established Vigil Mechanism/Whistle-blower Policy to enable stakeholders (including Directors and employees) to report unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/employee(s) and have direct access to the Chairman of the Audit Committee in exceptional cases. The protected disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman. The Whistle Blower Policy is available on the Company's website www.mallcom.in under the "Codes & Policies" section.
- v. The Company has fully complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. The Company does not have any material subsidiary Company in terms of Regulation 16 of the Listing Regulations. The synopsis of the minutes of the Board meetings of the subsidiary companies are placed at the Board meeting of the Company on a quarterly basis. The Audit Committee reviews the financial statements including investments by the unlisted subsidiaries of the Company. The Company has formulated policy for determining Material Subsidiary pursuant to provisions of listing regulations and the same has been disclosed on the company's website www.mallcom.in under the "Codes & Policies" section.
- vii. On the basis of written representations/ declaration received from the Directors, as on 31st March, 2023, M/s Rakhi Dasgupta & Associates, Company Secretaries have issued a certificate, confirming that none of the Directors on Board of the Company has been debarred or disqualified from being appointed or

continuing as Director of Companies by SEBI/ MCA or any such authority. The said certificate forms part of this report.

- viii. The Company has followed all relevant Accounting Standards while preparing Financial Statements.
- ix. The Company has an approved Risk Management Policy by the Board. Risk evaluation and management is an ongoing process within the organization and is periodically reviewed by the Board of Directors. The policy has been disclosed on the company's website www.mallcom.in under the "Codes & Policies" section.
- x. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor is detailed in Notes to the Audited Financial Statements of the Company.
- xi. The Company has zero tolerance towards sexual harassment at the workplace the company has in place the sexual harassment policy, duly approved by its board and has also formed committees called Internal Complaints Committee at corporate office and at all regional offices for prevention and prohibition of sexual harassment and redressal against complaints of sexual harassment of working women at the workplace as per Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013 read with Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Rules, 2013. This Internal Complaints Committee has the power/ jurisdiction to deal with complaints of sexual harassment of working women as per the rules specified therein. All the employees (permanent, contractual, temporary, trainees) are covered under this policy. During the financial year 2022-23, no such complaints were received across the organization.
- xii. The Company has not raised funds through preferential allotment or Qualified Institutional Placement.
- xiii. The Company Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': NIL (Not including Loans and Advances in the nature of Loans, if any, given by the Company to its wholly owned subsidiaries).
- xiv. Disclosure with respect to demat suspense account/unclaimed suspense account: Not applicable.

During the year under review, no shares were required to be transferred to the Suspense Escrow Demat Account in accordance with SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated January 25, 2022, pertaining to issuance of securities in dematerialized form in case of Investor Service Requests.

DISCRETIONARY REQUIREMENTS:

- i. **The Board:** As the Chairman of the Company is an Executive Chairman, hence the provision on entitlement of chairperson's office at the expense of the Company in case of a Non-Executive Chairperson is not applicable.
- ii. **Shareholders' Rights:** Quarterly financial statements are published in leading newspapers and uploaded on Company's

website www.mallcom.in and on www.bseindia.com.

- iii. **Modified option(s) in Audit Report:** The Auditors of the company have issued an unmodified report on financial statements for FY 2022-23.
- iv. **Separate posts of Chairperson and CEO:** Presently, Mr. Ajay Kumar Mall is the Chairman and Managing Director of the Company. He is also the CEO of the Company.
- v. **Reporting of Internal Auditor:** The Company has appointed the Internal Auditors for conducting the internal audit who report to CFO and has direct access to the Audit Committee.

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CEO/CFO CERTIFICATION

The Chief Executive and Chief Financial Officer have provided Compliance Certificate to the Board in accordance with Regulation 17(8) read with Part B of Schedule II of the SEBI (LODR) Regulation, 2015 for the financial year ended 31st March, 2023.

CERTIFICATE ON CORPORATE GOVERNANCE

In Compliance with the Regulation 34(3) and Schedule V of the SEBI (LODR), Regulations, 2015 a certificate from Practicing Company Secretary confirming compliance with the conditions of corporate governance is annexed to this report.

ACCEPTANCE OF RECOMMENDATIONS OF ANY COMMITTEE OF THE BOARD

All the recommendations made by any Committee of the Board during the financial year 2022-23 have been duly accepted and taken on record by the Board of Directors of the Company.

FEES PAID ON A CONSOLIDATED BASIS TO THE STATUTORY AUDITOR

The total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor for the financial year 2022-23 is ₹8.10 Lakhs.

DISCLOSURE IN TERMS OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 AND RULES FRAMED THEREUNDER

In terms of the provision of sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the number of complaints received during the financial year 2022-23 along with their status of redressal as on financial year ended 31st March, 2023 are as under:

Particulars	Complaints
Number of Complaints filled during the year	Nil
Number of Complaints disposed of during the year	Nil
Number of Complaints pending as on the end of financial year	Nil

OTHER USEFUL INFORMATION FOR SHAREHOLDERS

ECS Facility

The Company provides facility of "Electronic Clearing Service" (ECS) for payment of dividend to its shareholders. ECS facility assists in quick remittance of dividends without possible loss/delay in postal transit. Shareholders holding shares in physical form are requested to provide details of their bank account for availing ECS facility. However, if the shares are held in dematerialized form, the ECS mandate has to be communicated to the respective Depository Participant (DP). Changes, if any, in the details furnished earlier may also be communicated to the Company or DP, as the case may be.

Pursuant to SEBI circular dated 20th April, 2018, the Company had in the year 2018 written to the shareholders holding shares in physical mode requesting them to submit their PAN and Bank Account details for updation of their data in Company records. Those shareholders who are yet to respond to the Company's request in this regard are requested once again to take action in the matter at the earliest.

Update Emails for receiving notice/ documents in e-mode.

The shareholders who have not registered their email addresses with the Company are requested to kindly register their email addresses with the Company in the Form annexed with the Notice of Annual General Meeting enabling the Company to better service shareholder correspondence through e-mode. The shareholders have also an option to register their email addresses with their Depository through Depository Participant.

In line with the Circulars issued by the Ministry of Corporate Affairs, your Company is sending the Notice calling the AGM along with the Annual Report to the shareholders in electronic mode only at their email addresses.

Dematerialization of Shares

Equity Shares of the Company are under compulsory demat trading segment. Considering the advantages of scrip less trading, members are advised to consider dematerialization of their shareholding so as to avoid inconvenience involved in the physical shares such as mutilation, possibility of loss/ misplacement, delay in transit etc. and also to ensure safe and speedy transaction in securities.

Transfer / Transmission / Transposition of Shares

The Securities and Exchange Board of India (SEBI) amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 informing that transfer of

securities would not be processed unless the securities are held in the dematerialized form with a depository with effect from 1st April, 2019. Any investor who is desirous of transferring shares (which are held in physical form) after 1st April, 2019 can do so only after the shares are dematerialized. The said amendment is not applicable for transmission (i.e., transfer of title of shares by way of inheritance / succession) and transposition (i.e., re arrangement / interchanging of the order of name of shareholders) cases.

In terms of the relevant SEBI circulars, a copy of the PAN Card is to be furnished to the Company in the following cases:

- deletion of name of deceased shareholder(s) where shares are held jointly in the name of two or more shareholders.
- transmission of shares to the legal heirs where shares are held solely in the name of deceased shareholder.
- transposition of shares where the order of names of shareholders are to be changed in the physical shares held jointly by two or more shareholders.

Investors, therefore, are requested to furnish the self-attested copy of the PAN card, at the time of sending the physical share certificate(s) to the Company, for effecting any of the above stated requests. Shareholders are also requested to keep a record of their specimen signature before lodgment of shares with the Company to avoid probability of signature mismatch at a later date.

Update Correspondence Address / Bank Mandate / Email Id

To ensure all communications/ monetary benefits received promptly, all shareholders holding shares in physical form are requested to notify to the Company, change in their address / bank details / email Id instantly by written request under the signatures of sole/ first joint holder. Shareholder(s) holding shares in dematerialized form are requested to notify change in bank details / address / email Id directly with their respective DPs.

For and behalf of the Board

Ajay Kumar Mall

Chairman, Managing Director & CEO
(DIN: 00470184)

Place: Kolkata

Date: 7th August, 2023

Giriraj Kumar Mall

Executive Director
(DIN: 01043022)

DECLARATION OF COMPLIANCE WITH THE CODE OF CONDUCT

To,
The Members,
M/s. Mallcom (India) Ltd,

I hereby confirm that the Company has obtained from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended 31st March, 2023.

Place: Kolkata
Date: 7th August, 2023

Ajay Kumar Mall
Chairman, Managing Director & CEO

CERTIFICATION BY CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO)

To,
The Members,
M/s. Mallcom (India) Ltd,

We, Ajay Kumar Mall, Chairman, Managing Director & Chief Executive Officer (CEO) and Shyam Sundar Agrawal, Chief Financial Officer (CFO) of Mallcom (India) Limited, certify that:

- a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2023 and to the best of our knowledge and belief, we state that –
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) these Statements together present a true and fair view of the Company's affairs and are in compliance with Indian Accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2023, which are fraudulent, illegal or violative of the Company's Code of Conduct;
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit committee, and the steps have been taken or proposed to take to rectify these deficiencies.
- d)
 - (i) There has not been any significant change in internal control over financial reporting during the financial year under reference.
 - (ii) There has not been any significant change in accounting policies during the financial year requiring disclosure in the notes to the financial statements; and
 - (iii) We are not aware of any instances during the financial year of significant fraud and involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For and behalf of the Board

Place: Kolkata
Date: 7th August, 2023

Ajay Kumar Mall
Chairman, Managing Director & CEO

Shyam Sundar Agrawal
Chief Financial Officer

CORPORATE GOVERNANCE CERTIFICATE

To,
The Members,
M/s. Mallcom (India) Ltd,
CIN- L51109WB1983PLC037008

This is to certify that:

1. We have examined the compliance of conditions of corporate governance by M/s. Mallcom (India) Ltd (hereinafter referred "the Company"), for the year ended on 31st March, 2023 as stipulated in relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosures requirements) Regulations, 2015, with Stock exchange(s) and as stipulated in the guidelines on Corporate Governance (hereinafter referred "the Guidelines").
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations 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. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of Certification and have been provided with such records, documents, certifications, etc. as had been required by us.
3. The Company has taken steps for reviewing Compliances of Laws. An elaborate system is in place for management of currency as well as interest rate risk relating to Foreign Loan and steps had been taken in other areas of integration and alignment of Risk Management with corporate and operational objectives.
4. As per the records maintained by the company there is no investor grievances remaining unattended or pending more than 30 days.
5. 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 stipulated in the above-mentioned Listing Regulations.
6. We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place- Kolkata
Date- 7th August, 2023

CS Rakhi Dasgupta
Membership No.: ACS-28739
CP No.: 20354
UDIN: A028739E000751637
Peer Review No.: 1342/2021

FIVE YEARS HIGHLIGHTS

A. Profit & Loss Statement

(₹ in Lakhs)

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Revenue from Operations	41,055.39	35,722.85	31,688.45	28,769.09	30,078.76
Other Income	316.69	313.81	322.12	45.86	18.73
Total Revenue	41,370.08	36,036.66	36,036.66	28,814.95	30,097.49
EBIDTA	5,848.31	4,968.36	4,483.36	3,197.22	3,228.88
Depreciation & Amortizations	826.81	828.84	578.08	563.30	565.17
Exceptional & Extraordinary items	-	-	-	152.99	-
Finance Costs	245.79	204.32	159.80	256.68	394.71
Profit Before Tax	5,090.40	4,249.01	3,745.48	2,530.23	2,269.10
Tax Expenses	1,369.69	1,093.38	914.28	641.81	769.89
Net Profit	3,693.70	3,155.63	2,831.20	1,888.43	1,499.11
Cash Profit (in ₹)	5,917.21	5,077.85	4,323.56	3,093.53	2,834.17
Basic and Diluted EPS (In ₹)	59.19	52.28	45.30	30.26	24.02

B. Balance Sheet

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Net Block of Fixed Assets	11,528.50	7,770.91	6,646.51	4,600.42	4,662.85
Shareholders Fund/ Capital Employed	20,322.89	17,217.98	14,678.36	11,062.84	9,321.35

C. Key Ratios

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
EBIDTA to Revenue from Operations (%)	14.25	13.91	14.15	11.11	10.73
Return on Equity (Net Worth) %	18.16	18.33	19.29	17.07	16.08

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Mallcom (India) Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **MALLCOM (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2023, the statement of Profit and Loss, (including other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. (Herein after referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the Company as at March 31, 2023, its Profit (including other comprehensive income), its Cash Flows and the statement of changes in equity 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 Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition, we have determined the matters described below as Key Audit Matters and our description of how our audit addressed the matter is provided in that context.

Key Audit Matter that requires to be communicated in our report:

(i) Completeness, existence and accuracy of Revenue Recognition (Refer to Note 3.14 and 23 to the standalone financial statements)

Key Audit Matters	How the matter was addressed in our audit
Revenue is one of the key profit drivers and is therefore susceptible to misstatement. Cut-off is the key assertion in so far as revenue recognition is concerned since an inappropriate cut-off can result in material misstatement of results for the year. The Company manufactures and sells a number of products to its customers. The Company reviews its sales contracts as per AS-115 for determining the principles for recognizing revenue in accordance with the new standard.	Principal audit procedures: a) Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures. b) Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to the identification of performance obligations and timing of revenue recognition. c) Selected a sample of contracts and reassessed contractual terms to determine adherence to the requirements of the new accounting standard.

(ii) Existence and Valuation of Inventories (Refer note 3.9 and 9 of the Standalone Financial Statements)

Key Audit Matters	How the matter was addressed in our audit
<p>The Company's major part of inventory comprises Raw Material/ Accessories/ Work-in-Progress/ finished goods which are geographically spread over multiple locations such as factories producing difference products. These inventories are also procured at many times as per customer specification and order requirement and customized as such. The whole inventory is counted by the Company on a cyclical basis and accordingly provision for obsolescence of inventories is assessed and recognized by the management in the financial statements based on management estimation as at end of reporting period.</p> <p>The Company manufactures and sells goods which may be subject to changing consumer demands and product developments. Significant degree of judgment is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgment includes management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell.</p> <p>Based on above, existence and valuation of inventories has been identified as a key audit matter.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ol style="list-style-type: none"> Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to physical verification of inventories by the management and the internal auditors of the Company, identification of obsolete and slow-moving inventories, inventories with low or negative gross margins, monitoring of inventory ageing and assessment of provisioning and of net realizable values. Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket; Performing a review of the provisions for inventories by examining movements in the balance during the current year and new provisions made for inventory balances as at 31 March 2023 during the current year to assess the historical accuracy of management's inventory provisioning process; Assessing, on a sample basis, the net realizable value of slow-moving and obsolete inventories and inventories with low or negative gross margins as calculated by management with reference to prices achieved and costs to sell after the financial year end. Attending cyclical inventory counts at various godowns & factories at regular intervals during the reporting period and evaluating the results of the cycle counts performed by the management throughout the year to assess management's estimation of the provisioning.

Information other than the Financial Statements and Auditors' Report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon. The aforesaid documents are expected to be made available to us after the date of this auditor's report.

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

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

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

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity 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, read with Companies (Indian Accounting Standard) Rules, 2015 as amended. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and

whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone Balance Sheet, the standalone Statement of Profit and Loss (including Other Comprehensive Income), the standalone Statement of changes in Equity and the standalone Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

- e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations as at 31st March 2023 on its financial position in its standalone Ind AS financial statements, refer note 31 to the standalone Ind AS financial statements;
 - (ii) The company has made provision for material foreseeable losses on long-term derivative contracts, as required under the applicable laws or Ind AS in these standalone financial statements;
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company, during the year.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or

invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures 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.
- (v) (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
- (b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722

ICAI UDIN: 23052722BGYAFE5635

19A, Jawaharlal Nehru Road,
Kolkata – 700 087.

Dated : 29th May, 2023

Annexure A to the Independent Auditor's report

(Referred to in Paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date)

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

1. a) The company has maintained proper records showing full particulars, including quantitative details and situation of its Property, Plant & Equipment.
The Company has maintained proper records showing full particulars of intangible assets.
- b) The Property, Plant & Equipment have been physically verified by the management during the year. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the company and the nature of its assets. No discrepancies were noticed on verification.
- c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the Company) disclosed in the financial statements included in property, plant & equipment, capital work-in-progress, investment property and noncurrent assets held for sale, according to the information and explanations given to us and based on the examination of the registered sale deed / title deed provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date.
- d) According to the information and explanations given to us and the records of the company examined by us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or Intangible assets during the year.
- e) According to the information and explanations given to us no proceeding has been initiated during the year or are pending against the Company as at March 31,2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- b) According to the information and explanations given to us and the records of the company examined by us, quarterly statement of current assets in respect of its working capital borrowing are generally in agreement with the books of accounts of the company.
3. The Company had provided guarantees for ₹21.00 Crores including ₹11.00 Crores during the year on behalf of subsidiary/ associate companies and was outstanding as at balance sheet date. Terms and conditions thereof, in our opinion, prima facie, are not prejudicial to the Company's interest. Since the company has not granted any loans, secured or unsecured, clause (a), (b) & (c) of section (iii) of para 3 of the Order is not applicable.
4. According to the information and explanations given to us and the records of the Company examined by us, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in respect of guarantees and securities given by the Company.
5. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules framed there under. Further, no orders have been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal which could impact the Company.
6. We have broadly reviewed the accounts and records maintained by the company pursuant to the Companies (Cost Records and Audit) Rules 2014 read with Companies (Cost Records and Audit) Amendment Rules, 2014 specified by the Central Government under section 148 of the Act, and are of the opinion that prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
7. a) According to the information and explanations given to us, the company has generally been regular in depositing undisputed statutory dues with appropriate authorities including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Value Added Tax, Service Tax, Custom Duty, Excise Duty, GST, Cess and other material statutory dues applicable to it and there has been no arrears as at 31st March 2023 for a period of more than six months from the date they became payable.

- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

(₹ In Lakhs)

Nature of Statute	Period to Which Amount Relates (Assessment Year)	Gross Demand	Amount paid under Protest	Amount (Net of Amount paid under Protest)	Forum where dispute is pending
Income Tax Act	2010-11	25.31	12.00	13.31	CIT, Appeal, Kolkata (20)
	2011-12	45.90	23.00	22.90	
	2012-13	26.90	26.90	-	
	2019-20	48.98	48.98	-	DCIT, CC-1(4), Kolkata
	2020-21	50.80	24.82	25.98	
VAT Act	2017-18	296.24	-	296.24	West Bengal Taxation Tribunal (WBTT)
CST Act	2017-18	36.93	3.31	33.62	Commissioner (Appeal)

8. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. a) In our opinion and according to the information and explanations given to us, we are of the opinion that the company has not defaulted in the repayment of loans and borrowings from Banks. The company did not have outstanding loans from Financial Institutions, Governments or Debenture Holders during the year.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) According to the information and explanations given to us and the records of the Company examined by us, the Company has applied the term loans for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) According to the information and explanations given to us the Company has not raised funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures, hence reporting under this clause is not applicable.
- f) According to the information and explanations given to us the Company has not raised loans during the year on the pledge of securities held in its any subsidiaries, associates or joint ventures, hence reporting under this clause is not applicable.
10. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under this clause is not applicable.
- b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, as such section (xiii) of para 3 of the Order is not applicable.
11. a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not received any complaints from any whistle-blower during the year (and up to the date of this report) and hence reporting under this clause is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company, as such section (xii) of para 3 of the Order is not applicable.
13. In our opinion and according to the information and explanations give to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards, details of related party transactions have been disclosed in Note 34 of the standalone financial statements for the year under audit.
14. a) In our opinion, the Company has an internal audit system. The Internal Audit System is being further strengthened to make it commensurate with the size and the nature of its business, and
- b) We have considered the internal audit reports for the year under audit, issued to the company during the year and till date in determining the nature, timing and extent of our audit procedures.
15. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with

directors or persons connected with them, as such section (xv) of para 3 of the Order is not applicable.

16. a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence reporting under this clause is not applicable.
17. According to the information and explanations given to us and the records of the Company examined by us the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give

any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

20. a) According to information and explanation given to us and records of the Company examined by us, no amount was unspent in respect of other than ongoing projects for the current year hence reporting under this clause is not applicable.
- b) According to information and explanation given to us and records of the Company examined by us, there has been a shortfall at the end of the year. A disclosure including nature of CSR activities and related party transactions have been disclosed in Note 42 of the standalone financial statements for the year under audit.

For S.K.Singhania & Co.

Chartered Accountants

Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722

ICAI UDIN: 23052722BGYAFE5635

19A, Jawaharlal Nehru Road,

Kolkata – 700 087.

Dated : 29th May, 2023

Annexure B to the Auditors' Report

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

We have audited the internal financial controls over financial reporting of **MALLCOM (INDIA) LIMITED** ('the Company') as of 31st March 2023 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note of Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over

financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitation of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, and adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the 31st March 2023 financial statements

of the company and these material weaknesses doesn't affect our opinion on the financial statements of the Company.

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722
ICAI UDIN: 23052722BGYAFE5635

19A, Jawaharlal Nehru Road,
Kolkata – 700 087.

Dated : 29th May, 2023

Balance Sheet as at 31st March 2023

(₹ in Lakhs)

Sl. NO.	Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
I.	ASSETS			
	Non-Current Assets			
	Property, Plant and Equipment	5	8,052.38	3,616.04
	Capital work-in-progress	5a	822.20	1,473.88
	Intangible assets	6	7.08	5.17
	Financial Assets			
	Investments	7	2,014.57	765.10
	Loans	8	100.42	68.70
	Non-current Tax Asset		170.12	203.44
			11,166.77	6,132.33
	Deferred Tax Asset	22	9.11	22.15
	Current Assets			
	Inventories	9	6,962.83	5,364.61
	Financial Assets			
	Investments	10	2,698.63	-
	Trade Receivables	11	5,874.60	7,498.71
	Cash and Cash Equivalents	12	404.77	315.33
	Other Bank Balances	13	3,520.96	2,474.12
	Loans	8	4.99	11.54
	Other Current Assets	14	2,267.41	2,332.08
			21,734.19	17,996.39
	Total Assets		32,910.07	24,150.87
II.	EQUITY AND LIABILITIES			
	Equity			
	Equity Share Capital	15	624.00	624.00
	Other Equity	16	18,636.69	15,150.30
			19,260.69	15,774.30
	Liabilities			
	Current Liabilities			
	Financial Liabilities			
	Borrowings	17	8,417.28	4,541.15
	Trade Payables	18	4,071.45	3,086.11
	Other Financial Liabilities	19	506.74	96.77
	Other Current Liabilities	20	648.64	652.53
	Provisions	21	5.28	-
			13,649.39	8,376.56
	Total Equity and Liabilities		32,910.07	24,150.87

Significant Accounting Policies

3

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For S.K.Singhania & Co.

