

36<sup>th</sup> ANNUAL REPORT

2020-21

**ATAM VALVES LIMITED**

## **ATAM VALVES LIMITED**

### **36<sup>th</sup> Annual General Meeting**

Date: 30<sup>th</sup> September, 2021  
Day: Thursday  
Time: 01:00PM  
Venue: AGM of the Company is being conducted through VC/OAVM Facility  
CIN: L27109PB1985PLC006476

### **BOARD OF DIRECTORS**

Mr. Amit Jain	Managing Director
Mr. Vimal Parkash Jain	Wholetime Director
Mrs. Pamila Jain	Wholetime Director-cum-CFO
Mrs. Rajni Sharma	Independent Director
Mr. Surinder Kumar Salwan	Independent Director
Mr. Ravi Bhushan Jain	Independent Director

### **COMPANY SECRETARY & COMPLIANCE OFFICER**

Mrs. Natisha Choudhary (A-39201)

### **AUDITORS**

<b>STATUTORY AUDITOR</b>	<b>INTERNAL AUDITOR</b>	<b>SECRETARIAL AUDITOR</b>
M/s K.C. Khanna & Co. Chartered Accountants FRN: 000481N 202, Stock Exchange Building, Feroze Gandhi Market, Ludhiana, Punjab	M/s J.C. Arora & Associates Chartered Accountants 1st Floor, Sohal Complex, Sehdev Market, Jalandhar, Punjab	M/s Vishal Soni & Associates Company Secretaries 2nd Floor, Star Complex, Basti Adda, Jalandhar, Punjab FCS 8876, CP 9876

### **REGISTRAR & SHARE TRANSFER AGENT**

Bigshare Services Private Limited  
Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri – East, Mumbai  
400059 Maharashtra  
Tel: +91 – 22 -62638200  
Email Id: jibu@bigshareonline.com

### **REGISTERED OFFICE**

1051, Industrial Area,  
Jalandhar, Punjab

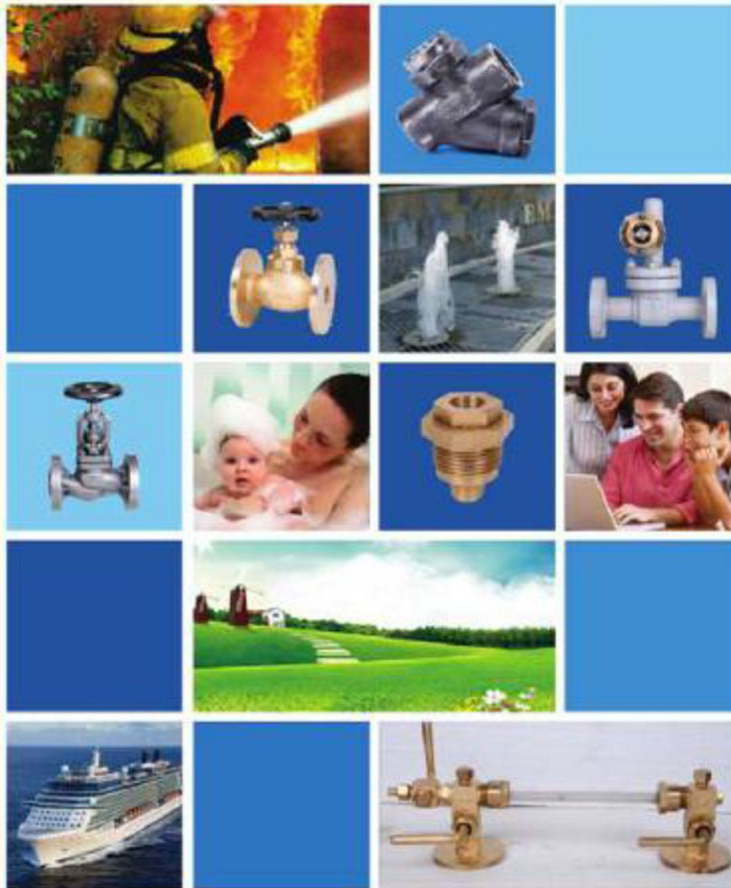
### **BANKERS**

HDFC Bank Limited  
State Bank of India

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## PRODUCT RANGE



**Winner of  
NATIONAL AWARD 2009  
FOR OUTSTANDING EFFORTS  
IN ENTREPRENEURSHIP**



**Winner of  
NATIONAL AWARD 2006  
FOR QUALITY PRODUCTS**



**Bronze Union Bonnet Globe Valve No. 9**  
**Screwed/Flanged**  
**Range : 8mm - 100mm**  
**: 15mm - 100mm**



**Bronze Globe Valve No. 5 & 10**  
**Screwed/Flanged**  
**Bronze/SS/Teflon Working Parts**  
**Range : 8mm - 100mm**  
**: 15mm - 100mm**



**Bronze Globe Valve No. 4 & 8**  
**Screwed/Flanged**  
**Bronze/Teflon Working Parts**  
**Range : 8mm - 100mm**  
**: 15mm - 100mm**



**Bronze Horizontal Lift Check Valves No. 4, 8**  
**Bronze/Teflon Working Parts**  
**Screwed/Flanged**  
**Range : 8mm - 100mm**  
**: 15mm - 100mm**



**Bronze Horizontal Lift Check Valves No. 5, 10**  
**Bronze/SS & Teflon Working Parts**  
**Screwed/Flanged**  
**Range : 8mm - 100mm**  
**: 15mm - 100mm**



**Bronze Horizontal Lift Check Valves No. 9**  
**SS Working Parts**  
**Screwed/Flanged**  
**Range : 8mm - 100mm**  
**: 15mm - 100mm**



**Bronze Angle Check Valves**  
**Bronze/SS Working Parts**  
**Screwed End**  
**Range : 15mm - 50mm**



**Bronze Thermodynamic Steam Trap**  
**Screwed End**  
**Range : 15mm - 50mm**



**Bronze Y-Type Strainer**  
Screwed/Flanged  
Range : 15mm - 65mm  
: 15mm - 50mm



**Bronze Gland Packed Water Level Gauge**  
Screwed/Flanged  
Range : 10mm - 20mm



**Bronze Asbestos Packed Water Level Gauge**  
Screwed/Flanged  
Range : 10mm - 20mm



**Bronze Sleeve Packed Water Level Gauge**  
Screwed/Flanged  
Range : 10mm - 20mm



**Bronze Sight Glass & Indicator**  
With Toughened Glass  
Range : 15mm - 50mm  
: 15mm - 40mm



**Bronze Relief Valve**  
Open/Enclosed Discharge  
Range : 15mm - 50mm  
: 15mm - 80mm



**Bronze Auto Injector**  
Screwed/Flanged  
Range : 15mm - 400mm  
: 25mm



**Bronze Gland Cock**  
Screwed/Flanged  
Range : 15mm - 50mm  
: 15mm - 100mm



**Bronze Plug Cock (Main Cock)**  
Screwed/Flanged  
Range : 15mm - 80mm  
: 15mm - 100mm



**Bronze Angle Wheel Valve**  
Right Angle Pattern  
Screwed/Flanged  
Range : 8mm - 50mm  
: 40mm - 80mm



**Bronze Gate Valve**  
Screwed/Flanged Ends Table 'D'  
Range : 8mm - 150mm  
: 15mm - 150mm



**Forged Brass Gate Valve**  
Screwed Ends  
Range : 15mm - 100mm



**Bronze Gate Valve**  
Screwed Ends/Rising Stem  
Range : 15mm - 100mm



**Bronze Gate Valve (Tanker Valve)**  
Screwed Ends  
Range : 15mm - 100mm



**Bronze Swing Check Valve**  
Screwed Ends  
Range : 15mm - 50mm



**Bronze Vertical Check Valve**  
Screwed Ends  
Range : 15mm - 100mm  
: 15mm - 50mm



**Bronze Vertical Lift Check Valve  
(2 Pc. Design)  
SS Working Parts  
Range : 15mm - 80mm**



**Bronze Foot Valve  
Screwed Ends  
Range : 15mm - 200mm  
: 15mm - 50mm**



**Bronze Air Valve (Paddle Valve)  
Screwed Ends  
Range : 15mm - 25mm**



**Bronze Universal Check Valve  
Screwed Ends  
Range : 15mm - 50mm**



**Bronze Horizontal Check Valve (Piston Type)  
Screwed Ends  
Range : 15mm - 25mm**



**Bronze Globe Valve (Mixed End)  
(One Side Flanged) with open shut Indicator  
& Pad Locking Arrangements  
Range : 15mm - 50mm**