Chartered Accountants

Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722

Place: Kolkata

Date: 29th May 2023

For and on behalf of the Board

Ajay Kumar Mall

Managing Director

(DIN: 00470184)

Shyam Sundar Agrawal

Chief Financial Officer

Giriraj Kumar Mall

Director

(DIN: 01043022)

Shalini Ojha

Company Secretary

(ACS:48483)

Statement of Profit and Loss for the year ended 31st march, 2023

(₹ in Lakhs)

Sl. NO.	Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
	INCOME			
I	Revenue from operations	23	40,443.16	36,387.84
II	Other Income	24	299.00	309.86
III	TOTAL INCOME		40,742.16	36,697.70
IV	EXPENSES			
	Cost of materials consumed	25	18,589.54	17,628.26
	Purchase of Traded Goods	26	7,428.61	6,889.94
	Changes in inventories of finished goods and work-in-progress	27	166.74	(852.79)
	Employee Benefits Expense	28	1,460.92	1,200.03
	Finance Costs	29	227.60	184.57
	Depreciation and Amortization Expense		665.84	625.28
	Manufacturing and Other Operational Expenses	30	6,759.13	6,503.30
	Other Expenses	30(a)	533.11	398.45
	TOTAL EXPENSES		35,831.49	32,577.04
V	Profit before exceptional and extraordinary items and tax		4,910.67	4,120.66
	Exceptional & Extraordinary Items		-	-
VI	Profit before tax		4,910.67	4,120.66
VII	Tax Expense	35		
	Current Tax		1,206.58	1,058.98
	Income Tax for earlier years		28.01	-
	Deferred Tax (Credit)/Charge		10.39	(27.41)
	Add: Adjustment for MAT Credit		-	0.17
VIII	PROFIT FOR THE PERIOD		3,665.69	3,089.26
IX	OTHER COMPREHENSIVE INCOME			
	Items that will not be Reclassified to Profit or Loss			
	Fair value of Investment / Exchange difference on transaction of foreign operations		20.73	(5.02)
	Income Tax relating to these items		(5.22)	1.26
	Items that will not be reclassified to profit or loss (Re-measurement of post employment benefit obligations)	32 (b)	(10.17)	2.96
	Income Tax relating to these items		2.56	(0.74)
			7.90	(1.54)
X	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (Comprising Profit and Other Comprehensive Income for the Period)		3,673.59	3,087.72
XI	Earning per equity share of ₹10 each (In ₹)	37		
	Cash		69.42	59.53
	Basic and Diluted		58.75	49.51

Significant Accounting Policies

3

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For S.K.Singhania & Co.Chartered Accountants
Firm Reg. No.: 302206E**Rajesh Singhania**Partner
Membership No. : 52722

Place: Kolkata

Date: 29th May 2023

For and on behalf of the Board**Ajay Kumar Mall**Managing Director
(DIN: 00470184)**Shyam Sundar Agrawal**

Chief Financial Officer

Giriraj Kumar MallDirector
(DIN: 01043022)**Shalini Ojha**Company Secretary
(ACS:48483)

Standalone Cash Flow Statement for year ended 31st March 2023

(₹ in Lakhs)

Sl. No.	Particulars	Year ended 31.03.2023		Year ended 31.03.2022	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit before Taxation and Extraordinary Items		4,910.67		4,120.66
	Adjustments For:				
	Depreciation and Amortisation Expense	665.84		625.28	
	Balances Written Back (Net)	(12.35)		(6.88)	
	Interest Income	(154.77)		(208.78)	
	Profit on sale of Property, Plant & Equipment (Net)/Assets Written Off	(5.57)		(88.49)	
	Reameasurement gain of DBO/DBP	7.90		(1.54)	
	Finance Costs	227.6	728.65	184.57	504.16
	Operating Profit before Working Capital Changes		5,639.32		4,624.82
	Adjustments For:				
	(Increase)/Decrease in Trade and Other Receivables	1,666.25		(2,252.20)	
	(Increase)/Decrease in Inventories	(1,598.22)		(0.26)	
	Increase/(Decrease) in Trade and Other Payables and Provisions	1,396.70	1,464.73	(984.79)	(3,237.25)
	Cash Generated From Operations		7,104.05		1,387.57
	Direct Taxes Paid (Net of Refunds)		(1,201.27)		(1,119.88)
	Net Cash from Operating Activities		5,902.78		267.69
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Property, Plant and Equipments (Including Capital Work-in-Progress and Advances)	(4,452.41)		(1,532.67)	
	Purchases/Proceeds from sale of Investments	(3,948.10)		1,878.58	
	Balances written back (net)	12.35		6.88	
	Profit on sale of Investment/Fixed Assets	5.57		88.49	
	Interest Income	154.77		208.78	
	Net Cash from/ (Used in) Investing Activities		(8,227.82)		650.06
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds/(Repayment) of Short Term Borrowings(net)	3,876.13		(788.72)	
	Interest and Financial Charges Paid	(227.60)		(184.57)	
	Dividend and Tax paid thereon (Interim, special and Final)	(187.20)		(187.20)	
	Net Cash from/ (Used in) Financing Activities		3,461.33		(1,160.49)
	Net Increase/(Decrease) in cash or cash equivalents (A+B+C)		1,136.29		(242.74)
	Cash or Cash equivalents at the beginning of the year		2,789.45		3,032.19
	Cash or Cash equivalents at the end of the year		3,925.73		2,789.45

The accompanying notes are an integral part of the Financial Statements.

1 Reconciliation of Financial Liabilities arising from Financing Activities

Particulars	Opening Balance	Financing Cash Flow Changes		Non-Financing Cash Flow Changes		Closing Balance
	As at 31.03.2022	Principal	Proceeds/ (Repayment)	Fair Value Changes	Forex Changes	As at 31.03.2023
Short Term Borrowings	4,541.15	3,903.13	-	-	-	8,417.28
Long Term Borrowings	-	-	-	-	-	-

2 Direct Taxes are treated as arising from operating activities and are not bifurcated between investing and financing activities"

3 The above cash flow statement has been prepared under the indirect method set out in In AS-7 "Statement of Cash Flows"

Standalone Cash Flow Statement for year ended 31st March 2023

4 For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the followings:

(₹ in Lakhs)

Particulars	As at	As at
	31st March, 2023	31st March, 2022
Balance with Banks (Including Fixed Deposits)	3,915.73	2,772.86
Cash in Hand	10.00	16.59
Total	3,925.73	2,789.45

As per our report of even date

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722

Place: Kolkata

Date: 29th May 2023

For and on behalf of the Board**Ajay Kumar Mall**

Managing Director

(DIN: 00470184)

Shyam Sundar Agrawal

Chief Financial Officer

Giriraj Kumar Mall

Director

(DIN: 01043022)

Shalini Ojha

Company Secretary

(ACS:48483)

Statement of Changes in Equity for the year ended 31st March, 2023

A. EQUITY SHARE CAPITAL (Refer Note 15)

(₹ in Lakhs)

Particulars	Numbers	Amount
Equity Shares of ₹10/- each, issued, subscribed and fully paid-up		
As at 31.03.2023	6,240,000	624.00
As at 31.03.2022	6,240,000	624.00

B. OTHER EQUITY (Refer Note 16)

For the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Opening Balance as at 01.04.2022	402.18	511.00	13,975.00	262.12	15,150.30
Profit for the current year	-	-	-	3,665.69	3,665.69
Comprehensive Income for the year	-	-	-	7.90	7.90
Total Comprehensive Income for the year	-	-	-	3,673.59	3,673.59
Transfer to/(from) Retained Earnings	-	-	3,525.00	(3,525.00)	-
Dividend Paid	-	-	-	187.20	187.20
Closing Balance as at 31.03.2023	402.18	511.00	17,500.00	223.51	18,636.69

For the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Opening Balance as at 01.04.2021	402.18	511.00	11,225.00	111.60	12,249.78
Profit for the current year	-	-	-	3,089.26	3,089.26
Comprehensive Income for the year	-	-	-	(1.54)	(1.54)
Total Comprehensive Income for the year	-	-	-	3,087.72	3,087.72
Transfer to/(from) Retained Earnings	-	-	2,750.00	(2,750.00)	-
Dividend Paid	-	-	-	187.20	187.20
Closing Balance as at 31.03.2022	402.18	511.00	13,975.00	262.12	15,150.30

As per our report of even date

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner
Membership No. : 52722

Place: Kolkata
Date: 29th May 2023

For and on behalf of the Board

Ajay Kumar Mall

Managing Director
(DIN: 00470184)

Shyam Sundar Agrawal

Chief Financial Officer

Giriraj Kumar Mall

Director
(DIN: 01043022)

Shalini Ojha

Company Secretary
(ACS:48483)

Notes to Financial Statements for the year ended March 31, 2023

1. Corporate Information

Mallcom (India) Limited ("the Company") is a public limited company domiciled in India and is incorporated in the year 1983 under Companies Act applicable in India. Its shares are listed at National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The registered office of the company is located at EN-12, Sector-V, Salt Lake, Kolkata- 700091, India.

The company is one of the established manufacturers – exporter of Personal Protective Equipments. It has a long track record in the Industrial Safety Products category.

These financial statements are approved and adopted by the Board Of Directors of the Company in their meeting dated 29th May 2023

2. Statement of Compliance

The financial statements of the company have been prepared in accordance with India Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended by the Companies (Indian Accounting Standards)(Amendment), Rules from time to time.

The Company has applied the following Ind AS pronouncements pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2022. The effect is described below:

- a. The Company has adopted amendment to Ind AS 103 – Reference to Conceptual Framework and will have no significant change in the requirements of Ind AS 103.
- b. The Company has adopted changes brought in Ind AS 16 relating to Proceeds before intended use which will have effect of any amount received from selling items produced while the company is preparing the asset for its intended use, recognized as sales proceeds and related cost is profit & loss.
- c. The Company has adopted amendment to Ind AS 37 specifying that the "cost of fulfilling" a contract comprises the "costs that related directly to the contract". Cost that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts.
- d. The Company has adopted the changes in Ind AS 109 which clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability.
- e. The Company has adopted the recent amendment in Ind AS 116 which removes the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration.

3. Significant Accounting Policies

3.1. i) Basis of Measurement

The Financial Statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Derivatives financial instruments
- Certain Financial assets measured at fair value (refer accounting policy regarding financial instruments)

The financial statements are prepared in Indian Rupees ("INR") and all values are rounded to the nearest Lakhs, except otherwise indicated.

3.1. ii) Current Vs Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- a) Expected to be realized or intended to be sold or consumed in normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period . All other assets are classified as non-current.

Notes to Financial Statements for the year ended March 31, 2023

A liability is current when:

- Expected to be settled in normal operating cycle
- Held primarily for the purpose of trading
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. The

Company classifies all other liability as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of product and time between the

acquisition of assets for processing their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle.

3.2 Property, Plant and Equipment

Property, Plant and equipment are stated at cost less accumulated depreciation/amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/bringing the asset to its working condition for its intended use (net of credit availed, if any)

When significant parts of the plant and equipment are required to be replaced at intervals the company depreciates them separately based on their specific useful lives. Capital work in progress is carried at cost and directly attributable expenditure during construction period which is allocated to the property, plant and equipment on the completion of project.

Borrowing costs directly attributable to the acquisition/construction of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Depreciation and Amortisation

Depreciation is provided on written down value method over the estimated useful lives of the assets. Leasehold Property are depreciated over their expected lease terms. No depreciation is charged on Freehold land. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant & Machinery	15 Years
Building	30 Years
Electric Installations	15 Years
Mould & Dies	15 Years
Furniture & Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Computers	3 Years
Computer License	6 Years
Patent Right	6 Years

Gains or Losses arising from de-recognition of assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of Profit and loss when the asset is derecognized.

The residual Values, useful lives and method of depreciation of property, plant and equipment are reviewed at each financial year end adjusted prospectively, if appropriate.

3.3 Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/bringing the asset to its working condition for its intended use (net of credit availed, if any)

Amortization is provided on a written down value method over estimated useful lives.

The residual values, useful lives and method of depreciation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes to Financial Statements for the year ended March 31, 2023

3.4 Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

3.5 Leases

Company as lessee

The Company assesses whether a contract contains a lease, at inception of a contract, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. 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 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. At the date of commencement of the lease, the company recognises right-of-use asset ("ROU") and corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with the term of twelve months or less (Short Term Leases) and no value leases. For these short term and low value leases, the company recognises the lease payments as an operating expense or a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets, are initially recognized at cost, which comprises initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sale and the value in use) is determined on an individual asset basis unless the asset doesn't generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

3.6 Impairment of Non-Financial Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal & external factors. An impairment loss is recognized wherever the carrying amounts of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Reversal of impairment loss is recognized immediately as Income in the Statement of Profit and Loss.

3.7 Financial Assets and Financial Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when the Company becomes a party to the contractual provisions of the instruments.

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) 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 the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current, if they are expected to be realised or settled within operating cycle of the Company or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition

i) Cash & Cash equivalents

Cash & Cash equivalents consist of Cash on Hand, Cash at Bank, Term Deposits & Cheques in Hand. All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage

Notes to Financial Statements for the year ended March 31, 2023

ii) Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these 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 are measured at amortised cost

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition

iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income

iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

v) Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

vi) Derivative and Hedge Accounting

The Company enters into derivative financial instruments such as foreign exchange forward, swap and option contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The Company uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the Company. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments" is categorised as a financial asset, at fair value through profit or loss. Transaction costs attributable are also recognised in Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognised in the Statement of profit and loss

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and thereafter to the extent hedge accounting being discontinued is recognised in Statement of profit and loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of profit and loss.

vii) Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The Company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Notes to Financial Statements for the year ended March 31, 2023

viii) Derecognition of financial instruments

The Company derecognizes a financial asset or a Company of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognised in statement of profit and loss.

On derecognition of assets measured at Fair Value through Other Comprehensive Income FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment

Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in Statement of Profit and Loss

3.8 Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investment. All other investments are classified as long term investments. Current Investments are carried at lower of cost and fair value determined on individual investment basis. Long-term investments are carried at cost. A provision of diminution is made to recognize a decline, other than temporary, in the value of long-term investments

3.9 Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories is ascertained on 'FIFO' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the related finished products are expected to be sold at or above cost.

i) Raw Materials, Stores and spares

These are valued at the lower of cost and estimated net realizable value, after providing for cost of obsolescence and other anticipated losses, wherever, considered necessary.

ii) Work-in-progress and Finished Goods

These include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.

3.10 Foreign Currency Transaction

Foreign currency transactions are recorded in the reporting currency prevailing at the date of the transaction. Realized gains/ losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currency are translated at the year end rates and resultant gains/losses from foreign exchange translations are recognized in the Statement of Profit and loss.

Forward Exchange Contracts not intended for trading or speculation purposes.

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

3.11 Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects

3.12 Provisions & Contingent Liabilities

Provisions are recognized when an enterprise has a present obligation as a result of past event that probably requires an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. They are reviewed at each balance sheet date and adjusted to reflect the current best estimates

Notes to Financial Statements for the year ended March 31, 2023

Contingent Liabilities are not provided for and are disclosed by way of notes to the financial statements 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 when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the financial statement by way of notes to accounts when an inflow of economic benefits is probable.

3.13 Employee Benefits

i) Short Term Employee Benefits

Short term employee benefits, such as salaries, wages, incentives etc. are recognized as expenses at actual amounts, in the Statement of Profit and Loss of the year in which the related services are rendered. Leave not availed in a year can be carried forward up to 30 days.

ii) Defined Contribution Plans

Defined contribution plans are Provident Fund Scheme, Employee State Insurance Scheme and Government administered Pension Fund Scheme for the employees. The company makes monthly contributions towards these funds / schemes, which are recognized in the Statement of Profit & Loss in the financial year to which they relate. There is no obligation other than the monthly contributions.

iii) Defined Benefit Plans

The company has a defined benefit plan for Post-employment benefit in the form of Gratuity for all employees. Contribution on account of gratuity payment is made to the Gratuity Trust. Liability for above defined benefit plan is provided on the basis of actuarial valuation, as at the Balance Sheet date. The actuarial method used for measuring the liability is the Projected Unit Credit method. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income

3.14 Revenue recognition

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery.

Sale of goods: Revenue from the sale of goods is recognised when the Company transfers Control of the product . Control of the product transfers upon shipment of the product to the customer or when the product is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the product shipped . Amounts disclosed as revenue are net off returns, trade allowances, rebates and indirect taxes.

Export Benefits

Export incentives are accounted for on export of goods in the year of export if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim is fulfilled.

Interest & Dividend

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the shareholders' right to receive payment is established by the balance sheet date.

3.15 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method

3.16 Taxes on Income

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the incomestatement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Tax expense comprises of current tax and deferred tax.

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

Deferred income tax reflects the impact of current year's timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax asset arising

Notes to Financial Statements for the year ended March 31, 2023

on account of unabsorbed depreciation or carry forward tax losses are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably or virtually certain, as the case may be, that sufficient income will be available against which deferred tax asset can be realized.

3.17 Earnings Per Share

Basic Earnings per Share is calculated by dividing the net profit or loss after tax for the year attributable to Equity Shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue, bonus elements in a right issue to existing shareholders and share splits.

For the purpose of calculating Diluted Earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3.18 Segment Reporting

Segment is identified and reported taking into account the nature of products and services, the different risks and returns and the integral business reporting systems. The Company primary business segment is Industrial Safety Products. The Industrial Safety Products business incorporates product Companies' viz. Leather hand Gloves, Industrial Work Garments, Seamless Knitted Gloves, Leather Shoe Upper, Safety Shoes and Nitrile Dipped Gloves, which mainly have similar risks and returns. Thus the Company business activity falls within a single primary business segment.

4 Critical accounting judgments, assumptions and key sources of estimation and uncertainty

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

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

4.1 Depreciation / amortisation and impairment on property, plant and equipment / intangible assets.

Property, Plant and Equipment and Intangible assets are depreciated/amortised on straight-line/written down value basis over the estimated useful lives (or lease term if shorter) in accordance with Company accounting policy, taking into account the estimated residual value, wherever applicable.

The Company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation Asset's recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rates which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortisation and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

4.2 Arrangements containing leases and classification of leases

The Company enters into service / hiring arrangements for various assets / services. The determination of lease and classification of the service/hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

4.3 Claims and Compensation

Claims including insurance claims are accounted for on determination of certainty of realisation thereof.

Notes to Financial Statements for the year ended March 31, 2023

4.4 Impairment allowances on trade receivables

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the tradereceivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the tradereceivable were to deteriorate, actual write-offs would be higher than estimated.

4.5 Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

4.6 Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

4.7 Provisions and Contingencies

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

Notes to Financial Statements for the year ended March 31, 2023

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Sl. NO.	Particulars	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK	
		Opening as at 01.04.2022	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2023	Opening as at 01.04.2022	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2023	As at 31.03.2023	As at 31.03.2022
1	Lease Hold Land	-	2,280.70	-	2,280.70	-	-	-	-	2,280.70	-
2	Free Hold Land	459.52	-	-	459.52	-	-	-	-	459.52	459.52
3	Buildings	1,589.79	2,083.61	-	3,673.40	595.39	171.52	-	766.91	2,906.49	994.40
4	Plant and Equipment	4,079.38	488.89	-	4,568.27	2,198.01	400.78	-	2,598.79	1,969.48	1,881.38
5	Electrical Installations	239.09	7.32	-	246.41	169.15	12.92	-	182.07	64.34	69.94
6	Mould & Dies	369.63	5.54	-	375.17	261.47	20.09	-	281.56	93.61	108.16
7	Furniture & Fixtures	192.24	221.94	-	414.18	106.31	47.54	-	153.85	260.33	85.93
8	Vehicles	59.42	4.01	11.29	52.14	53.02	2.29	9.41	45.90	6.24	6.40
9	Office Equipments	38.12	3.10	-	41.22	28.49	4.76	-	33.25	7.97	9.63
10	Computer Software	69.91	5.35	-	75.26	69.23	2.33	-	71.56	3.70	0.68
	Total	7,097.10	5,100.46	11.29	12,186.27	3,481.07	662.23	9.41	4,133.89	8,052.38	3,616.04

5a. Capital Work in Progress

(₹ in Lakhs)

Sl. NO.	Particulars	COST				AMORTIZATION				NET CARRYING AMOUNT	
		Opening as at 01.04.2022	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2023	Opening as at 01.04.2022	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2023	Up to 31.03.2023	As at 31.03.2022
1	Factory Building	1,473.88	2,151.22	2,802.90	822.20	-	-	-	-	822.20	1,473.88
	SUB Total (C)	1,473.88	2,151.22	2,802.90	822.20	-	-	-	-	822.20	1,473.88

5a.1 Ageing of Capital Work-in-Progress

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Project in Progress		
Less than 1 Year	822.20	1,473.88
1 to 2 Years	-	-
2 to 3 Years	-	-
More than 3 Years	-	-
Project temporarily suspended		
	-	-
Total	822.20	1,473.88

NOTE 6: INTANGIBLE ASSETS

(₹ in Lakhs)

Sl. NO.	Particulars	COST				AMORTIZATION				NET CARRYING AMOUNT	
		Opening as at 01.04.2022	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2023	Opening as at 01.04.2022	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2023	Up to 31.03.2023	As at 31.03.2022
1	Computer License	84.86	5.52	-	90.38	80.13	3.44	-	83.57	6.81	4.72
2	Patent Right	10.05	-	-	10.05	9.60	0.18	-	9.78	0.27	0.45
	Total	94.91	5.52	-	100.43	89.73	3.62	-	93.35	7.08	5.17

NOTE 7: NON-CURRENT INVESTMENTS

(₹ in Lakhs)

Sl. NO.	Particulars	Face Value (In ₹)	As at 31.03.2023	As at 31.03.2022
1	UNQUOTED (Subsidiary Company Fully Paid Equity Shares)			
	Mallcom VSFT Gloves Pvt. Ltd.	10	4,894,000	490.00
	Mallcom Safety Pvt. Ltd.	10	6,000,000	1,524.51
	Total		-	2,014.51
2	Other Instruments			
	Investment in Government or Trust Securities [NSC Placed with Vat Authorities]		-	0.06
	Total		-	2,014.57

Notes to Financial Statements for the year ended March 31, 2023

7.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF UNQUOTED INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS	2,014.57	2,014.57	765.10	765.10

NOTE 8: FINANCIAL ASSETS- LOANS

(₹ in Lakhs)

Sl. NO.	Particulars	Non-Current		Current	
		As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
	(Unsecured and Considered Good)				
1	Loans and Advances to Staff and Workers	-	-	4.99	11.54
2	Security Deposits	100.42	68.70	-	-
	Total	100.42	68.70	4.99	11.54