**Bronze Gate/Globe Valve With Open Shut Indicator  
and Pad Locking Arrangement  
Flanged Ends  
Range : 15mm - 150mm  
: 15mm - 100mm**



**Bronze Pressure Reducing Valve  
Screwed Ends  
Range : 15mm - 50mm**



**Cast Steel / Cast Iron Wafer Type Butterfly Valve  
with CF-8/SS 304 Disc / SG Iron Disc  
Range : 40mm - 300mm**





**Cast Iron SG Iron Flap Type Non Return Valve**  
Range : 40mm - 300mm



**Cast Iron Kinetic Type Air Release Valve**  
As per IS-14845  
Double Ball Type  
IS-1538 PN 1.0 FF (Drilled)  
Range : 40mm - 200mm



**Cast Iron Dual Plate Check Valve**  
API-594, Wafer Type Suitable for Clamping Between  
Flanges As Per ASME/ANSI B 16.1 CI-125  
Class-125  
Range : 50mm - 200mm



**SS COMPACT PRESSURE REDUCING VALVE**  
Straight Pattern  
Spring Loaded Piston Type  
Screwed Female BSP Threads to BS-21  
Range : 15mm - 100mm



**Cast Iron Lubricated Plug Valve**  
Regular Pattern, Bolted Cover, Lever Operated  
Flanged Ends / Screwed Ends  
Class-125  
Range : 15mm - 150mm



**Bronze Vertical Check Valve**  
Screwed Ends  
IS : 778 Class-1  
Range : 15mm - 100mm



**Bronze Gate Valve**  
Screwed/Flanged Ends  
IS : 778 Class-1 & 2  
Range : 15mm - 100mm



**Bronze Globe Valve**  
Screwed/Flanged Ends  
IS : 778 Class-1 & 2  
Range : 15mm - 100mm



**Bronze Horizontal Check Valve**  
Screwed/Flanged Ends  
IS : 778 Class-1 & 2  
Range : 15mm - 100mm



**GM GATE VALVE (IS-318 LTB 2)**  
Screwed in Bonnet, O/S & Yoke Type, Rising Stem  
Integral Seat, Solid Wedge, Cu-Alloy  
Screwed female Threads to IS-554 (Parallel)  
Class-1 & 2  
Range : 15mm - 100mm



★ **GM GLOBE VALVE (IS-318 LTB 2)**  
Screwed in Bonnet, O/S & Yoke Type, Rising Stem  
Integral Seat Renewable Disc Cu-Alloy  
Class-1 & 2  
Screwed Female Threads to IS-554 (Parallel)  
Range : 15mm - 100mm



★ **Wafer Type Check Valve**  
with Stainless Steel CF-8M  
Table E/F/H  
Range : 15mm - 50mm



★ **C.I. SLUICE VALVE PN-1.0**  
Bolted Bonnet, Inside Screw,  
Non Rising Stem Flanged Ends  
Flanged Ends as Per IS:1538 PN-1.0  
Range : 50mm - 600mm



**febi®**

**BALL VALVES & HATTERSLEY GATE VALVE  
PRODUCT**

**Bronze Ball Valve**  
Screwed/Flanged Ends  
Range : 8mm - 100mm  
: 15mm - 125mm



★ **Cast Iron Ball Valve**  
Screwed/Flanged Ends  
Range : 15mm - 125mm  
: 15mm - 200mm



★ **Forge Brass Ball Valve**  
Screwed Ends, One Pc. Design  
Range : 15mm - 100mm



★ **Investment Casting SS Ball Valve**  
Screwed/Flanged Ends  
Two/Three Pc. Design  
MOC CF-8/CF-8M  
Range : 6mm - 50mm  
: 15mm - 150mm





## BALL VALVES & HATTERSLEY GATE VALVE PRODUCT

Investment Casting SS Ball Valve  
Single Piece Design Reduce Bore  
Screwed Ends, CF 8/CF8M  
Range : 15mm - 50mm