NOTE 9: INVENTORIES (Valued at Lower of Cost or Net Realizable Value)

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Raw Materials [Includes in transit ₹247.67 Lakhs (As at 31.03.2022 ₹450.38 Lakhs)]	4,561.87	2,883.44
2	Work-in-Progress	739.62	670.81
3	Finished Goods	1,112.04	1,347.59
4	Stores & Spares	549.30	462.77
	Total	6,962.83	5,364.61

NOTE 10: CURRENT INVESTMENTS

(₹ in Lakhs)

Sl. NO.	Particulars	Face Value (In ₹)	As at 31.03.2023		As at 31.03.2022	
			No.	Amount	No.	Amount
1	Investment in Debt Instruments		-	-	-	-
	TBILL364 Days	100	1,000,000	976.48	-	-
	Muthoot Fincorp Limited SR IX BR NCD03JN24	100,000	120	137.70	-	-
	Nuvama Wealth Finance Limited SR E4110A BR NCD 13SP 24	1,000,000	5	57.08	-	-
	Piramal Enterprises Limited BR NCD 02SP24	1,000,000	50	526.91	-	-
	Shriram Finance Limited SR XXVII BR NCD 01MAR24	1,000,000	80	895.51	-	-
	Avendus Market Neutral Fund-Class A1		-	104.95	-	-
	Total		-	2,698.63	-	-

10.1 AGGREGATE CARRYING AMOUNT AND MARKET VALUE OF QUOTED INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
Quoted Investments:				
T-Bill, MLD & AIF	2,698.63	2,698.63	-	-
Total	2,698.63	2,698.63	-	-

Notes to Financial Statements for the year ended March 31, 2023

NOTE 11: TRADE RECEIVABLES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Secured, Considered Good	-	-
		-	-
2	Unsecured		
	Considered Good	5,874.60	7,498.71
	Considered Doubtful	-	-
	Total	5,874.60	7,498.71

11.1 Ageing of Trade Receivable

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Undisputed		
Less than 6 months	5,586.47	7,429.36
6 months to 1 Year	288.13	58.10
1 to 2 Years	-	11.25
2 to 3 Years	-	-
More than 3 Years	-	-
Disputed	-	-
Total	5,874.60	7,498.71

NOTE 12: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Balance with Banks	394.77	298.74
2	Cash in Hand	10.00	16.59
	Total	404.77	315.33

NOTE 13: OTHER BANK BALANCES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Fixed Deposits (Including margin money)	3,520.96	2,474.12
	Total	3,520.96	2,474.12

NOTE 14: OTHER CURRENT ASSETS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
	(Unsecured and Considered Good)		
1	Advances Recoverable in cash or kind (including to Suppliers)	945.49	883.86
2	Prepaid Expenses	52.53	52.53
3	Balance with Revenue Authorities (Indirect Taxes)	1,269.39	1,395.69
	Total	2,267.41	2,332.08

NOTE 15: SHARE CAPITAL

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	AUTHORIZED CAPITAL		
	1,00,00,000 (1,00,00,000) Equity Shares of ₹10/- each	1,000.00	1,000.00
		1,000.00	1,000.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL		
	62,40,000 (62,40,000) Equity Shares of ₹10/- each fully paid-up	624.00	624.00
	Total	624.00	624.00

Notes to Financial Statements for the year ended March 31, 2023

15.1 DETAILS OF PROMOTES & SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Name of Shareholders	Number of Shares Held as at 31.03.2023	% of Total paid-up Equity Share Capital	Number of Shares Held as at 31.03.2022	% of Total paid-up Equity Share Capital	%Change
Ajay Kumar Mall	10,25,320	16.43	10,25,320	16.43	0.00
Sunita Mall	1,34,200	2.15	1,34,200	2.15	0.00
Giriraj Mall	47,628	0.76	47,823	0.77	-0.01
Karani Dan Mall [HUF]	500	0.01	500	0.01	0.00
Preeti Mall	4,400	0.07	4,400	0.07	0.00
Rohit Mall	3,200	0.05	3,200	0.05	0.00
Sanjay Kumar Mall	6,500	0.10	6,500	0.10	0.00
Surabhi Mall	96,000	1.54	96,000	1.54	0.00
Kadambini Securities Private Limited	22,04,606	35.33	22,04,606	35.33	0.00
Mallcom Holdings Private Limited	6,13,600	9.83	6,13,600	9.83	0.00
Anmol Component Private Limited	50,000	0.80	50,000	0.80	0.00
Chaturbhuj Impex Private Limited	1,04,700	1.68	1,04,700	1.68	0.00
Movers Construction Pvt Ltd	84,000	1.37	84,000	1.37	0.00
SSR Enterprises Pvt Ltd	1,14,960	1.84	1,14,960	1.84	0.00
Jay Kumar Daga	10,59,351	16.98	11,49,631	18.42	-1.44

15.2 The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share.

15.3 In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

15.4 As no fresh issue or reduction in capital is made during the current year as well as during the previous period, hence there is no change in the opening and closing capital. Accordingly, reconciliation of share capital has not been given.

15.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:

As at 31.03.2023	As at 31.03.2022
Nil	Nil

15.6 The Equity Shares of the company are listed at NSE & BSE Limited and the annual listing fees has been paid for the year

NOTE 16: OTHER EQUITY

Nature of Reserves

Capital Reserve

Capital Reserve represents the amount, being the purchase price lower than the fair market value of the capital assets acquired by the company and used for the purposes of its business.

Securities Premium Reserve

Securities Premium Reserve represents the amount received in excess of par value of equity shares of the company. The same, inter alia, may be utilized by the company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the companies Act, 2013.

General Reserve

General Reserve represents the reserve created by apportionment of profit generated during the year or transfer from other reserves either voluntary or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings

Retained Earnings represents the undistributed profits of the company.

Notes to Financial Statements for the year ended March 31, 2023

NOTE 17: CURRENT BORROWINGS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
	Secured		
1	Loan Repayable on Demand		
	From Bank		
	Export Packing Credit	8,417.28	4,541.15
	Total	8,417.28	4,541.15

17.1 Demand loans from banks are secured by hypothecation of all present/future stock and receivables, all present/future fixed assets (excluding Land & Building) and Corporate guarantee by Kadambini securities Pvt Ltd and Mallcom Holdings Pvt Ltd and further personal guarantee of Managing Director

17.2 There is no default in repayment of principal and interest thereon

NOTE 18: TRADE PAYABLES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	For Supplying of Goods	3,106.25	2,204.34
2	For Supplying of Services	965.20	881.77
	Total	4,071.45	3,086.11

18.1 Ageing of Trade Receivable

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Undisputed		
Less than 6 months	4,024.29	3,014.00
6 months to 1 Year	1.63	45.21
1 to 2 Years	45.53	26.90
2 to 3 Years	-	-
More than 3 Years	-	-
Disputed		
	-	-
Total	4,071.45	3,086.11

18.2 Trade Payables are based on the information available with the Company regarding the status of the Suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006" and there are no delays in payments to Micro, Small and Medium enterprises as required to be disclosed under the said Act.

NOTE 19: FINANCIAL LIABILITIES- OTHERS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Security Deposits from Customers, Vendors & Others	97.27	96.77
2	Investment Payables	409.47	-
	Total	506.74	96.77

NOTE 20: OTHER LIABILITIES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Customer Advances	566.74	607.96
2	Statutory Liabilities	81.90	44.57
	Total	648.64	652.53

Notes to Financial Statements for the year ended March 31, 2023

NOTE 21: PROVISIONS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Provision for Employee Benefits		
	Gratuity	5.28	-
	Total	5.28	-

NOTE 22: DEFERRED TAX ASSETS (NET)

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Deferred Tax Assets:		
	Arising on account of:		
	Expenses allowed for tax purpose when paid	(23.45)	(20.80)
2	Deferred Tax Liabilities:		
	Arising on account of:		
	Depreciation and Amortization	32.56	42.95
	Net Deferred Tax Assets/(Liabilities)	9.11	22.15

Components of Deferred Tax Assets / (Liabilities) as at March 31, 2023 are given below

(₹ in Lakhs)

Particulars	As at 01.04.2022	Charge/(Credit) Recognised in Profit or loss	Charge/(Credit) Recognised in Other Comprehensive Income	As at 31.03.2023
Deferred Tax Liabilities:				
Fair Valuation of financial assets and Liabilities	(16.85)	(5.22)	-	(22.07)
Provision For Post retirement and other Employee Benefits	(3.94)	2.56	-	(1.38)
Total Deferred Tax Liabilities	(20.80)	(2.66)	-	(23.45)
Deferred Tax Assets:				
Fair Valuation (Gain) / Loss on Investments	-	-	-	-
Timing Difference with respect to property, Plant and equipment	42.95	(10.39)	-	32.56
and Other Intangible assets	-	-	-	-
Total Deferred Tax Assets	42.95	(10.39)	-	32.56
Net Deferred Tax Assets/ (Liabilities)	22.15	(13.05)	-	9.11

Components of Deferred Tax Assets / (Liabilities) as at March 31, 2022 are given below

(₹ in Lakhs)

Particulars	As at 01.04.2022	Charge/(Credit) Recognised in Profit or loss	Charge/(Credit) Recognised in Other Comprehensive Income	As at 31.03.2022
Deferred Tax Liabilities:				
Fair Valuation of financial assets and Liabilities	(18.11)	-	1.26	(16.85)
Provision For Post retirement and other Employee Benefits	(3.20)	-	(0.74)	(3.94)
Total Deferred Tax Liabilities	(21.32)	-	0.52	(20.80)
Deferred Tax Assets:				
Fair Valuation (Gain) / Loss on Investments	-	-	-	-
Timing Difference with respect to property, Plant and equipment	15.54	27.41	-	42.95
and Other Intangible assets	-	-	-	-
Total Deferred Tax Assets	15.54	27.41	-	42.95
Net Deferred Tax Assets/ (Liabilities)	(5.78)	27.41	0.52	22.15

Notes to Financial Statements for the year ended March 31, 2023

NOTE 23: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Sale of Manufactured Goods		
	Leather Gloves	5,184.40	4,340.59
	Textile Garments	10,001.46	10,719.62
	Safety shoes	13,731.94	10,986.17
	Knitted Gloves	1,058.07	1,229.05
	Others	706.82	1,243.70
		30,682.69	28,519.13
2	Sale of Traded Goods		
	Leather Gloves	2,985.51	2,866.97
	Textile Garments	713.25	313.07
	Nitrile Dipped Gloves	4,243.52	3,768.96
	Safety shoes	65.15	33.96
	Others	34.44	45.75
		8,041.87	7,028.71
3	Foreign Exchange Gain	584.17	361.24
4	Export Incentives	1,134.43	478.76
		1,718.60	840.00
	Total	40,443.16	36,387.84

NOTE 24: OTHER INCOME

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Interest Income	154.77	208.78
2	Profit on sale of Fixed asset	3.62	5.29
3	Profit on sale of Investment	1.95	83.20
4	Balances Written Back	12.35	6.88
5	Other Receipts	126.31	5.71
	Total	299.00	309.86

NOTE 25: COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
a)	Opening Stock	3,346.21	4,198.77
	PURCHASES OF RAW MATERIALS AND STORES		
1	Raw Materials (Including Carriage Inward)	16,667.24	13,955.12
2	Consumable Stores	2,587.58	1,820.15
3	Packing Materials	1,099.68	1,000.43
	Sub-Total	20,354.50	16,775.70
b)	Closing Stock	5,111.17	3,346.21
	Cost of Materials Consumed	18,589.54	17,628.26
	Total	18,589.54	17,628.26

NOTE 26: PURCHASE OF TRADED GOODS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Safety Shoes	59.22	32.93
2	Nitrile Dipped Gloves	3,874.21	3,828.08
3	Leather Gloves	2,843.34	2,730.45
4	Textile Garments	620.22	287.76
5	Others	31.62	10.72
	Total	7,428.61	6,889.94

Notes to Financial Statements for the year ended March 31, 2023

NOTE 27: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Closing stock		
	Work-in-Progress	739.62	670.81
	Finished Goods	1,112.04	1,347.59
		1,851.66	2,018.40
2	Opening stock		
	Work-in-Progress	670.81	531.15
	Finished Goods	1,347.59	634.46
		2,018.40	1,165.61
3	(Increase)/Decrease	166.74	(852.79)

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Finished Goods		
	Leather Gloves	84.76	232.15
	Textile Garments	319.01	205.72
	Nitrile Dipped Gloves	210.53	174.67
	Safety Shoes	316.01	487.33
	Shoe Upper	-	100.06
	Knitted Gloves	52.91	30.17
	Helmets	38.60	35.50
	Personal Protective Equipments (Others)	90.22	81.99
		1,112.04	1,347.59
2	Work-in-progress		
	Leather Gloves	277.81	157.91
	Textile Garments	113.36	94.88
	Knitted Gloves	5.86	39.98
	Safety Shoes	18.21	202.98
	Shoe Uppers	324.38	175.06
		739.62	670.81

NOTE 28: EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Salaries, Wages and Bonus	1344.47	1088.78
2	Contribution to Provident and Other Funds (Refer Note 32)	87.45	80.90
3	Staff Welfare Expenses	29.00	30.35
	Total	1,460.92	1,200.03

NOTE 29: FINANCE COSTS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Interest Expenses	198.38	143.28
2	Bank Charges	29.22	41.29
	Total	227.60	184.57

Notes to Financial Statements for the year ended March 31, 2023

NOTE 30: MANUFACTURING AND OTHER OPERATIONAL EXPENSES

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Fabrication & Processing Charges	4,187.30	4,085.72
2	Factory Maintenance	96.67	96.86
3	Freight- Export	359.18	917.65
4	Terminal Handling Charges - Export	65.47	57.40
5	Clearing & Forwarding expenses	152.24	197.53
6	Insurance	34.36	24.52
7	Carriage Outward	496.50	342.37
8	Sales Promotion Expenses	443.29	222.18
9	Trade Fair Expenses	53.20	21.54
10	Sales Commision	13.60	5.34
11	Other Selling Expenses	447.29	134.08
12	Power and Fuel	278.52	268.56
13	Repairs to Building	2.70	5.98
14	Repairs to Machinery	60.69	65.92
15	Security Charges	68.12	57.65
	Total	6,759.13	6,503.30

NOTE 30(a): OTHER EXPENSES

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Rent	104.37	45.82
2	Rates and Taxes	5.48	6.89
3	Travelling & Conveyance	37.86	21.38
4	Directors' Sitting Fees	3.32	2.84
5	Postage, Telephone & Telex	11.31	11.59
6	Printing & Stationery	26.25	10.08
7	Filling Fees	0.78	0.55
8	Legal & Professional Fees	78.24	33.97
9	Membership & Subscription	28.44	9.86
10	Payment to Auditors (refer details below)	7.05	7.02
11	Miscellaneous Expenses	230.01	248.45
	Total	533.11	398.45
	Payment to Auditor		
	As Auditor:		
	Audit Fee	5.75	5.75
	Tax Audit Fee	0.50	0.50
	Certification Charges	0.80	0.77
	Total	7.05	7.02

NOTE 31: CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

(₹ in Lakhs)

(a) Contingent liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Export bills duly discounted / negotiated with Citibank	-	248.70
Outstanding Bank guarantee/Letter of Credit issued by Citibank	112.03	358.21
B-17 Bond issued in favor of Customs Authorities for Bonded Warehouse Operations of 100% EOU for manufacturing of Work Garments & Knitted Gloves situated at 34B, C.N.Roy Road, Kolkata-700039	550.00	350.00
B-17 Bond-Cum-LUT issued in favor of Development Commissioner, FSEZ for SEZ operations	590.00	310.00
VAT/GST Demand in respect of earlier years which has been disputed by the Company	329.86	363.45
Income Tax Demand in respect of earlier years, which has been disputed by the company	62.19	158.60
Corporate Guarantee issued in favor of Subsidiary & Associate Companies	2,100.00	1,000.00

Notes to Financial Statements for the year ended March 31, 2023

NOTE 31: CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT) (Contd.)

b) The company has the following outstanding export forward contracts against the confirmed orders in hand hence no contingent liability has been estimated

Currency	As at 31.03.2023	As at 31.03.2022
USD	71,89,275.25	33,73,337.26
EURO	65,99,186.01	35,21,131.00

NOTE 32: EMPLOYEE BENEFITS (REFER NOTE 28)

(a) Contribution to defined Contribution Plans recognized as expenses are as under:-

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Providend Fund	59.23	63.73
ESIC	17.45	17.16
Total	76.68	80.89

(b) Defined Benefit Plan

Gratuity- The company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with HDFC Standard Life Insurance Co Ltd.

Disclosure for defined benefit plans based on actuarial reports:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Changes in Defined Benefit Obligations:		
Present value of defined benefit obligation at the beginning of the year	134.80	127.36
Current Service Cost	12.62	11.21
Interest Cost	9.44	8.91
Remeasurements (gains)/losses	2.66	(8.92)
Benefits paid	(3.05)	(3.75)
Present value of defined benefit obligation at the end of the year	156.47	134.81
Change in Plan Assets:		
Fair value of plan assets at the beginning of the year	150.48	126.25
Expected Return on Plan Assets	11.28	8.84
Remeasurements (gains)/losses	(7.51)	5.33
Contributions	-	13.81
Benefits paid	(3.05)	(3.75)
Fair value of plan assets at the end of the year	151.20	150.48
Fair Value of Planned Assets:		
Fair value of plan assets at the beginning of the year	150.48	126.25
Actual Return on plan assets	3.77	14.17
Contributions	-	13.81
Benefits paid	(3.05)	(3.75)
Fair value of plan assets at the end of the year	151.20	150.48
Actuarial (Gain)/Loss on Planned Assets:		
Actual Return on plan assets	3.77	14.16
Expected Return on Plan Assets	11.28	8.84
Actuarial (Gain)/Loss	(7.51)	5.32
Actuarial (Gain)/Loss recognized:		
Actuarial (gain)/loss- obligation	2.66	(8.92)
Actuarial (gain)/loss- plan assets	7.51	(5.33)
Total Actuarial (Gain)/Loss	10.17	(14.25)
Actuarial (Gain)/Loss recognized	10.17	(14.25)
Outstanding actuarial (gain)/loss at the end of the year		
Experience adjustment:		
Experience Adjustment (Gain)/Loss for Plan Liabilities	6.98	(8.92)
Experience Adjustment (Gain)/Loss for Plan Assets	(7.51)	(5.33)

Notes to Financial Statements for the year ended March 31, 2023

NOTE 32: EMPLOYEE BENEFITS (REFER NOTE 28) (Contd.)

Disclosure for defined benefit plans based on actuarial reports:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Summary of membership data at the date of valuation and statistics based thereon:		
Number of employees	362	328
Total monthly salary	31.92	29.01
Average Past Service(Years)	9.50	8.90
Average Future Service(Years)	19.20	19.70
Average Age(Years)	40.28	40.30
Weighted average duration (based on discounted cash flows) in years	11	12
Average Monthly Salary	8,818	8,844
Expenses Recognized in the statement of Profit and Loss		
Current Service Cost	12.62	11.21
Interest Cost	9.43	8.91
Expected Return on Plan Assets	(11.28)	(8.84)
Past Service Cost	-	-
	10.77	11.28
Expenses Recognized in the statement of Profit and Loss		
Expenses Recognized in Other Comprehensive Income (OCI)		
Actuarial (gains)/losses arising from changes in financial assumptions	10.17	(14.25)
Total recognized in Other Comprehensive Income	10.17	(14.25)
Total recognized in Total Comprehensive Income	20.94	(2.97)
Amount recognized in the Balance Sheet consists of		
Present Value of Defined Benefit Obligation	156.47	134.81
Fair Value of Plan Assets	151.19	150.48
Net Liability	5.27	(15.67)
The Major Categories of Plan Assets as a % of Total Plan		
Qualifying Insurance Policy	100%	100%

The Principal actuarial assumption used:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Discount Rate	7.50 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality Rate	IALM 2012-14	IALM 2012-14
Withdrawal Rate (Per Annum)	6.95% p.a.	6.95% p.a.

The estimates of future salary increases have been considered in actuarial after taking into consideration the impact of inflation, Seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Same assumptions were considered for comparative period i.e 2017-18 as considered in previous GAAP on transition to Ind AS. The Gratuity Scheme is invested in group Gratuity cash accumulation policy offered by HDFC Standard Life Insurance Co Ltd. The gratuity plan is not exposed to any significant risk in view of absolute track record, Investment is as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Benefits Valued:	60 Years	60 Years
Normal Retirement Age	Last drawn qualifying Salary	Last drawn qualifying Salary
Salary	5 Years of Service	5 Years of Service
Vesting Period	15/26*Salary*Past Service (yr)	15/26*Salary*Past Service (yr)
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2,000,000.00	2,000,000.00

Current Liability:

(₹ in Lakhs)

Particulars	2022-23	2021-22
Current Liability (Short Term)*	31.74	-
Non Current Liability	124.73	-
Total Liability	156.47	-

* Current Liability: It is probable outlay in next 12 months as required by the Companies Act

Notes to Financial Statements for the year ended March 31, 2023

NOTE 32: EMPLOYEE BENEFITS (REFER NOTE 28) (Contd.)

Sensitivity Analysis:

Assumptions	Discount Rate	
	1.0% Increase	1.0% Increase
Sensitivity Level		
Impact on Defined Benefit Obligation (₹ in Lakhs)	147.62	166.41

Salary Growth Rate		Withdrawal Rate	
1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
166.56	147.34	157.73	155.02

The company expects to contribute ₹15.55 lakhs (Previous Year ₹14.02 lakhs) to gratuity fund.

The weighted average duration of the defined benefit obligation as at 31.03.2023 is 11 years (as at 31.03.2022: 12 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted).

Particulars	(₹ in Lakhs)
01 Apr 2023 to 31 Mar 2024	31.73
01 Apr 2024 to 31 Mar 2025	12.61
01 Apr 2025 to 31 Mar 2026	6.93
01 Apr 2026 to 31 Mar 2027	5.35
01 Apr 2027 to 31 Mar 2028	15.18
01 Apr 2028 Onwards	84.64

NOTE 33: SEGMENT REPORTING

- (a) The Company's primary business segment is Industrial Safety Products. The Industrial Safety Products business incorporates product groups' viz. Leather hand Gloves, Industrial Work Garments, Seamless Knitted Gloves, Leather Shoe Upper, Safety Shoes, Helmets, Face masks and Nitrile Dipped Gloves, which mainly have similar risks and returns. Thus the Company's business activity falls within a single primary business segment.
- (b) For the purpose of geographical segments, total sales are divided into India and other countries. The following table shows the distribution of the company's sales by geographical market regardless of where the goods are produced:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Segment Revenue from Operations:		
Outside India	24,790.72	22,296.83
Within India	15,652.44	14,091.10
Total	40,443.16	36,387.93

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Trade Receivables:		
Outside India	5,404.71	6,205.93
Within India	469.89	1,170.68
Total	5,874.60	7,542.01

The company has common fixed assets for producing goods for domestic and export markets. Hence, Separate figures for fixed assets/ additions to fixed assets are not furnished

NOTE 34: RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

a) Subsidiaries	i) Mallcom Safety Pvt. Ltd. [MSPL]
	ii) Mallcom VSFT Gloves Pvt. Ltd. [MVSFT]

Notes to Financial Statements for the year ended March 31, 2023

NOTE 34: RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (Contd.)

b) Associates	i) Kadambini Securities Pvt. Ltd. [KSPL]
	ii) Mallcom Holdings Pvt. Ltd. [MHPL]
	iii) Movers Construction Pvt. Ltd. [MCPL]
	iv) Chaturbujh Impex Pvt. Ltd. [CIPL]
	v) DNB Exim Pvt. Ltd. [DNB]
	vi) Two Star Tannery Pvt. Ltd. [TSTPL]
	vii) SSR Enterprises Pvt Ltd [SSR] (Formerly Vikram Traders Pvt Ltd)
	viii) Mallcom Lexotic Exports Pvt. Limited [MLEPL]
	ix) Anmol Components Pvt. Ltd. [ACPL]
c) Key Managerial Personnel	i) Mr. Ajay Kumar Mall (Managing Director)
	ii) Mr. Giriraj Kumar Mall (ED)
	iii) Shyam Sundar Agrawal (CFO)
	iv) Shuvanki Purkyashtha (CS, Till June 2022)
	v) Anusree Biswas (CS, July 22' onwards)
d) Relatives of Key Managerial Personnel	i) Mr. Sanjay Kumar Mall
	ii) Mr. Rohit Mall
	iii) Mrs. Sunita Mall
	iv) Ms. Kiran Devi Mall
	v) Ms. Preeti Mall
	vi) Ms. Surabhi Mall

e) Transaction with related parties during the year and balance outstanding at the year end:

Type of Transaction	(₹ in Lakhs)							
	Transaction with subsidiaries referred to in (a) above		Transaction with associates referred to in (b) above		Transaction with Key Managerial (KMP) referred to in (c) above		Relatives of Key Managerial referred to in (d) above	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Sale of goods & services	807.13	1,418.60	13.37	1,055.46	-	-	-	-
Purchase of goods, Rent & services	3,939.11	4,568.80	1,593.68	719.47	-	-	-	-
Debtors Receivable	101.98	806.45	40.11	941.12	-	-	-	-
Creditors Payable	462.82	-	87.15	98.84	-	-	-	-
Advance Given	-	8.15	62.01	44.71	-	-	-	-
Remuneration **	-	-	-	-	205.87	93.47	26.53	19.36
Dividend Paid	-	-	97.72	97.72	32.19	32.19	8.19	8.19
Rent Paid	-	-	204.00	54.00	-	-	-	-

** As the future liability of gratuity is provided on actuarial basis for the company as a whole, the amount pertaining to the related party is not included above.

f) Details of compensation paid to KMP during the year are as follows:

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Short-term employee benefits	201.67	87.72
Post-employment benefits*	4.20	5.75
Other long term benefit	Nil	Nil

* Post-employment benefits and other long-term benefits have been disclosed based on actual payment made on retirement/resignation of services, but does not includes provision made on actuarial basis as the same is available for all the employees together.

NOTE 35: INCOME TAX EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Current Tax	1,206.58	1,058.82
Deferred Tax	10.39	(27.41)
Relating to origination and reversal of temporary differences	-	-
Tax Expense attributable to Current Year's/Period's Profit	1,216.97	1,031.41

Notes to Financial Statements for the year ended March 31, 2023

NOTE 35: INCOME TAX EXPENSE (Contd.)

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Adjustments in respect of Income Tax of Earlier Years	28.01	-
Income Tax Expense reported in the Statement of Profit and Loss	1,244.98	1,031.41
Current Tax related to items recognized in Other Comprehensive Income during the year/period		
Net (gain)/Loss on remeasurement of defined benefit plan/Fair value of Investment & Exchange difference on foreign assets/liabilities	2.66	(5.02)
Income Tax Charged to Other Comprehensive Income	2.66	(5.02)

NOTE 36: FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:- (₹ in Lakhs)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non-Current)				
Financial Assets measured at Amortised Cost				
Trade Receivables	5,874.60	5,874.60	7,376.61	7,376.61
Cash and Cash Equivalents	404.77	404.77	315.33	315.33
Other Bank Balances	3,520.96	3,520.96	2,474.12	2,474.12
Loans				
Financial Assets measured at Fair Value through Profit and Loss Account				
Investment in Equity Instruments and Bonds	2,698.63	2,698.63	-	-
Financial Liabilities (Current and Non-Current)				
Financial Liabilities measured at Amortised Cost				
Borrowings	8,417.28	8,417.28	4,541.15	4,541.15
Trade Payables	4,071.45	4,071.45	3,085.59	3,085.59
Other Financial Liabilities	506.74	506.74	96.77	96.77

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer in an orderly transaction between market participants at the measurement date.

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

The fair value of cash and cash equivalents, current trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

A substantial portion of the company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

Investments (Other than Investments in Associates, Joint Venture and Subsidiaries) traded in active market are determined by reference to the quotes from the stock exchanges as at the reporting date. Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held. Quoted Investments for which quotations are not available have been included in the market value at the face value/paid up value, whichever is lower except in case of debentures, bonds and government securities where the net present value at current yield to maturity have been considered. Unquoted investments in shares have been valued based on the historical net asset value as per the latest audited financial statements.

Derivative financial assets and liabilities:

The Company follows established risk management policies, including the use of derivatives to hedge its exposure to foreign fluctuations on foreign currency assets/liabilities. The counter party in these derivative instruments is a bank and the company considers the risks of non-performance by the counter party as non-material.

Notes to Financial Statements for the year ended March 31, 2023

NOTE 36: FINANCIAL INSTRUMENTS (Contd.)

The following tables present the aggregate contracted principal amounts of the company's derivative contracts outstanding:

Underlying Purpose	Category	As at 31.03.2023		As at 31.03.2022		Currency
		No. of deals	Amount in Foreign Currency	No. of deals	Amount in Foreign Currency	
Export Receivables	Forward	24	71,89,275.25	25	33,73,337.26	USD-INR
Export Receivables	Forward	20	65,99,186.01	18	35,21,131.00	EURO-INR

FINANCIAL RISK FACTORS

The Company's activities and exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

MARKET RISK

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instruments. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments and trade and other payables.

Foreign Currency Risk

Foreign Currency risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings, trade receivables and trade or other payables.

The Company has adopted a comprehensive risk management review system wherein it actively hedges its foreign exchange exposures within defined parameters through use of hedging instruments such as forward contracts. The Company periodically reviews its risk management initiatives and also takes experts advice on regular basis on hedging strategy.

Interest Rate Risk

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions. Borrowings at fixed interest rate exposes the company to the fair value interest rate risk.

Other price risk

The Company's equity exposure in Subsidiaries are carried at cost or deemed cost and these are subject to impairment testing as per the policy followed in this respect. The company's current investments which are fair valued through profit and loss are not material. Accordingly, other price risk of the financial instrument to which the company is exposed is not expected to be material.

CREDIT RISK

The credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly and the company obtains necessary security including letter of credits and/or bank guarantee to mitigate.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivable balance at the end of the year (other than subsidiaries), there are no single customer accounted for more than 10% of the accounts receivable and 10% of revenue as at March 31, 2023 and March 31, 2022

LIQUIDITY RISK

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet it's cash and collateral requirements at all times. The company's assets represented by financial instruments comprising of receivables are largely funded against borrowed funds. The company relies on borrowings and internal accruals to meet its fund requirements. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

Notes to Financial Statements for the year ended March 31, 2023

NOTE 37: EARNING PER SHARE (EPS)

A. Basic and Diluted EPS:

Particulars		2022-23	2021-22
Profit or Loss attributable to ordinary Equity Shareholders	₹ in Lakhs	3,665.69	3,089.26
Depreciation & Amortisation Expense	₹ in Lakhs	665.84	596.77
Equity Share Capital	₹ in Lakhs	624.00	624.00
Weighted average number of equity shares outstanding (Face value of ₹10/- per share)	Nos.	62,40,000	62,40,000
Earnings Per Share- Cash	₹	69.42	59.53
Earnings Per Share- Basic and Diluted	₹	58.45	49.51

NOTE 38: KEY RATIOS

Sl. No.	Ratios	Particulars	2022-23	2021-22	% Change
1	Current Ratio	Current Assets / Current Liabilities	1.59	2.15	-26.05%
2	Debt to equity Ratio	Total Outside Liabilities / Shareholders' Equity	0.44	0.29	51.72%*
3	Debt Service Coverage Ratio (DSCR)	Earnings available for debt services / Interest+Instalments	22.58	23.33	-3.21%
4	Return on Equity (ROE)	Net Profit after taxes-Preference dividend (if any) × 100 / Net worth or equity shareholders' fund	19.03	19.66	-3.20%
5	Inventory Turnover Ratio	Sales / Average Inventory	6.56	7.21	-9.02%
6	Debtors Turnover Ratio	Credit Sales / Average Accounts Receivable	6.10	6.01	1.50%
7	Payables Turnover Ratio	Annual Net Credit Purchases / Average Accounts Payables	7.76	7.13	8.84%
8	Net Profit Ratio	Net Profit × 100 / Sales	9.00	8.42	6.89%
9	Return on Capital Employed ROCE (Pre-tax)	EBIT × 100 / Capital Employed	25.50	26.23	-2.78%
10	Return on Capital Employed ROCE (Post-tax)	EBIT(1 - t) × 100 / Capital Employed	19.03	19.66	-3.20%
11	Earnings per Share (EPS)	Net profit available to equity shareholders / Number of equity shares outstanding	58.75	49.51	18.66%
12	Return on Investment (ROI)	Return or Profit or Earnings × 100 / Investments or Total Assets	11.14	12.85	-13.31%
13	Net Capital Turnover Ratio	Sales / Net Assets	2.10	2.32	-9.48%

* There is an increase of 51.72% in Debt to Equity Ratio due to increase in Working Capital Borrowings with similar increase in Current Investments.

Notes to Financial Statements for the year ended March 31, 2023

NOTE 39: LEASE

The Company has been allotted land at Falta SEZ on operating lease basis with continuity and yearly lease rent as to be decided by the SEZ authority. Subject to this the Company holds certain low underlying value assets on lease basis and in line the exemption provided, provisions relating to creation of ROU Asset & lease liability by Ind AS-116 is not considered. Instead the rent payment for such leases has been recognized as expenses on straight-line basis. The Company has taken certain premises on lease for 3 years to 99 years. There are no subleases. Lease rent obligation for the duration for the full duration of lease is disclosed as below:

Particulars	2022-23	2021-22
Lease payment for the year	6.08	5.68
Minimum Lease payment not later than 1 year	4.50	4.36
Later than one year but not later than Five years	18.00	17.44
Later than Five years	31.28	25.19

NOTE 40: MICRO, SMALL AND MEDIUM ENTERPRISES

There were no dues outstanding to the suppliers as on 31.03.2023 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

NOTE 41:

In the opinion of the management and to the best of their knowledge and belief, the value of realization of loans and advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

NOTE 42:

(₹ in Lakhs)

Amount Required to be spent	63.59
Expenditure incurred	17.16
Shortfall at the end of the year	46.43
PY shortfall	Nil
Reason for shortfall	The total amount required to be spent by the Company towards CSR Projects for the Financial Year 2022-2023 was ₹63.59 lakhs. As against the required sum, the Company had spent an amount of ₹17.16 lakhs in aggregate towards various CSR Projects. As per the provisions of Section 135(6) of the Companies Act, 2013, unspent amount of ₹46.43 Lakhs has been transferred to separate bank account namely Unspent Corporate Social Responsibility Account, within 30 days from the end of the Financial Year and shall be utilized for the ongoing CSR Project namely Education of Unprivileged children and as per the recommendation of the CSR committee.
Nature of CSR Activity	Training & Promotion of Olympics Sports via Para Badminton Athlete Ms. Manasi Joshi Education of underprivileged children & Research ,
Details of Related Party transaction	KD Mall Charitable Trust Education of underprivileged children – ₹3.12 lakhs

NOTE 43:

These Financial results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amended) Rules, 2016, prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.

NOTE 44:

Pursuant to the Provision of Section 233 of the Companies Act, 2013, the Scheme of Amalgamation between the 100% Subsidiary Company "Best Safety Private Limited (Transferor Company)" with "Mallcom (India) Limited (Transferee Company)" was approved by the Regional Director(ER), Ministry of Corporate Affairs, vide his order no. RD/T/35069/S-233/22/8257-60 dated 15th December 2022, with Appointed date as 01/04/2021. The Previous Year figures above are re-instated with the effect given for the Amalgamation. Revenue from Operations and Profit after Tax (PAT) for the Year ended 31.03.2022 is thus adjusted by (-) ₹315.36 Lakhs by ₹2.89 Lakhs, respectively.

NOTE 45:

During the Year under review the Company had further Invested ₹840.00 Lacs @FMV of ₹28.00 per share towards issuance of 30,00,000 shares (25% of enhanced equity) and further acquired the residual stake of 14,99,900 shares (25%) stake in Subsidiary Company "Mallcom Safety private Limited (MSPL)" at an Investment value of ₹409.47 Lac @ FMV of ₹27.30 per share, resulting in MSPL becoming a 100% Subsidiary of the Company.

Notes to Financial Statements for the year ended March 31, 2023

NOTE 46:

Bank returns/ Stock statements filled by the Company with its bankers are in agreement with books of account.

NOTE 47:

There has been no delay in Registration or Satisfaction of charge with Registrar of Companies (ROC) beyond the Statutory Period allowed for the purpose.

NOTE 48:

During the year the Company has not entered in to any transactions with companies stuck off under the Companies Act, 2013

NOTE 49:

During the year there has been no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961

NOTE 50:

There has been no revaluation of Property, Plant & Equipment or Intangible Assets during the FY 2022-23

NOTE 51:

There has been no default in borrowings by the Company and has not been declared wilful defaulter by the bank or any financial institutions.

NOTE 52:

No Proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

NOTE 53:

During the FY 2022-23 the company has not applied or approved any Scheme of Arrangements by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013

NOTE 54:

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial Year 2022-23

NOTE 55:

Figures less than 50,000 have been shown actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest Lakhs.

NOTE 56:

The Board of Directors of the Company has recommended a dividend of ₹3/- per ordinary share of ₹10/- each for the financial year ended 31st March, 2023 subject to approval of the members at the ensuing Annual General Meeting.

NOTE 57:

These Financial Statements have been approved by Board of Directors of the Company on 29th May 2023 for issue to the shareholders for their adoption.

NOTE 58:

Figures for the previous periods are re-classified/re-arranged/re-grouped, whenever necessary.

As per our report of even date

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner
Membership No. : 52722

Place: Kolkata
Date: 29th May 2023

For and on behalf of the Board

Ajay Kumar Mall

Managing Director
(DIN: 00470184)

Shyam Sundar Agrawal

Chief Financial Officer

Giriraj Kumar Mall

Director
(DIN: 01043022)

Shalini Ojha

Company Secretary
(ACS:48483)



**Consolidated Ind AS
Financial Statements**

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Mallcom (India) Limited

Report on the audit of Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS financial statements of MALLCOM (INDIA) LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding company and its subsidiaries hereinafter referred to as "the Group"), which comprise the Balance Sheet as at 31st March 2023, and the consolidated Statement of Profit and Loss, (including other comprehensive income), the Statement of Changes in Equity and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on other financial information of the subsidiaries, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, the Consolidated Statement of Profit and Loss (including other comprehensive income) and the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity 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 Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated 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 Consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone 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. In addition, we have determined the matters described below as Key Audit Matters and our description of how our audit addressed the matter is provided in that context.

Key Audit Matter that requires to be communicated in our report:

(i) Completeness, existence and accuracy of Revenue Recognition (Refer to Note 3(i) and 26 of the Consolidated financial statements)

Key Audit Matters	How the matter was addressed in our audit
<p>Revenue is one of the key profit drivers and is therefore susceptible to mis-statement. Cut-off is the key assertion in so far as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year. The Company manufactures and sells a number of products to its customers. The Company has adopted the new accounting standard Ind AS 115 as at April 1, 2018 and accordingly has reviewed its sales contracts for determining the principles for recognizing revenue in accordance with the new standard.</p>	<p>Principal audit procedures:</p> <ol style="list-style-type: none"> Our audit procedures with regard to revenue recognition included testing controls, automated and manual, around dispatches/deliveries, inventory reconciliations and circularization of receivable balances, substantive testing for cut-offs and analytical review procedures. Selected a sample of contracts and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to the identification of performance obligations and timing of revenue recognition. Selected a sample of contracts and reassessed contractual terms to determine adherence to the requirements of the new accounting standard.

(ii) Existence and Valuation of Inventories (Refer note 3(m) and 10 of the Consolidated Financial Statements)**Key Audit Matters**

The Company's major part of inventory comprises Raw Material/ Accessories/ Work-in-Progress/ finished goods which are geographically spread over multiple locations such as factories producing difference products. These inventories are also procured at many times as per customer specification and order requirement and customized as such. The whole inventory is counted by the Company on a cyclical basis and accordingly provision for obsolescence of inventories is assessed and recognized by the management in the financial statements based on management estimation as at end of reporting period.

The Company manufactures and sells goods which may be subject to changing consumer demands and product developments. Significant degree of judgment is thereby required to assess the net realizable value of the inventories and appropriate level of provisioning for items which may be ultimately sold below cost. Such judgment includes management's expectations for future sale volumes, inventory liquidation plans and future selling prices less cost to sell.

Based on above, existence and valuation of inventories has been identified as a key audit matter.

How the matter was addressed in our audit

In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:

- a) Obtaining an understanding of and assessing the design, implementation and operating effectiveness of management's key internal controls relating to physical verification of inventories by the management and the internal auditors of the Company, identification of obsolete and slow-moving inventories, inventories with low or negative gross margins, monitoring of inventory ageing and assessment of provisioning and of net realizable values.
- b) Assessing whether items in the inventory ageing report prepared by the management were classified within the appropriate ageing bracket;
- c) Performing a review of the provisions for inventories by examining movements in the balance during the current year and new provisions made for inventory balances as at 31 March 2023 during the current year to assess the historical accuracy of management's inventory provisioning process;
- d) Assessing, on a sample basis, the net realizable value of slow-moving and obsolete inventories and inventories with low or negative gross margins as calculated by management with reference to prices achieved and costs to sell after the financial year end.
- e) Attending cyclical inventory counts at various godowns & factories at regular intervals during the reporting period and evaluating the results of the cycle counts performed by the management throughout the year to assess management's estimation of the provisioning.

Information other than the Financial Statements and Auditors' Report thereon

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

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

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Ind AS Financial Statements:

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of requirements of the Act, that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the group, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the companies included in the group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities, the 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 consolidated Ind AS Financial Statements that give a true and

fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of presentation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

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

Those respective Board of Directors are also responsible for overseeing the Company's financial reporting process of the group.

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

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

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

Identify and assess the risks of material misstatement of the consolidated 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Parent company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude, on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 consolidated Ind AS 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 Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements. For the subsidiaries included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them.

We communicate with those charged with governance of the Holding company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 consolidated 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.

Other Matters

Financial statements/financial information of two (2) subsidiaries namely Mallcom Safety Pvt. Ltd. and Mallcom VSFT Gloves Pvt. Ltd., whose financial statements/financial information reflect total assets of ₹2822.22 and ₹2277.90 lacs respectively as at 31st March, 2023, total revenues of ₹1560.81 and ₹3784.48 lacs respectively and net profits amounting to (-)₹89.35 lacs and ₹117.37 lacs respectively for the year ended on that date, as considered in the consolidated Ind AS financial statements.

Report on Other Legal and Regulatory Requirements

- 1) As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements and other financial information of the subsidiaries as referred in the other matter paragraph above, we report, to the extent applicable, that:

- 2) As required by Section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial Statements.
 - b) In our opinion, proper books of account as required by law, relating to the preparation of the aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of consolidated Ind AS financial statements.
 - d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors of the Holding company as on 31st March 2023 and taken on record by the Board of Directors of the Holding company and its subsidiaries, none of the directors of the group's companies is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of internal financial controls over financial reporting of the Holding Company and its Subsidiaries, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and explanations given to us, the remuneration paid by the holding company to its directors during the current year is in accordance with the provisions of Section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The group has disclosed the impact of pending litigations on its financial position in its consolidated financial position;
 - (ii) The group has made provision for material foreseeable losses on long-term derivative contracts, as required under the applicable laws or Ind AS in these consolidated financial statements.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the group, during the year.
 - (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures 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.
 - (v) (a) The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable.
 - (b) The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722
ICAI UDIN: 23052722BGYAFE5635

19A, Jawaharlal Nehru Road,
Kolkata – 700 087.

Dated : 29th May, 2023

Annexure 'A' to the Auditors' Report of even date on the consolidated IND AS Financial statements of MALLCOM (INDIA) LIMITED

(Referred to in Paragraph 2(f) under the heading "Report on other legal and regulatory requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of MALLCOM (INDIA) LIMITED ("the Company") as of 31st March 2023 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Group Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists,

and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other Auditors in terms of their Reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitation of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Parent Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722
ICAI UDIN: 23052722BGYAFE5635

19A, Jawaharlal Nehru Road,
Kolkata – 700 087.