Investment Casting SS Ball Valve  
Screwed Ends, Three Piece Design  
MOC WCB, CF 8/CF8M  
Range : 15mm - 50mm



Drop Forged Ball Valve  
Screwed Ends, Three Piece Design  
ASTM-A105, CL-800  
Range : 15mm - 50mm



Bronze Ball Valve with Strainer  
Screwed Ends  
Range : 15mm - 50mm



Bronze Gate Valve (Hattersley Type)  
Screwed Ends  
Range : 8mm - 100mm



## IBR BRONZE PRODUCT

Bronze Globe Steam Stop Valve  
Screwed/Flanged Table 'P' & 'H'  
Range : 15mm - 50mm



Bronze Auxiliary Steam Stop Valve  
Screwed/Flanged Table 'P' & 'H'  
Range : 15mm - 50mm



Bronze 'Y' Type Strainer  
Brass/SS Screen  
Screwed/Flanged Ends  
Range : 15mm - 50mm





**Bronze Horizontal Lift Check Valves**  
Screwed/Flanged Table 'F' & 'H'  
Range : 15mm - 50mm



**Bronze Thermodynamic Steam Trap**  
Screwed End  
Range : 15mm - 25mm



**Bronze Parallel Slide Blow Off Valve**  
With Stellite Seats Rock & Pinion Operated  
Heavy Pattern (With Key), Flanged Ends, Table 'H'  
Range : 25mm - 80mm



**Bronze Fusible Plug**  
1 Piece/2 Piece/Loco Type  
Range : 15mm - 25mm  
15mm - 50mm  
25mm - 32mm



**Bronze Combined Cock & Feed Check Valve**  
Flanged Ends Table 'F'  
Range : 15mm - 50mm



**Bronze Vertical Non-Return Valve**  
Screwed/Flanged Ends Table 'H'  
Range : 15mm - 50mm



**Bronze Pressure Reducing Valve**  
Screwed Ends  
Range : 15mm - 50mm



**Bronze Safety Valve**  
Enclosed/Open Discharge  
Screwed/Flanged Ends  
Range : 15mm - 50mm



**Bronze Controllable Feed Check Valve**  
Right Angle or Straight Type  
Screwed/Flanged Table 'H'  
Range : 15mm - 50mm



**Bronze Sight Glass**  
Screwed End  
Range : 15mm - 50mm





Bronze Inspector's Test Gauge Cock  
Pressure Gauge Cock  
Screwed Ends  
Range : 10mm - 15mm



★  
Cast Iron Globe/Junction Steam Stop Valve  
Straight/Right Angle Pattern  
Flanged Ends as per DIN Rating PN 16  
upto 150mm & PN 10 for 300mm  
Range : 15mm - 200mm  
15mm - 150mm



★  
Cast Iron Horizontal/Lift Check Valve  
Straight/Right Angle Pattern  
Flanged Ends as per DIN Rating PN 16  
upto 150mm & PN 10 for 300mm  
Range : 15mm - 200mm  
15mm - 150mm



★  
Cast Iron (Y-Type) Strainer  
Screwed/Flanged Table 'F'  
Range : 15mm - 50mm  
25mm - 200mm



★  
Cast Iron Accessible Feed Check Valve  
Without/With Inspection Branch  
Flanged Ends, Table 'P'  
Range : 25mm - 65mm  
40mm - 65mm



★  
Cast Iron Stop cum Non-Return Valve  
Straight/Right Angle Pattern  
Flanged Ends  
Range : 15mm - 300mm  
15mm - 150mm



★  
Cast Iron Vertical Inverted Bucket Type Steam Trap  
Screwed Ends  
Range : 15mm - 50mm



★  
Cast Iron Horizontal Bucket Type Steam Trap  
Screwed Ends  
Range : 15mm - 50mm



★  
Cast Iron Spring Loaded Single/  
Double Post/Full Lift Safety Valve  
Flanged Ends, Table 'F' & 'D'  
Range : 25mm - 50mm  
25x40mm - 40x50mm