Dated : 29th May, 2023

Consolidated Balance Sheet as at 31st March 2023

(₹ in Lakhs)

Sl. NO.	Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
I.	ASSETS			
	Non-Current Assets			
	Property, Plant and Equipment	5	10,695.89	6,291.86
	Intangible assets	6	7.08	5.17
	Capital work-in-progress	7	825.53	1,473.88
	Financial Assets			
	Investments	8	0.06	0.06
	Loans	9	127.13	94.65
	Non Current Tax Assets (Net)		182.39	280.24
			11,838.08	8,145.85
	Current Assets			
	Inventories	10	8,573.05	7,151.91
	Financial Assets			
	Investments	11	2,698.63	-
	Trade receivables	12	5,880.41	6,940.73
	Cash and cash equivalents	13	416.84	384.85
	Other Bank Balances	14	3,586.45	2,474.12
	Loans	9	4.99	11.64
	Other Current Assets	15	2,424.58	2,374.69
			23,584.95	19,337.93
	Total Assets		35,423.03	27,483.78
II.	EQUITY AND LIABILITIES			
	Equity			
	Equity Share Capital	16	624.00	624.00
	Other Equity	17	19,698.89	16,171.53
			20,322.89	16,795.53
	Minority Interest		-	422.45
	LIABILITIES			
	Non Current Liabilities			
	Financial Liabilities			
	Long Term Borrowing	18	396.40	596.62
	Other Financial Liabilities	19	632.94	598.04
	Deferred Tax Liabilities (Net)	20	92.48	35.37
			1,121.82	1,230.03
	Current Liabilities			
	Financial Liabilities			
	Short-Term Borrowings	21	8,677.64	4,741.15
	Trade Payables	22	4,127.41	3,544.27
	Other Financial Liabilities	23	506.74	96.77
	Other Current Liabilities	24	661.25	653.58
	Provisions	25	5.28	-
			13,978.32	9,035.77
	Total Equity and Liabilities		35,423.03	27,483.78

Significant Accounting Policies

3

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner
Membership No. : 52722

Place: Kolkata
Date: 29th May 2023

For and on behalf of the Board

Ajay Kumar Mall

Managing Director
(DIN: 00470184)

Shyam Sundar Agrawal

Chief Financial Officer

Giriraj Kumar Mall

Director
(DIN: 01043022)

Shalini Ojha

Company Secretary
(ACS:48483)

Consolidated Statement of Profit and Loss for the year ended 31st march, 2023

(₹ in Lakhs)

Sl. NO.	Particulars	Note	As at 31st March, 2023	As at 31st March, 2022
	INCOME			
I	Revenue from operations	26	41,055.39	35,722.85
II	Other Income	27	314.69	313.81
III	TOTAL INCOME		41,370.08	36,036.66
IV	EXPENSES			
	Cost of materials consumed	28	21,160.55	19,491.09
	Purchase of Traded Goods	29	3,800.27	3,327.98
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	30	113.25	(1,284.75)
	Employee Benefit Expense	31	1,872.45	1,470.18
	Finance Costs	32	245.79	204.32
	Depreciation and Amortization Expense	5 & 6	826.81	828.84
	Manufacturing and other Operational Expense	33	7,651.28	7,305.46
	Other Expenses	34	609.28	444.53
	TOTAL EXPENSES		36,279.68	31,787.65
V	Profit before exceptional and extraordinary items and tax		5,090.40	4,249.01
	Exceptional & Extraordinary Items		-	-
VI	Profit before tax		5,090.40	4,249.01
VII	Tax Expense	39		
	Current tax		1,270.03	1,116.14
	Deferred tax		54.46	(26.20)
	Income Tax for Earlier Years		72.20	13.62
			1,396.69	1,103.56
			3,693.71	3,145.45
	Add; Adjustment for MAT Credit Receivable		-	10.18
VIII	PROFIT FOR THE PERIOD		3,693.71	3,155.63
	Less: Non Controlling Interest		-	(106.76)
IX	PROFIT FOR THE PERIOD		3,693.71	3,262.39
X	OTHER COMPREHENSIVE INCOME			
	Items that will not be Reclassified to Profit or Loss			
	Fair value of Investment / exchange difference on forex outstandings		20.73	(5.02)
	Income Tax relating to these items		(5.22)	1.26
	Items that will not be reclassified to profit or loss (Re-measurement of post employment benefit obligations)	36(b)	(10.17)	2.96
	Income Tax relating to these items		2.56	(0.74)
			7.90	(1.54)
XI	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		3,701.61	3,260.85
	(Comprising Profit and Other Comprehensive Income for the Period)			
XII	Earning per equity share of ₹10 each (In ₹)	41		
	Cash		73.32	65.14
	Basic & Diluted		59.19	52.28

Significant Accounting Policies

3

The accompanying notes are an integral part of the Financial Statements.

As per our report of even date

For S.K.Singhania & Co.

Chartered Accountants

Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722

Place: Kolkata

Date: 29th May 2023

For and on behalf of the Board**Ajay Kumar Mall**

Managing Director

(DIN: 00470184)

Shyam Sundar Agrawal

Chief Financial Officer

Giriraj Kumar Mall

Director

(DIN: 01043022)

Shalini Ojha

Company Secretary

(ACS:48483)

Consolidated Standalone Cash Flow Statement for year ended 31st March 2023

(₹ in Lakhs)

Sl. NO.	Particulars	year ended 31.03.2023		year ended 31.03.2022	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit before Taxation and Extraordinary Items		5,090.40		4,249.00
	Adjustments For:				
	Depreciation and Amortisation Expense	826.81		828.84	
	Balances Written Back (Net)	(24.73)		(6.54)	
	Interest Income	(158.01)		(211.01)	
	Profit on sale of Property, Plant & Equipment (Net)& Investment	(5.57)		(88.49)	
	Remeasurement Gain of DBO/DBP	7.90		(1.54)	
	Finance Costs	245.79	892.19	204.32	725.58
	Operating Profit before Working Capital Changes		5,982.59		4,974.58
	Adjustments For:				
	(Increase)/Decrease in Trade and Other Receivables	984.60		(1,688.66)	
	(Increase)/Decrease in Inventories	(1,421.14)		(1,430.74)	
	Increase/(Decrease) in Trade and Other Payables and Provisions	1,043.58	607.04	(524.22)	(3,643.62)
	Cash Generated From Operations		6,589.63		1,330.96
	Direct Taxes Paid (Net of Refunds)		(1,244.38)		(1,206.36)
	Net Cash from Operating Activities		5,345.25		124.60
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Profit on sale of Property, Plant & Equipment , Investment	5.57		88.49	
	Share Capital/Premium & Reserve Raised /Acquisition	(409.47)		-	
	Purchase of Property, Plant and Equipments (Including Capital Work-in-Progress and Advances)	(4,584.40)		(2,380.52)	
	Purchases/Proceeds from sale of Investments	(2,698.63)		1,878.58	
	Balances written back (net)/ remeasurement of DBO/DBP	24.73		6.54	
	Interest Income	158.01		211.01	
	Net Cash from/ (Used in) Investing Activities		(7,504.19)		(195.90)
C	CASH FLOW FROM FINANCING ACTIVITIES				
	Proceeds/(Repayment) of Long Term Borrowings	(200.23)		839.53	
	Proceeds/(Repayment) of Short Term Borrowings(net)	3,936.49		(588.72)	
	Interest and Financial Charges Paid	(245.79)		(204.32)	
	Dividend and Tax paid thereon (Interim, special and Final)	(187.20)		(187.20)	
	Net Cash from/ (Used in) Financing Activities		3,303.28		(140.71)
	Net Increase/(Decrease) in cash or cash equivalents (A+B+C)		1,144.33		(212.01)
	Cash or Cash equivalents at the beginning of the year		2,858.97		3,070.99
	Cash or Cash equivalents at the end of the year		4,003.29		2,858.97

The accompanying notes are an integral part of the Financial Statements.

1 Reconciliation of Financial Liabilities arising from Financing Activities

Particulars	Opening Balance	Financing Cash Flow Changes		Non-Financing Cash Flow Changes		Closing Balance
	As at 01.04.2022	Principal	Proceeds/ (Repayment)	Fair Value Changes	Forex Changes	As at 31.03.2023
Short Term Borrowings	4,741.15	3,936.49	-	-	-	8,677.64
Long Term Borrowings	596.62	-	(200.23)	-	-	396.40

Consolidated Standalone Cash Flow Statement for year ended 31st March 2023

- 2 Direct Taxes are treated as arising from operating activities and are not bifurcated between investing and financing activities”
- 3 The above cash flow statement has been prepared under the indirect method set out in In AS-7 “Statement of Cash Flows”
- 4 For the purpose of Statement of Cash Flow, Cash and Cash Equivalents comprise the followings:

Particulars	As at 31.03.2023	As at 31.03.2022
Balance with Banks	3,989.13	2,838.49
Cash in Hand	14.16	20.48

As per our report of even date

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner

Membership No. : 52722

Place: Kolkata

Date: 29th May 2023

For and on behalf of the Board**Ajay Kumar Mall**

Managing Director

(DIN: 00470184)

Shyam Sundar Agrawal

Chief Financial Officer

Giriraj Kumar Mall

Director

(DIN: 01043022)

Shalini Ojha

Company Secretary

(ACS:48483)

Consolidated Statement of Changes in Equity for the year ended 31st March, 2023

A. EQUITY SHARE CAPITAL (Refer Note 15)

(₹ in Lakhs)

Particulars	Numbers	Amount
Equity Shares of ₹10/- each, issued, subscribed and fully paid-up		
As at 31.03.2023	6,240,000	624.00
As at 31.03.2022	6,240,000	624.00

B. OTHER EQUITY (Refer Note 17)

For the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Opening Balance as at 01.04.2022	402.18	1,518.12	14,100.00	151.23	16,171.53
Add: Adjustment for Minority Interest	-	250.00	125.00	47.45	422.45
	402.18	1,768.12	14,225.00	198.68	16,593.98
Share Premium Raise during the year	-	540.00	-	-	540.00
Profit for the Current Year	-	-	-	3,693.71	3,693.71
Comprehensive Income for the year	-	-	-	7.90	7.90
Total Comprehensive Income for the year	-	-	-	3,701.61	3,701.61
	402.18	2,308.12	14,225.00	3,900.29	20,835.59
Transfer to/ (from) Retained Earnings	-	-	3,525.00	(3,525.00)	-
Less: Dividend Paid	-	-	-	(187.20)	(187.20)
Less: Cost of Investment in Subsidiaries	-	(1,040.00)	(250.00)	340.50	(949.50)
Closing Balance as at 31.03.2023	402.18	1,268.12	17,500.00	528.59	19,698.89

For the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Opening Balance as at 01.04.2021	402.18	1,768.12	11,475.00	(42.57)	13,602.73
Add: Cost of Investment in Subsidiaries	-	-	-	24.36	24.36
Less: Non Controlling Interest	-	250.00	125.00	154.21	529.21
	402.18	1,518.12	11,350.00	(172.42)	13,097.88
Profit for the Current Year	-	-	-	3,262.39	3,262.39
Comprehensive Income for the year	-	-	-	(1.54)	(1.54)
Total Comprehensive Income for the year	-	-	-	3,260.85	3,260.85
	402.18	1,518.12	11,350.00	3,088.43	16,358.73
Transfer to/ (from) Retained Earnings	-	-	2,750.00	(2,750.00)	-
Dividend	-	-	-	(187.20)	(187.20)
Closing Balance as at 31.03.2022	402.18	1,518.12	14,100.00	151.23	16,171.53

As per our report of even date

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner
Membership No. : 52722

Place: Kolkata
Date: 29th May 2023

For and on behalf of the Board

Ajay Kumar Mall

Managing Director
(DIN: 00470184)

Shyam Sundar Agrawal

Chief Financial Officer

Giriraj Kumar Mall

Director
(DIN: 01043022)

Shalini Ojha

Company Secretary
(ACS:48483)

Notes to Consolidated Financial Statements for the year ended March 31, 2023

1. Group Information

Mallcom (India) Limited (MIL or 'the Company') is a public Limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed at NSE & BSE. The registered office of the Company is located at EN-12, Sector-V, Salt Lake City, Kolkata-700091.

These consolidated financial statements (CFS) are approved and adopted by the Board of Directors of the Company in its meeting dated 29th May 2023. They comprise of the financial statements of Mallcom (India) Limited and its subsidiaries – Mallcom VSFT Gloves Pvt Ltd and Mallcom Safety Private Limited, which are incorporated in India. The effect of intra group transactions between the company and its subsidiaries are eliminated on consolidation.

The Group is engaged in the manufacture, export and distribution of a wide range of Personal Protective Equipment (PPE)

For Company's principal shareholders, Refer Note No.16

2. Principles of Consolidation

The Subsidiaries considered in the preparation of these Consolidated Financial Statements are:

Name of the Subsidiary Company	Principal Activity	Country of Incorporation	% Shareholding	
			As at 31.03.2023	As at 31.03.2022
Mallcom VSFT Gloves Pvt. Ltd	Manufacturer & Exporter of Nitrile Dipped & Other Synthetic Gloves	India	100	100
Mallcom Safety Pvt. Ltd	Dealers in Personal Protective Equipment(PPE)	India	100	100

The Consolidated Financial Statements of the Group are prepared on following basis:

- The Consolidated Financial Statements are prepared in accordance with Ind AS 110- "Consolidated Financial Statements" notified under section 133 of the Companies Act, 2013, read together with rule 7 of the Companies (Accounts) Rules, 2014.
- The Financial Statements of the Company and its Subsidiary Companies are combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating Intra-group balances and intra-group transactions and resulting unrealized profits or losses in accordance with Ind AS 110.
- The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's Standalone Financial Statements.
- The Financial Statements of the Company and its Subsidiaries used in the consolidation are drawn up to the same reporting date i.e. 31st March, 2023.

3. Significant Accounting Policies

a) Basis of Measurement

The consolidated financial statements are prepared on historical cost convention on accrual basis except for insurance claims which are accounted for on cash/acceptance basis due to uncertainty of realization.

The financial statements are presented in Indian Rupees ("INR") and all values are rounded to the nearest Lakhs, except otherwise indicated.

b) Subsidiaries

- Subsidiaries are entities over which the Group has control and the Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its:
 - Power over the investee
 - Exposure or rights to variable returns from its involvement with the investee
 - The ability to use its power over the investee to affect its returns

Subsidiaries are consolidated from the date control over the subsidiary is acquired and they are discontinued from the date of cessation of control.

- The Group combines the financial statements of the Company and its subsidiaries based on a line-by-line consolidation by adding together the book value of like items of assets and liabilities, revenue and expenses as per the respective financial statements. Intra group balances, intra group transactions and the unrealized profits on stocks arising out of intra group transaction have been eliminated.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

- iii. The consolidated financial statements are prepared using uniform accounting policies for similar material transactions and other events in similar circumstances otherwise as stated elsewhere.
- iv. The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognised in the consolidated financial statements as Goodwill or Capital reserve as the case may be. The said goodwill is not amortised, however it is tested for impairment at each balance sheet date and impairment loss, if any is recognized in the consolidated financial statements.
- v. Non-controlling interest's share of net profit of subsidiaries for the year is identified and adjusted against the revenue of the Group in order to arrive at the net revenue attributable to the owners of the Company. The excess of loss for the year over the non-controlling interest is adjusted in owner's interest.
- vi. Non-controlling interest's share of net assets of subsidiaries is identified and presented in the Consolidated Balance Sheet separate from liabilities and the equity of the Company's shareholders.

c) Non-controlling Interest

Non-controlling interests represent the proportion of income, other comprehensive income and net assets in subsidiaries that is not attributable to the Company's owners.

Non-controlling interests are initially measured at proportionate share on the date of acquisition of the recognised amounts of the acquiree's identifiable net assets. Subsequent to the acquisition, the carrying amount of the non-controlling interests is the amount of the interest at initial recognition plus the proportionate share of subsequent changes in equity.

d) Property, Plant and Equipment

Property, Plant and equipment are stated at cost less accumulated depreciation/amortization and impairment, if any. Freehold land not containing mineral reserve is disclosed at cost less impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/bringing the asset to its working condition for its intended use (net of credit availed, if any). When significant parts of the plant and equipment are required to be replaced at intervals the company depreciates them separately based on their specific useful lives. Capital work in progress is carried at cost and directly attributable expenditure during construction period which is allocated to the property, plant and equipment on the completion of project.

Borrowing costs directly attributable to the acquisition/construction of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use. Other borrowing costs are recognized as an expense in the period in which they are incurred.

Depreciation and Amortisation

Depreciation is provided on written down value method over the estimated useful lives of the assets. Leasehold Property are depreciated over their expected lease terms. No depreciation is charged on Freehold land. Estimated useful lives of the assets are as follows:

Nature of Asset	Estimated Useful Lives
Plant & Machinery	15 Years
Building	30 Years
Electric Installations	15 Years
Mould & Dies	15 Years
Furniture & Fixtures	10 Years
Vehicles	8 Years
Office Equipment	5 Years
Computers	3 Years
Computer License	6 Years
Patent Right	6 Years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

e) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment, if any. Cost comprises of purchase price and directly attributable cost of acquisition/bringing the asset to its working condition for its intended use (net of credit availed, if any) Amortization is provided on a written down value method over estimated useful lives.

The residual values, useful lives and method of depreciation of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

f) Derecognition of Tangible and Intangible assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

g) Impairment of Non-Financial Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal & external factors. An impairment loss is recognized wherever the carrying amounts of an asset exceed its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. Reversal of impairment loss is recognized immediately as Income in the Statement of Profit and Loss.

h) Financial Assets and Financial Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when the Group becomes a party to the contractual provisions of the instruments.

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) 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 the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current, if they are expected to be realised or settled within operating cycle of the Group or otherwise these are classified as non-current.

The classification of financial instruments whether to be measured at Amortised Cost, at Fair Value through Profit and Loss (FVTPL) or at Fair Value through Other Comprehensive Income (FVTOCI) depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

I. Cash & Cash equivalents

Cash & Cash equivalents consist of Cash on Hand, Cash at Bank, Term Deposits & Cheques in Hand. All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

II. Financial Assets and Financial Liabilities measured at amortised cost

Financial Assets held within a business whose objective is to hold these 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 are measured at amortised cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

III. Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business 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. Subsequent to initial recognition, they are measured at fair value and changes therein are recognized directly in other comprehensive income.

IV. For the purpose of para (2) and (3) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

V. Financial Assets or Liabilities at Fair value through profit or loss

Financial Instruments which does not meet the criteria of amortised cost or fair value through other comprehensive income are classified as Fair Value through Profit and loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

VI. Derivative and Hedge Accounting

The Group enters into derivative financial instruments such as foreign exchange forward, swap and option contracts to mitigate the risk of changes in foreign exchange rates in respect of financial instruments and forecasted cash flows denominated in certain foreign currencies. The Group uses hedging instruments which provide principles on the use of such financial derivatives consistent with the risk management strategy of the Group. The hedge instruments are designated and documented as hedges and effectiveness of hedge instruments to reduce the risk associated with the exposure being hedged is assessed and measured at inception and on an ongoing basis.

Any derivative that is either not designated as a hedge, or is so designated but is ineffective as per Ind AS 109 "Financial Instruments" is categorised as a financial asset, at fair value through profit or loss. Transaction costs attributable are also recognised in Statement of profit and loss. Changes in the fair value of the derivative hedging instrument designated as a fair value hedge are recognised in the Statement of profit and loss.

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented within equity as cash flow hedging reserve to the extent that the hedge is effective.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued prospectively. Any gain or loss recognised in other comprehensive income and accumulated in equity till that time remains and thereafter to the extent hedge accounting being discontinued is recognised in Statement of profit and loss. When a forecasted transaction is no longer expected to occur, the cumulative gain or loss accumulated in equity is transferred to the Statement of profit and loss.

VII. Impairment of financial assets

A financial asset is assessed for impairment at each balance sheet date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

The Group measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

VIII. Derecognition of financial instruments

The Group derecognises a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognised in statement of profit and loss.

On derecognition of assets measured at Fair Value through Other Comprehensive Income FVTOCI, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognized in Statement of Profit and Loss.

i) Revenue recognition

Sales

Revenue from sale of goods is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with delivery.

Export Benefits

Export incentives are accounted for on export of goods in the year of export if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim is fulfilled.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

Interest & Dividend

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the shareholders' right to receive payment is established by the balance sheet date.

j) Provisions & Contingent Liabilities

Provisions are recognized when an enterprise has a present obligation as a result of past event that probably requires an outflow of resources to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. They are reviewed at each balance sheet date and adjusted to reflect the current best estimates

Contingent Liabilities are not provided for and are disclosed by way of notes to the financial statements 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 Group or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are not recognised but disclosed in the consolidated financial statements by way of notes to accounts when an inflow of economic benefits is probable.

k) Foreign Currency Transaction

Foreign currency transactions are recorded in the reporting currency prevailing at the date of the transaction. Realized gains/ losses on foreign exchange transactions during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currency are translated at the yearend rates and resultant gains/losses from foreign exchange translations are recognized in the Statement of Profit and loss.

Forward Exchange Contracts not intended for trading or speculation purposes.

The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or expense for the year.

l) Equity Share Capital

An equity instrument is a contract that evidences residual interest in the assets of the Group after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

m) Inventories

Inventories are valued at lower of cost or net realisable value. Cost of inventories is ascertained on 'FIFO' basis. Materials and other supplies held for use in the production of inventories are not written down below cost if the related finished products are expected to be sold at or above cost.

I. Raw Materials, Stores and spares

These are valued at the lower of cost and estimated net realizable value, after providing for cost of obsolescence and other anticipated losses, wherever, considered necessary.

II. Work-in-progress and Finished Goods

These include cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis.

n) Leases

The Company as lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. 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 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. At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which

Notes to Consolidated Financial Statements for the year ended March 31, 2023

it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease. For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease. Company adopted Ind AS 116 on Leases w.e.f 1st April 2019."

o) Taxation

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the incomestatement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Tax expense comprises of current tax and deferred tax.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

p) Employee Benefits

I. Short Term Employee Benefits

Short term employee benefits, such as salaries, wages, incentives etc. are recognized as expenses at actual amounts, in the Statement of Profit and Loss of the year in which the related services are rendered. Leave not availed in a year can be carried forward up to 30 days.

II. Defined Contribution Plans

Defined contribution plans are Provident Fund Scheme, Employee State Insurance Scheme and Government administered Pension Fund Scheme for the employees. The company makes monthly contributions towards these funds / schemes, which are recognized in the Statement of Profit & Loss in the financial year to which they relate. There is no obligation other than the monthly contributions.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

III. Defined Benefit Plans

The company has a defined benefit plan for Post-employment benefit in the form of Gratuity for all employees. Contribution on account of gratuity payment is made to the Gratuity Trust. Liability for above defined benefit plan is provided on the basis of actuarial valuation, as at the Balance Sheet date. The actuarial method used for measuring the liability is the Projected Unit Credit method. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

q) Earnings Per Share

Basic Earnings per Share is calculated by dividing the net profit or loss after tax for the year attributable to Equity Shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average numbers of equity shares outstanding during the year are adjusted for events of bonus issue, bonus elements in a right issue to existing shareholders and share splits.

For the purpose of calculating Diluted Earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

r) Segment Reporting

Segment is identified and reported taking into account the nature of products and services, the different risks and returns and the integral business reporting systems. The Group's primary business segment is Industrial Safety Products. The Industrial Safety Products business incorporates product groups viz. Leather hand Gloves, Industrial Work Garments, Seamless Knitted Gloves, Leather Shoe Upper, Safety Shoes and Nitrile Dipped Gloves, which mainly have similar risks and returns. Thus the Group's business activity falls within a single primary business segment.

s) Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognised in the Statement of Profit and Loss using the effective interest method.

t) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investment. All other investments are classified as long term investments. Current Investments are carried at lower of cost and fair value determined on individual investment basis. Long-terms investments are carried at cost. A provision of diminution is made to recognize a decline, other than temporary, in the value of long-term investments.

4. Critical accounting judgments, assumptions and key sources of estimation and uncertainty

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

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the consolidated financial statements have been disclosed below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

i. Depreciation / amortisation and impairment on property, plant and equipment / intangible assets.

Property, Plant and Equipment and Intangible assets are depreciated/amortised on straight-line/written down value basis over the estimated useful lives (or lease term if shorter) in accordance with Group accounting policy, taking into account the estimated residual value, wherever applicable.

The Group reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation Asset's recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rates which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The Group

Notes to Consolidated Financial Statements for the year ended March 31, 2023

reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortisation and amount of impairment expense to be recorded during any reporting period. This reassessment may result in change estimated in future periods.

ii. Arrangements containing leases and classification of leases

The Group enters into service / hiring arrangements for various assets / services. The determination of lease and classification of the service/hiring arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialised nature of the leased asset.

iii. Claims and Compensation

Claims including insurance claims are accounted for on determination of certainty of realisation thereof.

iv. Impairment allowances on trade receivables

The Group evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Group bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience. If the financial conditions of the trade receivable were to deteriorate, actual write-offs would be higher than estimated.

v. Income taxes

Significant judgment is required in determination of taxability of certain income and deductibility of certain expenses during the estimation of the provision for income taxes.

Deferred Tax for all taxable temporary differences have been given effect to in the consolidated financial statements. In case of Associates and Joint Venture, the Group being in a position to control the timing of reversal of temporary differences and considering the past trend there being no possibility of such reversal in near future, adjustment for deferred taxation against share of profit attributable to the Group has not been given effect in the consolidated financial statements.

vi. Defined benefit obligation (DBO)

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

vii. Provisions and Contingencies

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/against the Group as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

(₹ in Lakhs)

Sl. NO.	Particulars	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK	
		Opening as at 01.04.2022	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2023	Opening as at 01.04.2022	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2023	As at 31.03.2023	As at 31.03.2022
1	Lease Hold Land	346.17	2,280.70	-	2626.87	-	-	-	-	2626.87	346.17
2	Free Hold Land	459.52	-	-	459.52	-	-	-	-	459.52	459.52
3	Buildings	3,149.27	2,143.61	-	5,292.88	940.83	234.39	-	1,175.22	4,117.66	2,208.44
4	Plant and Equipment	5,581.97	592.43	42.11	6,132.29	2,695.83	475.31	-	3,171.14	2,961.15	2,886.14
5	Electrical Installations	275.40	8.39	-	283.79	193.01	27.53	-	220.54	63.25	82.39
6	Mould & Dies	377.84	10.44	-	388.28	264.31	21.46	-	285.77	102.51	113.53
7	Furniture & Fixtures	291.79	223.19	-	514.98	144.69	52.47	-	197.16	317.82	147.10
8	Vehicles	59.42	4.01	11.29	52.14	53.02	2.29	9.41	45.90	6.24	6.40
9	Office Equipments	72.09	3.10	-	75.19	37.67	5.08	-	42.75	32.44	34.42
10	Computer Software	92.10	5.35	-	97.45	84.35	4.67	-	89.02	8.43	7.75
	Total	10,705.57	5,271.22	53.40	15,923.39	4,413.71	823.20	9.41	5,227.50	10,695.89	6,291.86

NOTE 6: INTANGIBLE ASSETS

(₹ in Lakhs)

Sl. NO.	Particulars	COST				AMORTIZATION				NET CARRYING AMOUNT	
		Opening as at 01.04.2022	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2023	Opening as at 01.04.2022	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2023	Up to 31.03.2023	As at 31.03.2022
1	Computer License	84.85	5.51	-	90.37	80.13	3.44	-	83.57	6.80	4.72
2	Patent Right	10.05	-	-	10.06	9.60	0.18	-	9.78	0.28	0.45
	Total	94.90	5.51	-	100.43	89.73	3.62	-	93.35	7.08	5.17

7. Capital Work in Progress

(₹ in Lakhs)

Sl. NO.	Particulars	COST				AMORTIZATION				NET CARRYING AMOUNT	
		Opening as at 01.04.2022	Additions During the year	Deductions/ Adjustments During the year	As at 31.03.2023	Opening as at 01.04.2022	Provisions During the Year	Deductions/ Adjustments During the year	Up to 31.03.2023	Up to 31.03.2023	As at 31.03.2022
1	Factory Building	1,473.88	2,151.22	2,802.90	822.20	-	-	-	-	822.20	1,473.88
2	Plant & Machinery	-	3.33	-	3.33	-	-	-	-	3.33	-
	SUB Total (C)	1,455.96	2,154.55	2,802.90	825.53	-	-	-	-	825.53	1,473.88

7.1 Ageing of Capital Work-in-Progress

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Project in Progress		
Less than 1 Year	825.53	1,473.88
1 to 2 Years	-	-
2 to 3 Years	-	-
More than 3 Years	-	-
Project temporarily suspended	-	-
Total	825.53	1,473.88

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 8. NON-CURRENT INVESTMENT

(Fully paid up except otherwise stated)

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023		As at 31.03.2022	
		Unit	Value	Unit	Value
1	Investment in Government or Trust Securities [NSC Placed with Vat Authorities]	-	0.06	-	0.06
	Total	-	0.06	-	0.06

NOTE 9: FINANCIAL ASSETS- LOANS

(₹ in Lakhs)

Sl. NO.	Particulars	Non-Current		Current	
		As at 31.03.2023	As at 31.03.2022	As at 31.03.2023	As at 31.03.2022
	(Unsecured and Considered Good)				
1	Security Deposit & Earnest Money Deposit	127.13	94.65	-	-
2	Loan & Advances to Staff and Workers	-	-	4.99	11.64
	Total	127.13	94.65	4.99	11.64

NOTE 10: INVENTORIES (Valued at Lower of Cost or Net Realizable Value)

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Raw Material (Includes Goods in Transit ₹247.67 Lacs (As at 31.03.2021 ₹ 450.38 Lacs)	5,119.68	3,765.32
2	Work-in-Progress	1,025.50	955.12
3	Finished Goods	1,486.07	1,669.71
4	Stores & Spares	941.80	761.76
	Total	8,573.05	7,151.91

NOTE 11 INVESTMENTS

(Fully paid up except otherwise stated)

(₹ in Lakhs)

Sl. NO.	Particulars	Face Value (In ₹)	As at 31.03.2023		As at 31.03.2022	
			No.	Amount	No.	Amount
1	Investments at Fair Value through Profit or Loss					
	Investment in Debt Instruments					
	TBILL364 Days	100	1,000,000	976.48	-	-
	Muthoot Fincorp Limited SR IX BR NCD03JN24	100,000	120	137.70	-	-
	Nuvama Wealth Finance Limited SR E4110A BR NCD 13SP 24	1,000,000	5	57.08	-	-
	Piramal Enterprises Limited BR NCD 02SP24	1,000,000	50	526.91	-	-
	Shriram Finance Limited SR XXVII BR NCD 01MAR24	1,000,000	80	895.51	-	-
	Aventus Market Neutral Fund-Class A1	-	-	104.95	-	-
	Total	-	-	2,698.63	-	-

11.1 AGGREGATE CARRYING AMOUNT OF UNQUOTED INVESTMENTS

(₹ in Lakhs)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Aggregate Carrying Amount	Market Value	Aggregate Carrying Amount	Market Value
In T-Bills, MLD & AIF	2,698.63	2,698.63	-	-
Total	2,698.63	2,698.63	-	-

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 12: TRADE RECEIVABLES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Unsecured:		
	Undisputed	5,880.41	6,864.04
	Disputed	-	76.69
	Total	5,880.41	6,940.73

12.1 Ageing of Trade Receivable

(₹ in Lakhs)

Particulars	As at 31.03.2023	As at 31.03.2022
Undisputed		
Less than 6 Months	5,592.28	6,794.69
6 Months to 1 Year	288.13	58.10
1 to 2 Years	-	11.25
2 to 3 Years	-	-
More than 3 Years	-	-
Disputed		
More than 3 Years	-	76.69
Total	5,880.41	6,940.73

NOTE 13: CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Cash in Hand	14.16	20.48
2	Balances with banks	402.68	364.37
	Total	416.84	384.85

NOTE 14: OTHER BANK BALANCES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Fixed Deposits (Including margin money)	3,586.45	2,474.12
	Total	3,586.45	2,474.12

NOTE 15. OTHER ASSETS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
	(Unsecured and Considered Good)		
1	Advance Recoverable in cash or in kind*	3.83	52.18
2	Advance to Suppliers	1,008.04	857.05
3	Balance With Revenue Authorities (Indirect Taxes)	1,354.02	1,411.88
4	Prepaid Expenses	57.42	52.54
5	Others	1.27	1.04
	Total	2,424.58	2,374.69

* Includes amount receivable from Related Parties

NOTE 16. SHARE CAPITAL

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	AUTHORIZED CAPITAL		
	1,00,00,000 (1,00,00,000) Equity Shares of ₹10/- each	1,000.00	1,000.00
		1,000.00	1,000.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL		
	62,40,000 (62,40,000) Equity Shares of ₹10/- each fully paid-up	624.00	624.00
	Total	624.00	624.00

Notes to Consolidated Financial Statements for the year ended March 31, 2023

16.1 DETAILS OF PROMOTES & SHAREHOLDERS HOLDING MORE THAN 5% SHARES IN THE COMPANY

Name of Shareholders	Number of Shares Held as at 31.03.2023	% of Total paid-up Equity Share Capital	Number of Shares Held as at 31.03.2022	% of Total paid-up Equity Share Capital	%Change
Ajay Kumar Mall	10,25,320	16.43	10,25,320	16.43	0.00
Sunita Mall	1,34,200	2.15	1,34,200	2.15	0.00
Giriraj Mall	47,628	0.76	47,823	0.77	-0.01
Karani Dan Mall [HUF]	500	0.01	500	0.01	0.00
Preeti Mall	4,400	0.07	4,400	0.07	0.00
Rohit Mall	3,200	0.05	3,200	0.05	0.00
Sanjay Kumar Mall	6,500	0.10	6,500	0.10	0.00
Surabhi Mall	96,000	1.54	96,000	1.54	0.00
Kadambini Securities Private Limited	22,04,606	35.33	22,04,606	35.33	0.00
Mallcom Holdings Private Limited	6,13,600	9.83	6,13,600	9.83	0.00
Anmol Component Private Limited	50,000	0.80	50,000	0.80	0.00
Chaturbhuj Impex Private Limited	1,04,700	1.68	1,04,700	1.68	0.00
Movers Construction Pvt Ltd	84,000	1.37	84,000	1.37	0.00
SSR Enterprises Pvt Ltd	1,14,960	1.84	1,14,960	1.84	0.00
Jay Kumar Daga	10,59,351	16.98	11,49,631	18.42	-1.44

16.2 The company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share.

16.3 In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

16.4 As no fresh issue or reduction in capital is made during the current year as well as during the previous period, hence there is no change in the opening and closing capital. Accordingly, reconciliation of share capital has not been given.

16.5 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date:

As at 31.03.2023	As at 31.03.2022
Nil	Nil

16.6 The Equity Shares of the company are listed at NSE & BSE Limited and the annual listing fees has been paid for the year

NOTE 17: OTHER EQUITY

Nature of Reserves

Capital Reserve

Capital Reserve represents the amount, being the purchase price lower than the fair market value of the capital assets acquired by the company and used for the purposes of its business.

Securities Premium Reserve

Securities Premium Reserve represents the amount received in excess of par value of equity shares of the company. The same, inter alia, may be utilized by the company to issue fully paid-up bonus shares to its members and buying back the shares in accordance with the provisions of the companies Act, 2013.

General Reserve

General Reserve represents the reserve created by apportionment of profit generated during the year or transfer from other reserves either voluntary or pursuant to statutory requirements. The same is a free reserve and available for distribution.

Retained Earnings

Retained Earnings represents the undistributed profits of the company.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

Note 18. BORROWINGS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Secured Borrowings		
	Term Loan	120.73	241.45
	[From HDFC Bank secured by All Fixed Assets & current assets of Mallcom Safety Private Limited and Further secured by the Corporate Guarantee of Parent Company "Mallcom (India) Limited"		
2	Unsecured Borrowings		
	From Others	275.67	355.13
	Total	396.40	596.62

18.1 There is no default in repayment of principal and interest thereon

Note 19. OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Security Deposit From Customer (Against Order Place for Work Garments)	632.94	598.04
	Total	632.94	598.04

NOTE 20: DEFERRED TAX ASSETS & LIABILITIES (NET)

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Deferred Tax Assets:		
	Arising on account of:		
	Expenses allowed for tax purpose when paid	-	-
2	Deferred Tax Liabilities:		
	Arising on account of:		
	Depreciation and Amortization	(69.04)	(14.58)
	Expenses allowed for tax purpose when paid	(23.45)	(20.79)
	Net Deferred Tax Assets/(Liabilities)	(92.49)	(35.37)

Components of Deferred tax Assets/(Liabilities) as at March 31, 2023 are given below:

(₹ in Lakhs)

Particulars	As at 01.04.2022	Charge/(credit) recognised in profit or loss	Charge/(credit) recognised in other Comprehensive income	Addition for Acquisition during the year	As at 31.03.2023
Deferred Tax Assets:					
Fair Valuation of financial assets and financial liabilities	(16.85)	-	(5.22)	-	(22.07)
Provision for post retirement and other employee benefits	(3.94)	-	2.56	-	(1.38)
Total Deferred Tax Assets	(20.79)	-	(2.66)	-	(23.45)
Deferred Tax Liabilities:					
Fair Valuation (gain)/loss on Investments	-	-	-	-	-
Timing difference with respect to property, plant & Equipment and other intangible assets	(14.58)	(54.46)	-	-	(69.04)
Total Deferred Tax Liabilities	(14.58)	(54.46)	-	-	(69.04)
NET DEFERRED TAX ASSETS/(LIABILITIES)	(35.37)	(54.46)	(2.66)	-	(92.49)

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 21: CURRENT BORROWINGS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	SECURED		
	Loan Repayable on Demand		
	Export Packing Credit (Refer Note 21.1)	8,617.28	4,741.15
	Term Loan (Refer note no 21.2)	60.36	
	Total	8,677.64	4,741.15

21.1. Export Packing credit from bank is secured by hypothecation of all present/future stock and receivables, all present/future fixed assets (excluding Land & Building) and Corporate guarantee by Kadambini securities Pvt Ltd and Mallcom Holdings Pvt Ltd and further personal guarantee of Managing Director.

21.2 Term loan from HDFC Bank is secured by all present & Future Fixed Assets of MSPL and further secured by corporate guarantee of parent company Mallcom (India) Limited.

NOTE 22: TRADE PAYABLES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	For Supplying of Goods	3,044.77	2,574.71
2	For Supplying of Services	1,082.64	969.56
	Total	4,127.41	3,544.27

NOTE 22.1: AGEING OF TRADE PAYABLES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
	Undisputed		
	Less than 6 Months	4,078.00	3,472.16
	6 Months to 1 Year	1.70	45.21
	1 to 2 Years	43.71	26.90
	2 to 3 Years	-	-
	More than 3 Years	-	-
	Disputed	-	-
	Total	4,127.41	3,544.27

22.2 There were no dues outstanding to the suppliers as on 31.03.2023 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

NOTE 23: FINANCIAL LIABILITIES- OTHERS

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Security Deposits from Customers, Vendors & Others	97.27	96.77
2	Investment Payables	409.47	-
	Total	506.74	96.77

NOTE 24: OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Advance From Customers/Suppliers	570.42	602.61
2	Statutory Liabilities	90.83	50.98
	Total	661.25	653.59

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 25: SHORT TERM PROVISIONS (Contd.)

(₹ in Lakhs)

Sl. NO.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Provision For Employee Benefits		
	Gratuity	5.28	-
	Total	5.28	-

NOTE 26: REVENUE FROM OPERATIONS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Sale of Manufactured Goods		
	Leather Gloves	5,184.40	4,340.59
	Textile Garments	10,762.20	10,274.47
	Nitrile Dipped Gloves	3,349.73	3,562.50
	Safety Shoes	13,731.94	11,020.13
	Knitted Gloves	1,058.07	1,016.77
	Others	706.93	1,132.01
		3,4793.27	31,346.47
2	Sale of Traded Goods		
	Nitrile Dipped Gloves	595.97	314.85
	Leather Gloves	2,985.50	2,866.97
	Textile Garments	713.25	313.07
	Safety Shoes	65.15	-
	Others	34.44	45.75
		4,394.31	3,540.64
3	Foreign Exchange Gain	721.17	343.25
4	Export Incentives	1,146.64	492.39
		1,867.81	835.64
	Total	41,055.39	35,722.75

NOTE 27: OTHER INCOME

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Interest Income	158.01	211.01
2	Profit on sale of Investment and fixed assets	5.57	88.49
3	Unspent liabilities written back	24.56	6.54
4	Other Receipts	126.38	7.77
	Total	314.69	313.81

NOTE 28: COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
a)	Opening Stock	4,528.92	4,381.13
	PURCHASES OF RAW MATERIALS AND STORES		
1	Raw Materials (Including Carriage Inward)	18,915.90	15,919.82
2	Consumable Stores	2,593.68	1,824.42
3	Packing Materials	1,183.54	1,093.90
	Sub-Total	22,693.12	18,838.14
b)	Closing Stock	6,061.49	3,728.18
	Cost of Materials Consumed	21,160.55	19,491.09
	Total	21,160.55	19,491.09

Notes to Consolidated Financial Statements for the year ended March 31, 2023

Note 29 PURCHASE OF TRADED GOODS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Leather Gloves	2,843.34	2,730.45
2	Nitrile Dipped Gloves	245.87	373.97
3	Textile Garments	620.22	179.91
4	Safety Shoes	59.22	32.93
5	Others	31.62	10.72
	Total	3,800.27	3,327.98

NOTE 30. CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS AND TRADED GOODS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Closing Stock		
	Work in Progress	1,027.50	955.12
	Finished Goods	1,484.07	1,669.70
		2,511.57	2,624.83
2	Opening Stock		
	Work in Progress	955.12	607.57
	Finished Goods	1,669.70	732.51
		2,624.82	1,340.08
3	(Increase)/ Decrease	113.25	(1,284.75)

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Finished Goods		
	Leather Gloves	84.76	232.15
	Textile Garments	319.01	206.61
	Nitrile Dipped Gloves	582.56	495.89
	Safety Shoes	316.01	487.33
	Shoe Upper	-	100.06
	Knitted Gloves	52.91	30.17
	Helmets	38.60	35.50
	Personal Protective Equipments (Others)	90.22	81.99
		1,484.07	1,669.70
2	Work-in-progress		
	Leather Gloves	277.81	157.91
	Textile Garments	216.43	172.55
	Nitrile Dipped Gloves	184.81	206.64
	Knitted Gloves	5.86	39.98
	Safety Shoes	18.21	202.98
	Shoe Uppers	324.38	175.06
		1,027.50	955.12

NOTE 31: EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Salaries, Wages and Bonus	1,730.79	1,338.26
2	Contribution to Provident and Other Funds (Refer Note 32)	108.52	99.07
3	Staff Welfare Expenses	33.14	32.84
	Total	1,872.45	1,470.18

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 32: FINANCE COSTS

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Interest Expenses	205.77	161.49
2	Bank Charges	40.02	42.83
	Total	245.79	204.32

NOTE 33: MANUFACTURING AND OTHER OPERATIONAL EXPENSES

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Fabrication & Processing Charges	4,630.11	4,522.95
2	Factory Maintenance	109.56	98.95
3	Freight Charges	383.52	941.33
4	Terminal Handling Charges - Export	65.66	57.47
5	Clearing & Forwarding Expenses	178.66	218.98
6	Insurance	37.47	28.49
7	Carriage Outward	501.92	342.65
8	Sales Promotion Expenses	444.38	222.37
9	Trade Fair Expenses	53.20	21.54
10	Sales Commission	13.60	5.34
11	Other selling expenses	448.46	141.54
12	Power & Fuel	591.51	499.14
13	Repairs to Buildings	2.70	5.98
14	Repairs to Plant & Machinery	108.30	129.70
15	Security Charges	82.23	69.02
	Total	7,651.28	7,305.46

NOTE 34: OTHER EXPENSES

(₹ in Lakhs)

Sl. NO.	Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
1	Rent	116.60	57.12
2	Postage, Telephone & Telex	12.19	12.00
3	Travelling & Conveyance	39.68	23.11
4	Printing & Stationery	32.66	12.81
5	Filing Fees	3.19	0.60
6	Rates & Taxes	9.99	9.01
7	Legal & Professional Fees	93.55	51.38
8	Membership & Subscription	28.94	10.08
9	Directors' Sitting Fees	3.32	2.84
10	Payment to auditors (refer details below)	8.10	7.65
11	Miscellaneous Expenses	261.06	256.28
12	AMC Charges	-	1.64
	Total	609.28	444.53
Payment to Auditor			
As Auditor:			
	Audit Fee	6.80	6.38
	Tax Audit Fee	0.50	0.50
	Certification Charges	0.80	0.77
	Total	8.10	7.65

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 35: CONTINGENT LIABILITIES (CLAIMS/DEMANDS NOT ACKNOWLEDGED AS DEBT)

(₹ in Lakhs)

a) Contingent liabilities

Particulars	As at 31.03.2023	As at 31.03.2022
Export bills duly discounted / negotiated with Citibank N.A.	-	248.70
Outstanding Bank guarantee/ Letter of Credit issued by Citibank N.A.	735.80	358.21
B-17 Bond issued in favor of Customs Authorities for Bonded Warehouse Operations of 100% EOU for manufacturing of Work Garments & Knitted Gloves situated at 34B, C.N.Roy Road, Kolkata-700039	550.00	350.00
B-17 Bond cum LUT issued in favor of Development Commissioner, FSEZ, Falta & Apparel Park SEZ, Khokhra, Ahmedabad for operations of SEZ units.	1,171.00	1,040.00
VAT/GST demand in respect of earlier years, Which has been disputed by the company	329.86	363.45
Income Tax Demand in respect of earlier years, which has been disputed by the company	62.19	158.60
Corporate Guarantee issued in favor of Subsidiary & Associate Companies	2,100.00	1,000.00

b) The company has the following outstanding export forward contracts against the confirmed orders in hand hence no contingent liability has been estimated

(₹ in Lakhs)

Currency	As at 31.03.2023	As at 31.03.2022
USD	71,89,275.25	33,73,337.26
EURO	65,99,186.01	35,21,131.00

NOTE 36: EMPLOYEE BENEFITS (REFER NOTE 31)

(a) Contribution to defined Contribution Plans recognized as expenses are as under:-

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Provident Fund	80.11	75.83
ESIC	28.41	22.71
Total	108.52	98.54

(b) Defined Benefit Plan

Gratuity- The company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with HDFC Standard Life Insurance Co Ltd.