★

**Cast Iron Pilot Operated Pressure Reducing Valve**  
Flanged Ends, Table 'F'  
Range : 25mm - 50mm



**Cast Iron Moisture Separator**  
Flanged Ends, Table 'F'  
Range : 25mm - 150mm



**Cast Iron Vertical Check Valve**  
Flanged Ends, PN-16  
Range : 40mm - 200mm



**Cast Iron Ball Float Steam Trap**  
Horizontal Type  
Screwed Ends  
Range : 15mm - 40mm



**Stainless Steel Thermodynamic Steam Traps**  
Screwed Ends  
Range : 15mm - 25mm



**Cast Steel Globe Valve, WCB, ACC,  
LCB, WC6, WC9, CF8, CF8M, CF3, CF3M**  
Flanged End ND-40  
Range : 15mm - 300mm



**Cast Steel Globe Valve**  
Flanged Ends, Class-150  
Range : 25mm - 300mm



**Cast Steel Horizontal Lift Check Valve**  
Flanged Ends ND-40  
Range : 15mm - 300mm



**C.I. Gate Valve PN-1.0**  
Bolted Bonnet, O/S & Yoke Type, Rising Stem  
Flanged Ends as Per IS:1538 PN-1.0 FF (Drilled)  
Range : 50mm - 600mm



★	<p>Cast Steel Gate Valve in MOC, WCB, WCC, WC6, WC9, CF8, CF8M, CF3 &amp; CF3M Flanged Ends / B.W. Ends Class-150 - Range : 25mm - 600mm Class-300 - Range : 40mm - 450mm Class-600 - Range : 40mm - 400mm</p>	
★	<p>Cast Steel Parallel Slide Blow Off Valve Flanged Ends Range : 25mm - 80mm</p>	
★	<p>C.I. Reflex Valve PN-1.0 IS-5312 Renewable Disc, Rubber Facing Flanged as per IS-1538 PN-1.0 FF (Drilled) Range : 50mm - 500mm</p>	
★	<p>Cast Steel Swing Check Valve in MOC-WCB, WC6, WC9, CF8, CF8M, CF3, CF3M Flanged Ends / B.W. Ends Class-150 - Range : 40mm - 600mm Class-300 - Range : 40mm - 450mm Class-600 - Range : 40mm - 400mm</p>	
★	<p>Cast Steel Y Type Strainer Flanged Ends Range : 25mm - 250mm</p>	
★	<p>Cast Steel Globe Valve (Right Angle Pattern) Flanged Ends Range : 25mm - 150mm</p>	
★	<p>Cast Steel Sleeve Packed Water Level Gauge Flanged Ends Range : 20mm</p>	
★	<p>Cast Steel Accessible Feed Check Valve Flanged Ends, Table 'J' Range : 25mm - 80mm</p>	
★	<p>Cast Carbon Steel Single/Double Post/ Full Lift Spring Loaded Safety Valve &amp; Hi Lift Safety Valves Flanged Ends Table 'H' &amp; 'D' Range : 25mm - 50mm 25x40mm - 100x150mm</p>	
★	<p>Cast Steel Inverted Bucket Steam Trap Screwed Ends Range : 15mm - 50mm</p>	
★		





**IBR  
CAST STEEL PRODUCT**

**C.I / Cast Steel Moisture Separator**  
Flanged Ends, Table 'F'  
Range : 25mm - 150mm



**IBR FORGED  
CARBON STEEL PRODUCT**

**Drop Forged Steel**  
Thermodynamic Type Steam Trap  
Screwed/Socket Welding Ends  
Range : 15mm - 25mm



**Drop Forged Steel Wedge Gate/Globe Valve**  
(ASTM A 105, F11, F22, LF2, F304, F304L, F316 & F316L)  
Class-800  
Socket Welding/NPT Threads / B.W. Ends  
Range : 15mm - 50mm



**Drop Forged Steel Gate Valve**  
(ASTM A 105, F11, F22, LF2, F304, F304L, F316 & F316L)  
Standard Bore, Class-1500  
Socket Welding / NPT Threads / B.W. Ends  
Range : 15mm - 40mm



**Drop Forged Steel Globe Valve**  
(ASTM A 105, F11, F22, LF2, F304, F304L, F316 & F316L)  
Standard Bore, Class-1500  
Socket Welding / NPT Threads / B.W. Ends  
Range : 15mm - 40mm