Disclosure for defined benefit plans based on actuarial reports:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Changes in Defined Benefit Obligations:		
Present value of defined benefit obligation at the beginning of the year	134.80	127.36
Current Service Cost	12.62	11.21
Interest Cost	9.44	8.91
Remeasurements (gains)/losses	2.66	(8.92)
Benefits paid	(3.05)	(3.75)
Present value of defined benefit obligation at the end of the year	156.47	134.81
Change in Plan Assets:		
Fair value of plan assets at the beginning of the year	150.48	126.25
Expected Return on Plan Assets	11.28	8.84
Remeasurements (gains)/losses	(7.51)	5.33
Contributions	-	13.81
Benefits paid	(3.05)	(3.75)
Fair value of plan assets at the end of the year	151.20	150.48
Fair Value of Planned Assets:		
Fair value of plan assets at the beginning of the year	150.48	126.25
Actual Return on plan assets	3.77	14.17
Contributions	-	13.81

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 36: EMPLOYEE BENEFITS (REFER NOTE 31) (Contd.)

Disclosure for defined benefit plans based on actuarial reports:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Benefits paid	(3.05)	(3.75)
Fair value of plan assets at the end of the year	151.20	150.48
Actuarial (Gain)/Loss on Planned Assets:		
Actual Return on plan assets	3.77	14.16
Expected Return on Plan Assets	11.28	8.84
Actuarial (Gain)/Loss	(7.51)	5.32
Actuarial (Gain)/Loss recognized:		
Actuarial (gain)/loss- obligation	2.66	(8.92)
Actuarial (gain)/loss- plan assets	7.51	(5.33)
Total Actuarial (Gain)/Loss	10.17	(14.25)
Actuarial (Gain)/Loss recognized	10.17	(14.25)
Outstanding actuarial (gain)/loss at the end of the year		
Experience adjustment:		
Experience Adjustment (Gain)/Loss for Plan Liabilities	2.66	(8.92)
Experience Adjustment (Gain)/Loss for Plan Assets	7.51	(5.33)
Summary of membership data at the date of valuation and statistics based thereon:		
Number of employees	362	328
Total monthly salary	31.92	29.01
Average Past Service(Years)	9.50	8.90
Average Future Service(Years)	19.20	19.70
Average Age(Years)	40.28	40.30
Weighted average duration (based on discounted cash flows) in years	11	12
Average Monthly Salary	8,818	8,844
Expenses Recognized in the statement of Profit and Loss		
Current Service Cost	12.62	11.21
Interest Cost	9.43	8.91
Expected Return on Plan Assets	(11.28)	(8.84)
Past Service Cost	-	-
Expenses Recognized in the statement of Profit and Loss	10.77	11.28
Expenses Recognized in Other Comprehensive Income (OCI)		
Actuarial (gains)/losses arising from changes in financial assumptions	10.17	(14.25)
Total recognized in Other Comprehensive Income	10.17	(14.25)
Total recognized in Total Comprehensive Income	20.94	(2.97)
Amount recognized in the Balance Sheet consists of		
Present Value of Defined Benefit Obligation	156.47	134.81
Fair Value of Plan Assets	151.19	150.48
Net Liability	5.27	(15.67)
The Major Categories of Plan Assets as a % of Total Plan		
Qualifying Insurance Policy	100%	100%

The Principal actuarial assumption used:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Discount Rate	7.50 % per annum	7.00 % per annum
Salary Growth Rate	5.00 % per annum	5.00 % per annum
Mortality Rate	IALM 2012-14	IALM 2012-14
Withdrawal Rate (Per Annum)	6.95% p.a.	6.95% p.a.

The estimates of future salary increases have been considered in actuarial after taking into consideration the impact of inflation, Seniority, promotion and other relevant factors such as supply and demand situation in the employment market. Same assumptions were considered for comparative period i.e 2017-18 as considered in previous GAAP on transition to Ind AS. The Gratuity Scheme is invested in group Gratuity cash accumulation policy offered by HDFC Standard Life Insurance Co Ltd. The gratuity plan is not exposed to any significant risk in view of absolute track record, Investment is as per IRDA guidelines and mechanism is there to monitor the performance of the fund.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 36: EMPLOYEE BENEFITS (REFER NOTE 31) (Contd.)

Benefits Valued:		
Normal Retirement Age	60 Years	60 Years
Salary	Terminal Basic Salary (Excluding all other Allowances and Perquisites)	Terminal Basic Salary (Excluding all other Allowances and Perquisites)
Vesting Period	5 Years of Service	5 Years of Service
Benefits of Normal Retirement	15/26*Salary*Number of Completed Years of Service	15/26*Salary*Number of Completed Years of Service
Benefit on early exit due to death and disability	As above except that no vesting conditions apply	As above except that no vesting conditions apply
Limit	2,000,000.00	2,000,000.00

Current Liability: (₹ in Lakhs)

Particulars	2022-23	2021-22
Current Liability (Short Term)*	31.74	-
Non Current Liability	124.73	-
Total Liability	156.47	-

* Current Liability: It is probable outlay in next 12 months as required by the Companies Act

Sensitivity Analysis:

Assumptions	Discount Rate	
	1.0% Increase	1.0% Increase
Impact on Defined Benefit Obligation (₹ in Lakhs)	147.62	166.41

Salary Growth Rate		Withdrawal Rate	
1.0% Increase	1.0% Decrease	1.0% Increase	1.0% Decrease
166.56	147.34	157.73	155.02

The company expects to contribute ₹15.55 Lacs (Previous Year ₹14.02 Lacs) to gratuity fund.

The weighted average duration of the defined benefit obligation as at 31.03.2023 is 11 years (as at 31.03.2022: 12 years).

Estimate of expected benefit payments (In absolute terms i.e. undiscounted).

Particulars	(₹ in Lakhs)
01 Apr 2023 to 31 Mar 2024	31.73
01 Apr 2024 to 31 Mar 2025	12.61
01 Apr 2025 to 31 Mar 2026	6.93
01 Apr 2026 to 31 Mar 2027	5.35
01 Apr 2027 to 31 Mar 2028	15.18
01 Apr 2028 Onwards	84.64

*The above estimates doesn't include 336 no. of employees belonging to Subsidiary Mallcom Safety Private Limited, on inclusion of which would had effect of Total Monthly Salary going up to ₹49,38,242, with average past service years of 5.6 years , Average future service years of 22.50 years, Average age of 37.5 years and Average Monthly salary of 7,075.00. Total liability would be ₹165.59 Lacs as against ₹156.47 Lac as estimated and already accounted for. Closing net defined liability therefore including the new unit of MSPL would be ₹14.39 Lac as against ₹5.27 Lac provided now.

NOTE 37: SEGMENT REPORTING

- (a) The Company's primary business segment is Industrial Safety Products. The Industrial Safety Products business incorporates product groups' viz. Leather hand Gloves, Industrial Work Garments, Seamless Knitted Gloves, Leather Shoe Upper, Safety Shoes, Helmets, Face masks and Nitrile Dipped Gloves, which mainly have similar risks and returns. Thus the Company's business activity falls within a single primary business segment.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 37: SEGMENT REPORTING (Contd.)

(b) For the purpose of geographical segments, total sales are divided into India and other countries. The following table shows the distribution of the company's sales by geographical market regardless of where the goods are produced:

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Segment Revenue from Operations:		
Outside India	26,218.58	22,711.96
Within India	14,836.81	13,010.89
Total	36,036.66	35,722.85

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Trade Receivables:		
Outside India	5,512.50	6,494.18
Within India	367.91	446.55
Total	5,880.41	6,940.73

The company has common fixed assets for producing goods for domestic and export markets. Hence, Separate figures for fixed assets/additions to fixed assets are not furnished

NOTE 38: RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES)

a) Associates	i) Kadambini Securities Pvt. Ltd. [KSPL]
	ii) Mallcom Holdings Pvt. Ltd. [MHPL]
	iii) Movers Construction Pvt. Ltd. [MCPL]
	iv) Chaturbujh Impex Pvt. Ltd. [CIPL]
	v) DNB Exim Pvt. Ltd. [DNB]
	vi) Two Star Tannery Pvt. Ltd. [TSTPL]
	vii) SSR Enterprises Pvt Ltd [SSR] (Formerly Vikram Traders Pvt Ltd)
	viii) Mallcom Lexotic Exports Pvt. Limited [MLEPL]
	ix) Anmol Components Pvt. Ltd. [ACPL]
b) Key Managerial Personnel	i) Mr. Ajay Kumar Mall (Managing Director)
	ii) Mr. Giriraj Kumar Mall (ED)
	iii) Shyam Sundar Agrawal (CFO)
	iv) Shuvanki Purkyashtha (CS, Till June 2022)
	v) Anusree Biswas (CS, July 22' onwards)
c) Relatives of Key Managerial Personnel	i) Mr. Sanjay Kumar Mall
	ii) Mr. Rohit Mall
	iii) Mrs. Sunita Mall
	iv) Ms. Kiran Devi Mall
	v) Ms. Preeti Mall
	vi) Ms. Surabhi Mall

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 38: RELATED PARTY DISCLOSURE (AS PER IND AS 24- RELATED PARTY DISCLOSURES) (Contd.)

d) Transaction with related parties during the year and balance outstanding at the year end:

(₹ in Lakhs)

Type of Transaction	Transaction with associates referred to in (b) above		Transaction with Key Managerial (KMP) referred to in (c) above		Relatives of Key Managerial referred to in (d) above	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Sale of goods & services	13.37	1,055.46	-	-	-	-
Purchase of goods, Rent & services	1,593.68	719.47	-	-	-	-
Debtors Receivable	40.11	941.12	-	-	-	-
Creditors Payable	87.15	98.84	-	-	-	-
Advance Given	62.01	44.71	-	-	-	-
Remuneration **	-	-	205.87	93.47	26.53	19.36
Dividend Paid	97.72	97.72	32.19	32.19	8.19	8.19
Rent Paid	204.00	54.00	-	-	-	-

** As the future liability of gratuity is provided on actuarial basis for the company as a whole, the amount pertaining to the related party is not included above.

e) Details of compensation paid to KMP during the year are as follows:

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Short-term employee benefits	201.67	87.72
Post-employment benefits*	4.20	5.75
Other long-term benefits*	-	-

* Post-employment benefits and other long-term benefits have been disclosed based on actual payment made on retirement/resignation of services, but does not include provision made on actuarial basis as the same is available for all the employees together.

NOTE 39: INCOME TAX EXPENSE

(₹ in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Current Tax	1,270.03	1,116.14
Deferred Tax	54.46	(26.20)
Relating to origination and reversal of temporary differences	-	-
Tax Expense attributable to Current Year's/Period's Profit	1,324.49	1,089.94
Adjustments in respect of Income Tax of Earlier Years	72.20	13.62
Income Tax Expense reported in the Statement of Profit and Loss	1,396.69	1,103.56
Current Tax related to items recognized in Other Comprehensive Income during the year/period		
Net (gain)/Loss on remeasurement of defined benefit plan/Fair value of Investment & Exchange difference on foreign assets/liabilities	2.66	(0.52)
Income Tax Charged to Other Comprehensive Income	2.66	(0.52)

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 40: FINANCIAL INSTRUMENTS

The accounting classification of each category of financial instrument, their carrying amount and fair value are as follows:- (₹ in Lakhs)

Particulars	As at 31.03.2023		As at 31.03.2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets (Current and Non-Current)				
Financial Assets measured at Amortised Cost				
Trade Receivables	5,880.41	5,880.41	6,940.73	6,940.73
Cash and Cash Equivalents	416.84	416.84	384.85	384.85
Other Bank Balances	3,586.45	3,586.45	2,474.12	2,474.12
Loans	132.12	132.12	106.29	106.29
Financial Assets measured at Fair Value through Profit and Loss Account				
Investment in Equity Instruments and Bonds	2,698.63	2,698.63	-	-
Financial Liabilities (Current and Non-Current)				
Financial Liabilities measured at Amortised Cost				
Borrowings	9,706.98	9,706.98	5,935.81	5,935.81
Trade Payables	4,127.41	4,127.41	3,544.27	3,544.27
Other Financial Liabilities	506.74	506.74	96.77	96.77

Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer in an orderly transaction between market participants at the measurement date.

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

The fair value of cash and cash equivalents, current trade receivables and payables, current financial liabilities and assets and borrowings approximate their carrying amount largely due to the short-term nature of these instruments. The management considers that the carrying amounts of financial assets and financial liabilities recognised at nominal cost/amortised cost in the financial statements approximate their fair values.

A substantial portion of the company's long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value subject to adjustments made for transaction cost. In respect of fixed interest rate borrowings, fair value is determined by using discount rates that reflects the present borrowing rate of the company.

Investments (Other than Investments in Associates, Joint Venture and Subsidiaries) traded in active market are determined by reference to the quotes from the stock exchanges as at the reporting date. Investments in liquid and short-term mutual funds are measured using quoted market prices at the reporting date multiplied by the quantity held. Quoted Investments for which quotations are not available have been included in the market value at the face value/paid up value, whichever is lower except in case of debentures, bonds and government securities where the net present value at current yield to maturity have been considered. Unquoted investments in shares have been valued based on the historical net asset value as per the latest audited financial statements.

Derivative financial assets and liabilities:

The Company follows established risk management policies, including the use of derivatives to hedge its exposure to foreign fluctuations on foreign currency assets/liabilities. The counter party in these derivative instruments is a bank and the company considers the risks of non-performance by the counter party as non-material.

The following tables present the aggregate contracted principal amounts of the company's derivative contracts outstanding:

Underlying Purpose	Category	As at 31.03.2023		As at 31.03.2022		Currency
		No. of deals	Amount in Foreign Currency	No. of deals	Amount in Foreign Currency	
Export Receivables	Forward	24	71,89,275.25	25	33,73,337.26	USD-INR
Export Receivables	Forward	20	65,99,186.01	18	35,21,131.00	EURO-INR

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 40: FINANCIAL INSTRUMENTS (Contd.)

FINANCIAL RISK FACTORS

The Company's activities and exposed to variety of financial risks. The key financial risks includes market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The board of Directors reviews and approves policies for managing these risks. The risks are governed by appropriate policies and procedures and accordingly financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

MARKET RISK

Market risk is the risk or uncertainty arising from possible market fluctuations resulting in variation in the fair value of future cash flows of a financial instruments. The major components of Market risks are currency risk, interest rate risk and other price risk. Financial instruments affected by market risk includes trade receivables, borrowings, investments and trade and other payables.

Foreign Currency Risk

Foreign Currency risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's foreign currency denominated borrowings, trade receivables and trade or other payables.

The Company has adopted a comprehensive risk management review system wherein it actively hedges its foreign exchange exposures within defined parameters through use of hedging instruments such as forward contracts. The Company periodically reviews its risk management initiatives and also takes experts advice on regular basis on hedging strategy.

Interest Rate Risk

The company's exposure in market risk relating to change in interest rate primarily arises from floating rate borrowing with banks and financial institutions. Borrowings at fixed interest rate exposes the company to the fair value interest rate risk.

Other price risk

The Company's equity exposure in Subsidiaries are carried at cost or deemed cost and these are subject to impairment testing as per the policy followed in this respect. The company's current investments which are fair valued through profit and loss are not material. Accordingly, other price risk of the financial instrument to which the company is exposed is not expected to be material.

CREDIT RISK

The credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables). The management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly and the company obtains necessary security including letter of credits and/or bank guarantee to mitigate.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated. Of the trade receivable balance at the end of the year (other than subsidiaries), there are no single customer accounted for more than 10% of the accounts receivable and 10% of revenue as at March 31, 2023 and March 31, 2022.

LIQUIDITY RISK

Liquidity risk is defined as the risk that the company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's objective is to maintain optimum level of liquidity to meet it's cash and collateral requirements at all times. The company's assets represented by financial instruments comprising of receivables are largely funded against borrowed funds. The company relies on borrowings and internal accruals to meet its fund requirements. The current committed line of credit are sufficient to meet its short to medium term fund requirement.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 41: EARNING PER SHARE (EPS)

A. Basic and Diluted EPS:

Particulars		2022-23	2021-22
Profit or Loss attributable to ordinary Equity Shareholders	₹ in Lakhs	3,693.71	3,155.62
Depreciation & Amortisation Expense	₹ in Lakhs	826.81	828.84
Equity Share Capital	₹ in Lakhs	624.00	624.00
Weighted average number of equity shares outstanding (Face value of ₹10/- per share)	Nos.	6,240,000	6,240,000
Earnings Per Share- Cash	₹	73.32	65.14
Earnings Per Share- Basic and Diluted	₹	59.19	52.28

NOTE 42: KEY RATIOS

Sl. No.	Ratios	Particulars	2022-23	2021-22	% Change
1	Current Ratio	Current Assets / Current Liabilities	1.69	2.14	-21.03%
2	Debt to equity Ratio	Total Outside Liabilities / Shareholders' Equity	0.43	0.28	53.57%*
3	Debt Service Coverage Ratio (DSCR)	Earnings available for debt services / Interest+Instalments	21.71	21.80	-0.41%
4	Return on Equity (ROE)	Net Profit after taxes-Preference dividend (if any) ×100 / Net worth or equity shareholders' fund	18.18	18.33	-0.82%
5	Inventory Turnover Ratio	Sales / Average Inventory	5.22	5.55	-5.95%
6	Debtors Turnover Ratio	Credit Sales / Average Accounts Receivable	6.40	6.07	5.44%
7	Payables Turnover Ratio	Annual Net Credit Purchases / Average Accounts Payables	6.91	6.18	11.81%
8	Net Profit Ratio	Net Profit ×100 / Sales	8.93	8.76	1.94%
9	Return on Capital Employed ROCE (Pre-tax)	EBIT ×100 / Capital Employed	25.05	24.68	1.50%
10	Return on Capital Employed ROCE (Post-tax)	EBIT(1- t) ×100 / Capital Employed	17.22	17.11	0.64%
11	Earnings per Share (EPS)	Net profit available to equity shareholders / Number of equity shares outstanding	59.19	52.28	13.22%
12	Return on Investment (ROI)	Return or Profit or Earnings ×100 Investments or Total Assets	10.43	11.48	-9.15%
13	Net Capital Turnover Ratio	Sales / Net Assets	2.02	2.07	-2.42%

* There is an increase of 53.57% in Debt to Equity Ratio due to increase in Working Capital Borrowings with similar increase in Current Investments.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 43: LEASE

The Company has been allotted land at Falta SEZ on operating lease basis with continuity and yearly lease rent as to be decided by the SEZ authority. Subject to this the Company holds certain low underlying value assets on lease basis and in line the exemption provided, provisions relating to creation of ROU Asset & lease liability by Ind AS-116 is not considered. Instead the rent payment for such leases has been recognized as expenses on straight-line basis. The Company has taken certain premises on lease for 3 years to 99 years. There are no subleases. Lease rent obligation for the duration for the full duration of lease is disclosed as below:

Particulars	(₹ in Lakhs)	
	2022-23	2021-22
Lease payment for the year	18.31	17.55
Minimum Lease payment not later than 1 year	17.82	16.23
Later than one year but not later than Five years	71.28	64.93
Later than Five years	31.28	25.19

NOTE 44: MICRO, SMALL AND MEDIUM ENTERPRISES

There were no dues outstanding to the suppliers as on 31.03.2023 registered under the Micro, Small and Medium Enterprises (Development) Act, 2006, to the extent such parties have been identified from the available documents/ information. No interest in terms of such Act has either been paid or provided during the year.

NOTE 45:

In the opinion of the management and to the best of their knowledge and belief, the value of realization of loans and advances and other current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

NOTE 46:

		(₹ in Lakhs)
Amount Required to be spent	63.59	
Expenditure incurred	17.16	
Shortfall at the end of the year	46.43	
PY shortfall	Nil	
Reason for shortfall	The total amount required to be spent by the Company towards CSR Projects for the Financial Year 2022-2023 was ₹63.59 lakhs. As against the required sum, the Company had spent an amount of ₹17.16 lakhs in aggregate towards various CSR Projects. As per the provisions of Section 135(6) of the Companies Act, 2013, unspent amount of ₹46.43 Lakhs has been transferred to separate bank account namely Unspent Corporate Social Responsibility Account, within 30 days from the end of the Financial Year and shall be utilized for the ongoing CSR Project namely Education of Unprivileged children and as per the recommendation of the CSR committee.	
Nature of CSR Activity	Training & Promotion of Olympics Sports via Para Badminton Athlete Ms. Manasi Joshi Education of underprivileged children & Research ,	
Details of Related Party transaction	KD Mall Charitable Trust Education of underprivileged children – ₹3.12 lakhs	

NOTE 47:

These Consolidated Financial results have been prepared in accordance with the Indian Accounting Standards (Ind-AS) notified under Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amended) Rules, 2016, prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable. The Consolidated financial results of the Company includes its two subsidiaries i.e. Mallcom Safety Private Limited & Mallcom VSFT Gloves Pvt Ltd. By virtue of Amalgamation order dated 15th December 2022, with Appointed date 01/04/2021 issued by the Regional Director(ER), Ministry of Corporate Affairs, Best Safety Private Limited ceases to be a subsidiary and stands merged with Mallcom (India) Limited.

NOTE 48:

During the Year under review the Company had further Invested ₹840.00 Lacs @FMV of ₹28.00 per share towards issuance of 15,00,000 shares (25% of enhanced equity) and further acquired the residual stake of 14,99,900 shares (25%) stake in Subsidiary Company "Mallcom Safety private Limited (MSPL)" at an Investment value of ₹409.47 Lac @ FMV of ₹27.30 per share, resulting in MSPL becoming a 100% Subsidiary of the Company.

Notes to Consolidated Financial Statements for the year ended March 31, 2023

NOTE 49:

During the Year, the Subsidiary Company "Mallcom Safety Private Limited" has changed its Depreciation Method from Written Down Value (WDV) to Straight Line Method (SLM) w.e.f.01.04.2022. In compliance with Ind AS 16 & Ind AS 8, required changes have been incorporated in the financials for the year ended 31.03.2023.

NOTE 50:

Bank returns/ Stock statements filled by the Company with its bankers are in agreement with books of account.

NOTE 51:

There has been no delay in Registration of charge or Satisfaction of charge with Register of Companies(ROC) beyond the Statutory Period as allowed.

NOTE 52:

During the year the Company has not entered in to any transactions with companies stuck off under the Companies Act, 2013

NOTE 53:

During the year there has been no transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961

NOTE 54:

There has been no revaluation of Property, Plant & Equipment or Intangible Assets during the FY 2022-23

NOTE 55:

There has been no default in borrowings by the Company and has not been declared wilful defaulter by the bank or any financial institutions.