**Drop Forged Steel Horizontal Lift Check Valve**  
(ASTM A 105, F11, F22, LF2, F304, F304L, F316 & F316L)  
(ASTM A 105) Class-800  
Socket Welding / NPT Threads / B.W. Ends  
Range : 15mm - 50mm



**Drop Forged Steel Horizontal Lift Check Valve**  
(ASTM A 105, F11, F22, LF2, F304, F304L, F316 & F316L)  
Standard Bore, Class-1500  
Socket Welding / NPT Threads / B.W. Ends  
Range : 15mm - 40mm



**Drop Forged Steel Needle Valve**  
(ASTM A 105, F11, F22, LF2, F304, F304L, F316 & F316L)  
Standard Bore, Class-800  
Socket Welding / NPT Threads / B.W. Ends  
Range : 8mm - 50mm

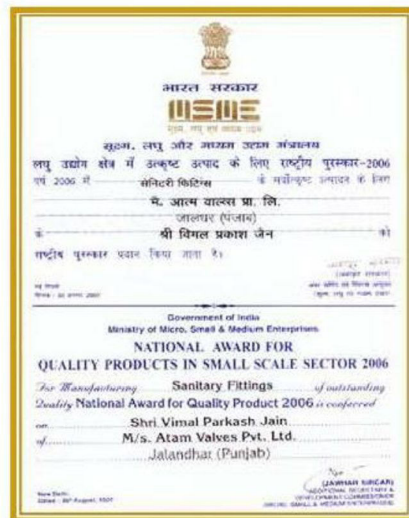


**Forged Fitting**  
Body Material A105 (1000, 2000, 3000, 6000 LBS)  
SW/NPT  
Range : 15mm - 50mm



**IC Fitting SS**  
CF8/CF8M  
NPT/BSP (Female)  
Range : 15mm - 50mm





VIMAL JAIN Chairman ATAM VALVES PVT. LTD. receiving  
NATIONAL AWARD 2006 for Quality from the Union Industry Minister SH. MAHABIR PRASAD  
in a function at VIGHYAN BHAWAN, Delhi on 30-8-2007.  
The function was presided over by HONBLE S. MANMOHAN SINGH Ji, The Prime Minister of India.  
A Cash prize of Rs. One Lac was also awarded besides the trophy and a certificate.



BRONZE, BRASS, CAST IRON, CAST STEEL, FORGED STEEL,  
S.S. INVESTMENT CASTING, VALVE, FITTINGS & BOILER MOUNTINGS



# ATAM VALVES (P) LTD.

1050-51, Out Side Industrial Area, Jalandhar (India)  
Ph.: 91 181 5001111 Fax : 91 181 2290611  
sales@atamfebi.com web:- www.atamvalves.com

Our Associate Firm

## Amco Industries



Factory Address :- Vill. Shiv Pur, P.O. Mubarkpur, Teh. Amb, Distt. UNA, Gargret (H.P.)  
Tel. 092184-08888 e-mail : amco@atamfebi.com http : www.atamvalves.in

## **ATAM VALVES LIMITED**

Registered Office: - 1051, Industrial Area, Jalandhar, Punjab-144004  
Website:-www.atamvalves.in, Email id:-marketing@atamfebi.com  
Telephone Number: 0181-5001111, Fax Number: 0181-2290611  
CIN: -L27109PB1985PLC006476

### **NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 36<sup>th</sup>(Thirty Sixth) Annual General Meeting ('AGM' or 'the Meeting') of the Members of Atam Valves Limited ("the Company") will be held on Thursday, September 30, 2021 at 01.00 p.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following businesses:

#### **ORDINARY BUSINESS (ES):**

1. **To receive, consider and adopt the audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 together with the reports of the Board of Directors and Auditors thereon.**

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

**"RESOLVED THAT** the Board's Report with Annexure, the Statement of Profit and Loss and the Cash Flow Statement for the Financial Year ended March 31, 2021 and the Financial Statement as at that date together with the Independent Auditors' Report thereon be and are hereby considered, approved and adopted."

2. **To declare a final dividend of Rs. 1.00 per Equity Share of Rs. 10/-each fully paid for the financial year 2020-21.**

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

**"RESOLVED THAT** a final dividend of Rs. 1.00 per Equity Share of Rs. 10/- each aggregating to Rs. 4125000/- as recommended by the Board of Directors of the Company for the year ended March 31, 2021 be and is hereby declared and the same be paid to the eligible members of the Company."

3. **To ratify the appointment of M/s K.C Khanna & Co., as Statutory Auditors of the company.**

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

**"RESOLVED THAT** pursuant to the provision of Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and pursuant to the resolution passed by the members at Thirty Fifth Annual General Meeting of the company held on Saturday, 12<sup>th</sup> September, 2020 in respect of the appointment of Statutory Auditor, M/s K.C Khanna & Co., Chartered Accountant (Firm Registration No. 000481N), till the conclusion of the Fortieth Annual General Meeting, the company hereby ratified the appointment of M/s K.C Khanna & Co. as

the Statutory Auditors of the Company to hold office from the conclusion of Thirty Sixth Annual General Meeting till the conclusion of Fortieth Annual General Meeting.”

**4. To appoint Mr. Amit Jain (DIN:- 01063087) as a Managing Director of the Company being eligible, offers himself for re-appointment**

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

“**RESOLVED THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, Mr. Amit Jain (DIN: - 01063087), Executive Director, retiring by rotation and being eligible for reappointment, has confirmed his eligibility and willingness to accept the office, be and is hereby reappointed as Executive Director of the Company.”

**SPECIAL BUSINESS (ES):**

**5. Increase in remuneration of Mr. Amit Jain, Managing Director (DIN: - 01063087)**

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 and 203 read with Schedule V and any other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Rule 3 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based on the recommendation of Nomination and Remuneration Committee, approval of shareholders of the Company be and are hereby accorded by way of Special Resolution to increase the remuneration of Mr. Amit Jain, Managing Director, (DIN: 01063087) to Rs. 4,00,000 p.m, as per following details:

- i. **Overall Remuneration:** Mr. Amit Jain (DIN: - 01063087) shall be paid a remuneration (i.e. salary, perquisites and commission) upto Rs. 4,00,000/- (Rupees Four Lakh Only) per month. In case of any doubts/ discrepancy/ clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board.
- ii. **Minimum Remuneration:** In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration in accordance with the provisions of Part II of Schedule V of the Act.
- iii. The composition of the remuneration payable to Mr. Amit Jain (DIN: - 01063087) may be varied as desired by him and accepted by the Board.”

“**RESOLVED FURTHER THAT** the Directors of the Company be and are hereby severally authorised to do all such acts, things and deeds including but not limited to filing of requisite forms/ returns with the office of the Registrar of Companies so as to bring this resolution into force.”

**6. Authorization to Board to borrow funds**

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

**“RESOLVED THAT** Pursuant to Sections 179, 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 and other rules, regulations, notifications and circulars issued including any statutory modification or re-enactment thereof for the time being in force, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as ‘the Board’) which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution for borrowing from time to time, any sum or sums of money for the purposes of the business of the Company, upon such terms and conditions and with or without security, as the Board may in its discretion think fit, notwithstanding that the money or monies to be so borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the sums already borrowed, may exceed the aggregate of the paid-up share capital of the Company and its free reserves that is to say, reserves not set apart for any specific purposes, provided however that the sums so borrowed and remaining outstanding shall not, at any time, exceed Rs. 50,00,00,000/- (Rupees Fifty Crore Only).”

**“RESOLVED FURTHER THAT** the Directors be and are hereby severally authorised to take such actions and steps, including delegation of authority to any committee, as may be necessary and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution without requiring the Board to secure any further approval of the Members of the Company.”

**7. Authorization to Board to create charge on the assets 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 180(1)(a) of the Companies Act, 2013 and other rules, regulations, notifications and circulars issued including any statutory modification or re-enactment thereof for the time being in force, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to create charges, mortgages and / or hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, in such form and manner and with such ranking, whether exclusive, pari-passu, subservient or otherwise and at such time and on such terms as the Board may determine, on all or any of the moveable and / or immovable properties of the Company, both present and future and / or on the whole or any part of the undertaking(s) of the Company, in favour of the banks, non-banking financial companies, financial institutions and other lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed / to be availed by way of loans(s) (in Foreign currency and /or rupees) and / or debentures (convertible / non-convertible / secured / unsecured) and / or securities in the nature of debt instruments issued / to be issued by the Company (hereinafter



termed 'loans'), from time to time, provided that the total amount of loans shall not at any time exceed Rs. 50,00,00,000/- (Rupees Fifty Crore Only)."