NOTE 56:

No Proceedings has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

NOTE 57:

During the FY 2022-23 the company has not applied or approved any Scheme of Arrangements by the Competent Authority in terms of Section 230 to 237 of the Companies Act, 2013

NOTE 58:

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial Year 2022-23

NOTE 59:

Figures less than 50,000 have been shown actual, wherever statutorily required to be disclosed, as the figures have been rounded off to the nearest Lakhs.

NOTE 60:

The Board of Directors of the Company has recommended a dividend of ₹3/-per ordinary share of ₹10/- each for the financial year ended 31st March, 2023 subject to approval of the members at the ensuing Annual General Meeting.

NOTE 61:

These Financial Statements have been approved by Board of Directors of the Company on 29th May 2023 for issue to the shareholders for their adoption.

NOTE 62:

Figures for the previous periods are re-classified/re-arranged/re-grouped, whenever necessary.

As per our report of even date

For S.K.Singhania & Co.

Chartered Accountants
Firm Reg. No.: 302206E

Rajesh Singhania

Partner
Membership No. : 52722

Place: Kolkata

Date: 29th May 2023

For and on behalf of the Board

Ajay Kumar Mall

Managing Director
(DIN: 00470184)

Shyam Sundar Agrawal

Chief Financial Officer

Giriraj Kumar Mall

Director
(DIN: 01043022)

Shalini Ojha

Company Secretary
(ACS:48483)



MALLCOM (INDIA) LIMITED

CIN: L51109WB1983PLC037008

Reg. off: EN-12, Sector-V, Salt Lake City, Kolkata-700 091

Tel : +91-33-40161000, Fax : +91-33-40161010

Website : www.mallcom.in, E-mail : investors@mallcom.in

NOTICE

Notice is hereby given that the 39th Annual General Meeting ('AGM') of the members of Mallcom (India) Limited ('the Company') will be held on **Monday, the 11th day of September, 2023, at 11.30 A.M. through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")**, to transact the following business. The Venue of the meeting shall be deemed to be the registered office of the Company at Mallcom Tower, EN-12, Sector-V, Salt Lake City, Kolkata – 700091:

ORDINARY BUSINESSSES:

To consider and, if thought fit, to pass the following resolutions as an Ordinary Resolutions:

- 1. To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2023 together with the reports of Auditors thereon and Board of Directors**

"RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended March 31, 2023, together with the reports of the Board of Directors and of the Auditors thereon be and are hereby received, considered and adopted.

RESOLVED FURTHER THAT the audited consolidated financial statements of the Company for the financial year ended March 31, 2023, together with the report of Auditors thereon, be and are hereby received, considered, and adopted."

- 2. To declare Dividend on equity shares of the Company for the financial year ended March 31, 2023.**

"RESOLVED THAT dividend at the rate of Rs. 3/- (Rupees Three only) per fully paid-up equity share of face value of Rs. 10/- each as recommended by the Board of Directors, be and is hereby declared for the financial year ended March 31, 2023."

- 3. To appoint a director in place of Mr. Ajay Kumar Mall (DIN: 00470184), who retires by rotation and being eligible, offers himself for re-appointment.**

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ajay Kumar Mall (DIN: 00470184), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.

SPECIAL BUSINESSSES

- 4. To re-appoint Mr. Ajay Kumar Mall (DIN: 00470184) as Chairman, Managing Director and CEO of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules made there under and applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other law applicable to the Company for time being in force (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and in accordance with relevant provisions of the Articles of Association of the Company, and upon recommendations of Nomination and Remuneration Committee and Board of Directors of the Company (hereinafter referred to as the 'Board') and subject to such other approval(s), permission(s) and sanction(s) as may be required in this regard, consent of the Members be and is hereby accorded for re-appointment of Mr. Ajay Kumar Mall (DIN: 00470184) as Chairman, Managing Director & Chief Executive Officer (CEO) for a further period of five (5) years with effect from August 28, 2023, liable to retire by rotation, on such terms and conditions and at such remuneration, as detailed in the explanatory statement attached hereto.

RESOLVED FURTHER that the Board or any duly constituted committee of the Board be and is hereby authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to the foregoing resolution."

- 5. To approve payment of remuneration to Mr. Ajay Kumar Mall (DIN: 00470184) as Chairman, Managing Director & CEO of the Company**

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 Section 196, 197, 198, Schedule V and other applicable provisions, if any, of the

Companies Act, 2013 (the "Act") and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules made there under as may be applicable and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force) and upon recommendations of Nomination and Remuneration Committee and Board of Directors (hereinafter referred to as the 'Board') of the Company, and subject to such other approval(s), permission(s) and sanction(s) as may be required in this regard, consent of the Members of the Company be and is hereby accorded for payment of remuneration to Mr. Ajay Kumar Mall (DIN: 00470184) as Chairman, Managing Director & CEO of the Company on such terms and conditions as detailed in the explanatory statement attached hereto including the minimum remuneration in the event of absence of profits and/or inadequacy of profits or otherwise, notwithstanding that such remuneration may exceed the limits specified under Section 197 read with Schedule V of the Act.

RESOLVED FURTHER THAT the Board or any duly constituted committee of the Board, be and is hereby authorized to vary,

alter and modify the terms and conditions of re-appointment including designation, remuneration/remuneration structure of Mr. Ajay Kumar Mall within the limits approved by the Members.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorized to do all acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to the above resolution."

For Mallcom (India) Ltd.

Registered Office:

EN-12, Sector-V,
Salt Lake
Kolkata-700 091

Place: Kolkata

Dated: 7th August, 2023

Sd/-

Shalini Ojha

Company Secretary
ACS:48483

NOTES:

- The Ministry of Corporate Affairs ('MCA') has vide its General Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 14, 2021 and December 28, 2022 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') facility/Other Audio Visual Means ('OAVM'), without the physical presence of the Shareholders at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the Company is convening the 39th AGM through Video Conferencing ('VC') or Other Audio-Visual Means ('OAVM'), without the physical presence of the Members. Shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at EN-12, Sector-V, Salt Lake, Kolkata – 700 091, which shall be deemed venue of the AGM.
- The Explanatory Statement pursuant to Section 102 of the Act setting out material facts concerning the Special Business under Item 4 and 5 of the Notice are annexed hereto. Additional information, pursuant to Regulation 36 of the SEBI Listing Regulations, in respect of the director seeking reappointment at the AGM, forms part of this Notice. Requisite declarations have been received from the Director seeking re-appointment.
- In compliance with MCA and SEBI Circulars, of the AGM along with the Annual Report is being sent only through electronic mode to those Shareholders whose email addresses are registered with the Company/Depositories. Shareholders may note that the Notice and Annual Report will also be available on the Company's website at www.mallcom.in, websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at <https://www.evoting.nsdl.com>. Since the AGM will be held through VC / OAVM Facility, the Route Map is not annexed to this Notice.
- The Register of Members and the Share Transfer books of the Company will remain closed from Tuesday, the 5th Day of September, 2023 to Monday, the 11th Day of September, 2023 (both days inclusive).
- Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting during the 39th AGM of the Company.
- As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the website of the Company at www.mallcom.in. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Niche Technologies Private Limited in case the shares are held in physical form.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and

- Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
8. Shareholders who would like to express their views during the meeting may register themselves as a speaker may send their request mentioning their name, demat account number/folio number, email id, mobile number at investors@mallcom.in latest by 4 p.m. (IST) on Tuesday, the 5th Day of September, 2023. Only those shareholders who have registered themselves as a speaker and confirmed by Company will only be allowed to express their views/ask questions during the meeting. Shareholders who have queries may send their questions in advance mentioning their name, demat account number/ folio number, email id, mobile number at investors@mallcom.in latest by 4 p.m. (IST) on Tuesday, the 5th Day of September, 2023.
 9. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
 10. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
 11. Pursuant to the provisions of Section 124 of the Act, Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with the relevant circulars and amendments thereto ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs.6,872/- being the unpaid and unclaimed dividend amount pertaining to the Final Dividend for the Financial Year 2014-2015 on 29th October, 2022. The detail of the same is available on the website of the Company at www.mallcom.in.
 12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
 13. The Securities Exchange Board of India has mandated the holders of physical securities to mandatorily furnish of PAN, KYC details and Nomination by holders of physical securities. The detailed requirements can be downloaded from the Company's website at the folios wherein any one of the cited document/details are not available on or after October 1, 2023, the folios shall be frozen by the RTA.
 14. To support the 'Green Initiative', Shareholders who have not 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.
 15. Shareholders are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone number, mobile number, permanent account number (PAN), mandates, nominations, power of attorney, Company details to their DPs in case the shares are held by them in electronic form and to RTA in case shares are held in physical form.
 16. As per Regulation 40 of SEBI Listing Regulations, as amended SEBI has mandated for transfer of securities only in dematerialized mode except in case of transmission or transposition of securities w.e.f. 1st April, 2019. Hence the shareholders are advised to dematerialize shares held by them in physical form.
 17. Members may also note that this Notice and the Annual Report for 2022-23 can be downloaded from the Company's website www.mallcom.in.
 18. **Dividend Related Information:**

Dividend, if approved, will be paid to those shareholders whose names appear in the Register of Shareholders as at close of business hours on Monday, the 4th Day of September, 2023. Members may note that as per the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, dividends paid or distributed by the Company after April 1, 2020, shall be taxable in the hands of the shareholders and the Company shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to shareholders, subject to approval of dividend by the shareholders in the ensuing AGM. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Company. In order to enable the Company to determine the appropriate TDS rate as applicable, members are requested to submit relevant documents, as specified in the below paragraphs, in accordance with the provisions of the IT Act.

 - a) For Resident Shareholders,

Tax shall be deducted at source under section 194 of the IT Act at the rate of 10% on the amount of dividend declared and paid by the Company during financial year 2023-24. However, in the following cases.

TDS at the rate of 20% would be applicable as per IT Act:

 - Section 206AA of IT Act- In case where, PAN is not available/ submitted, or PAN submitted is invalid or PAN is not linked with Aadhaar; or
 - Section 206AB of IT Act - Non-filing of return of income tax of previous year (i.e. FY 2021-22) and aggregate of TDS and TCS in said previous year is Rs. 50,000 or more.

No tax shall be deducted at source on the dividend payable to a resident individual if the total dividend to be received by the said resident individual from the Company during a financial year does not exceed Rs. 5,000; In the cases where the members provide valid Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax) or Form 15H (for individual above the age of 60 years with no tax liability on total income), no TDS shall be deducted. In order to avail the benefit of non-

deduction of tax at source members are requested to mail the same to the RTA's email address at nichetechpl@nichetechpl.com or to the Company's email address at investors@mallcom.in.

NIL /lower tax shall be deducted on the dividend payable to following resident shareholders on submission of self-declaration as listed below:

- i. Insurance companies: Declaration by shareholder qualifying as Insurer as per section 2(7A) of the Insurance Act, 1938 along with self-attested copy of PAN card;
 - ii. Mutual Funds: Declaration by Mutual Fund shareholder eligible for exemption u/s 10(23D) of the Income- tax Act, 1961 along with self- attested copies of registration documents and PAN card;
 - iii. Alternative Investment Fund (AIF) established in India: Declaration that the shareholder is eligible for exemption under section 10(23FBA) of the Act and they are established as Category or Category II AIF under the SEBI regulations. Copy of self-attested registration documents and PAN card should be provided.
 - iv. New Pension System Trust: Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
 - v. Other shareholders - Declaration along with self-attested copy of documentary evidence supporting the exemption and self-attested copy of PAN card.
 - vi. Shareholders who have provided a valid certificate issued u/s. 197 of the Act for lower/ nil rate of deduction or an exemption certificate issued by the income tax authorities along with Declaration.
- b) For Non-resident shareholders, (including Foreign Portfolio Investors) Tax is required to be withheld in accordance with the provisions of Section 195 and section 196D of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder if they are more beneficial to the shareholder. For this purpose, i.e., to avail the tax treaty benefits, the non-resident shareholder will have to provide the following:
- i. Self-attested copy of PAN card, if any, allotted by the Indian income tax authorities.
 - ii. Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident.
 - iii. Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC.
 - iv. Self-declaration by the non-resident shareholder of meeting treaty eligibility requirement and satisfying beneficial ownership requirement (Non-resident having

PE in India would need to comply with provisions of section 206AB of the IT Act);

- v. In case of Foreign Institutional Investors and Foreign Portfolio Investors, self-attested copy of SEBI registration certificate.
 - vi. In case of shareholder being tax resident of Singapore, please furnish the letter issued by the competent authority or any other evidence demonstrating the non-applicability of Article 24 - Limitation of Relief under India-Singapore Double Taxation Avoidance Agreement (DTAA).
- c) Note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non-Resident shareholder.
- d) In addition to the above, please note the following:
- In case you hold shares under multiple accounts under different status/ category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
 - In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.

It may be further noted that in case tax on dividend is deducted at a higher rate in the absence of receipt of any of the required details/ documents from the shareholders, the shareholders may consider filing their return of income and claiming an appropriate refund, as may be eligible. No claim shall lie against the Company for such taxes deducted.

The Company shall arrange to e-mail the soft copy of the TDS certificate, if applicable, to shareholders at the e-mail ID registered with Niche Technologies Private Limited within the prescribed time as per IT Act. The amount of TDS can also be viewed in Form 26AS on the website of the Income Tax department of India at <https://www.incometax.gov.in/iec/foportal>.

Section 206AB of the Act:

Rate of TDS @10% u/s 194 of the Act is subject to provisions of section 206AB of Act (effective from 1 July 2021) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB, tax is required to be deducted at higher of following rates in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

Where sections 206AA and 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at the higher of the two rates prescribed in the two sections.

The term 'specified person' is defined in sub section (3) of section 206AB who satisfies the following conditions:

- A person who has not filed the income tax return for two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing of return of income under section 139(1) of the I-T Act has expired; and
- The aggregate of TDS and TCS in this case is = Rs. 50,000 or more in each of these two previous years.

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person. Members are requested to inform us well in advance and before cutoff date if you are covered under the definition of 'specified person' as provided in section 206AB of the IT Act. The Company reserves its right to recover any demand raised subsequently on the Company for not informing the Company or providing wrong information about applicability of Section 206AB in your case.

19. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s). Members (Physical/ Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in member updation form by sending an email to nichetechpl@nichetechpl.com and investors@mallcom.in. Please submit duly filled and signed member updation form to the abovementioned email. Upon verification of the Form the email will be registered with the Company.
20. All documents referred to in the accompanying Notice and the Explanatory Statement can be obtained for inspection by writing to the Company at its email ID at investors@mallcom.in till the date of AGM. The annual accounts of the subsidiary companies along with the related detailed information are available for inspection at the Corporate Office of the Company and of the subsidiaries concerned and copies will be made available to Shareholders upon request.
21. Members who are present in meeting through video conferencing facility and have not cast their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.

Voting through electronic means





- I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies(Management and Administration) Amendment Rules, 2015 and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by ICSI, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 39th AGM by electronic means and the business may be transacted through e-Voting.
- II. The facility of casting the votes by the members using remote electronic voting system as well as electronic voting on the day of AGM will be provided by National Securities Depository Limited (NSDL). The e-voting period commences on Friday, the 8th Day of September, 2023 and ends on Sunday, the 10th Day of September, 2023. During this period, members holding shares either in physical or in dematerialized form, as on the cut-off date of Monday, 4th September, 2023 may cast their vote by e-voting. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. 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 Monday, 4th September, 2023.
- III. Members, who are present in meeting through video conferencing facility and have not casted their vote on resolutions through remote e-voting, shall be allowed to vote through e-voting system during the meeting.
- IV. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
- V. Shareholders may access by following the steps mentioned below **for Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in 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.
- VI. Shareholders are encouraged to join the Meeting through Laptops for better experience.
- VII. 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.

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

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

Step 1: Access to NSDL e-Voting system

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;">  <p>App Store</p> </div> <div style="text-align: center;">  <p>Google Play</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website at www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) 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.

Type of shareholders	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 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 helpdesk.evoting@cdslindia.com 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-into 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 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details are given below:

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

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

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- 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.
- How to retrieve your "initial password"?
 - 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".
 - If your email ID is not registered, your "initial password" is communicated to you on your postal address.

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

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

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

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

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

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

How to cast your vote electronically on NSDL e-Voting system?

- 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.
- 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".
- Now you are ready for e-Voting as the Voting page opens.
- 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.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 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 smd.deepak@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
- Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e., 4th September, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call

on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., 4th September, 2023, may follow steps mentioned in the Notice of the AGM under Step 1: "Access to NSDL e-Voting system" (Above).

3. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
4. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at 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), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to investors@mallcom.in.
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), AADHAAR (self-attested scanned copy of Aadhaar Card) to investors@mallcom.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e., Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

The Instructions for Members for e-voting on the Day of the AGM are as Under: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise

not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

Instructions for Members for attending AGM through VC/OAVM are as under:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. 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.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who need assistance before or during the AGM, can contact NSDL at evoting@nsdl.co.in or call 1800 1020 990 / 1800 22 44 30.

Other Instruction

1. The voting rights of members shall be in proportion to their share of the paid-up equity share capital of the Company as on 4th September, 2023. A person who is not a member as on cut-off date should treat this notice for information purpose only.
2. Any person, who acquires shares of the Company and becomes a member after dispatch of the notice and holding shares as of the cut-off date i.e., 4th September, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA.
3. M/s. Rakhi Dasgupta & Associates, practicing company secretaries (M. No. 28739, C.P. No. 20354), has been appointed as the Scrutinizer to scrutinize the voting at the Annual General Meeting and remote e-voting process in a fair and transparent manner.

4. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in the employment of the Company and shall submit, not later than 48 (forty eight) hours from conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
5. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at www.mallcom.in and on the website of NSDL (www.evoting.nsd.com) after the declaration of result. The results shall also be immediately forwarded to the stock exchange viz. BSE & NSE, where the shares are listed.

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

Item No. 4 & 5

The Members of the Company at their 34th Annual General Meeting held on August 27, 2018, re-appointed Mr. Ajay Kumar Mall (DIN:00470184) as the Managing Director & CEO of the Company to hold office for a term of 5 (five) consecutive years with effect from August 28, 2018 to August 27, 2023. Accordingly, the tenure of Mr. Ajay Kumar Mall (DIN: 00470184) as Managing Director & CEO of the Company would end on August 27, 2023.

Pursuant to Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and Schedule V thereto and the rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment(s), statutory modification(s) or re-enactment(s) thereof for the time being in force and the Articles of Association of the Company and based on the recommendation and/or the approval of the Nomination and Remuneration Committee (the "NRC") and the Board of Directors of the Company (the "Board") accorded at their respective meeting held on August 07, 2023, consent of the Members of the Company be and is hereby sought for the re-appointment Of Mr. Ajay Kumar Mall (DIN:00470184) as Chairman, Managing Director and Chief Executive Officer ("CEO") of the Company with effect from August 28, 2023 for the period of five years subject to the approval of the shareholders at the ensuing Annual General Meeting.

Mr. Ajay Kumar Mall is neither disqualified from being appointed as a Director in terms of Section 164(2) of the Act, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given all the necessary declarations and confirmation including his consent to be re-appointed as a Chairman, Managing Director & Chief Executive Officer ("CEO") of the Company.

In terms of the provisions of Sections 196, 197, 198, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof for time being in force) and relevant provisions of Articles of Association of the Company, re-appointment of the Managing Director requires approval of the Members.

The terms and conditions of appointment of Mr. Ajay Kumar Mall (DIN: 00470184) as Chairman, Managing Director & CEO w.e.f. August 28, 2023 are as given below:

- i. Subject to supervision and control of the Board of Directors of the Company, Chairman, Managing Director & CEO -Designate shall be in charge of affairs of the Company and exercise such functions and powers as may be entrusted to him by the Board of Directors from time to time.
- II. Period of Appointment as Chairman, Managing Director & CEO Designate: August 28, 2023 to August 27, 2028**

III. Remuneration:

a. Salary

Basic Salary of Rs. 1,34,000/- (One Lakh Thirty-Four Thousand only) per month payable.

Benefits, Perquisites & Allowances:

- i. House Rent Allowance of Rs. 804,000/- (Sixty-Seven Thousand Only) per annum.
- ii. Conveyance Allowance: Rs. 9,60,000/- per annum.
- iii. Composite Allowance: Rs. 15,00,000 /- per annum.
- iv. Company's contribution towards Provident/Pension Fund: As per applicable law.
- v. Total Annual Bonus -MD will be eligible to earn up to Rs. 2,50,000/- per annum as bonus, in addition to salary and perquisites and allowances payable at the end of each Financial year, subject to the overall ceilings stipulated in the Act.
- vi. Minimum Remuneration: In the event of absence of profits and/or inadequacy of profits, in any financial year during the currency of tenure of Mr. Ajay Kumar Mall as Chairman, Managing Director & CEO of the Company, the payment of above remuneration by way of fixed pay, perquisites, allowances and other benefits shall be made notwithstanding such remuneration may exceed the limits prescribed under Section 197 read with Schedule V of the Companies Act, 2013 or under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or under any other law for the time being in force, if any.
- vii. The terms and conditions of the said appointment and/or agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit, within the maximum amount payable to him.

Except: Mr. Ajay Kumar Mall (the appointee), Mr. Giriraj Kumar Mall (being relative of the appointee), none of the other Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financial or otherwise in this Resolution.

The Board recommends Ordinary Resolution set out at item no.4 and Special resolution set out at item no. 5 of this Notice, for approval of the members.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING OF THE COMPANY AS REQUIRED UNDER REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Name of Director	Mr. Ajay Kumar Mall
DIN	00470184
Date of Birth	23.10.1959
Date of Appointment	13.12.1993
Nationality	Indian
Qualification	B.COM(HON), FCA,GRAD C.W.A,MBIM(UK)
Expertise in Specific functional area	He has wide experience in the field of Strategy & Business Development, Corporate Planning and manufacturing.
Terms and Conditions of Re-appointment	Chairman, Managing Director & CEO
Shareholding in Company	10,25,320
Number of meetings of the Board attended during Financial Year 2022-2023	5
Remuneration last drawn by such person, if applicable	Rs. 14,401,266/- paid during the FY 2022-2023#
Remuneration sought to be paid	As per the resolution stated above.
Name of listed entities from which the person has resigned in the past three years	NIL
Directorship held in other public company	NIL
Membership / Chairmanship of Committees of other Public Companies	NIL
Relationship with Other Director	Relative of Mr. Giriraj Kumar Mall, Executive Director

Remuneration includes Rs.99.76 Lakhs being profit in lieu of salary earned from assignment of Keyman Policy.

For Mallcom (India) Ltd.

Registered Office:

EN-12, Sector-V,
Salt Lake
Kolkata-700 091

Sd/-

Shalini Ojha

Company Secretary

ACS:48483

Place: Kolkata

Dated: 7th August, 2023



Mallcom India Limited
EN-12, Sector-V, Salt Lake, Kolkata 700 091, India
+91 33 4016 1000 | sales@mallcom.in | www.mallcom.in



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