**"RESOLVED FURTHER THAT** the Directors be and are hereby severally authorised to take such actions and steps, including delegation of authority, as may be necessary and to settle all matters arising out of and incidental thereto; and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution, without requiring the Board to secure any further approval of the Members of the Company."

**8. Approval to enter Related Party Transactions**

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 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and other applicable provisions, if any (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board") to enter into contracts/ arrangements/ agreements/ transactions (including any modifications, alterations or amendments thereto) in ordinary course of business and on arm's length basis with related parties within the meaning of the Act as more particularly enumerated in explanatory statement annexed to this notice on such terms and conditions as defined in the related party contracts."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do or cause to be done all such acts, deeds and things, settle any queries, difficulties doubts that may arise with regard to any transactions with the related party, make such changes to the terms and conditions as may be considered necessary or desirable in order to give effect to this resolution in the best interest of the Company."

For and on behalf of Board of Directors

Place: - Jalandhar  
Date: - 04.09.2021

Amit Jain  
Managing Director  
DIN: 01063087  
95, Shaheed Udham Singh Nagar,  
Jalandhar, Punjab-144008

**ANNEXURE TO THE NOTICE**  
**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 36th ANNUAL GENERAL MEETING**  
**[PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING**  
**OBLIGATIONS AND DISCLOSURE REQUIREMENTS)**  
**REGULATIONS, 2015]**

<b>Name</b>	Mr. Amit Jain
<b>Director Identification Number (DIN)</b>	01063087
<b>Date of Birth</b>	06.10.1977
<b>Nationality</b>	Indian
<b>Qualifications</b>	Graduate
<b>Experience/Expertise</b>	<ul style="list-style-type: none"> <li>• Coordinate the organization's financial activities to ensure all operations are efficient, profitable, and properly funded.</li> <li>• Create and implement policies to increase productivity, maximize profit and cut overhead costs.</li> <li>• Define organizational and department problems and create and implement plans to correct problems and make a more efficient company.</li> <li>• Develop new marketing strategies to quickly capitalize on trends and social media.</li> <li>• Implemented new quality assurance initiatives to increase product reliability and customer satisfaction.</li> </ul>
<b>Date of appointment on Board</b>	06.10.1998
<b>Terms and conditions of appointment/re-appointment</b>	Re-appointed as Managing Director
<b>List of Directorship in other Indian Companies</b>	<ol style="list-style-type: none"> <li>1. Febi Valves Private Limited</li> <li>2. Atam and Febi Valves Private Limited</li> </ol>
<b>Details of Committee Membership held in other Indian Companies</b>	Nil
<b>Shares held</b>	14,30,950 Equity Shares
<b>Relationship between Director inter se and other key managerial personnel of the company</b>	(Son)- Mr. Vimal Parkash Jain, Wholetime Director  (Husband)- Mrs. Pamila Jain, Wholetime Director-cum-CFO
<b>Number of Board Meetings attended during the year</b>	Twelve (12)

## **NOTES**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. As the AGM will be held through VC/OAVM, the route map of the venue of the Meeting and attendance slip is not annexed hereto.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
4. 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 to atleast 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.
5. The attendance of the Members attending the AGM/EGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the EGM through VC/OAVM and cast their votes through e-voting.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://www.atamvalves.in>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. The 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 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

**THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOININGVIRTUAL MEETINGS ARE AS UNDER:**

- (i) The voting period begins on 27<sup>th</sup> September, 2021 (09:00 a.m.) and ends on 29<sup>th</sup> September, 2021 (05:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23<sup>rd</sup> September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during</li> </ol>

	the meeting.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (v) After entering these details appropriately, click on "SUBMIT" tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Atam Valves Limited> on which you choose to vote.
- (ix) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xi) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@atamfebi.com](mailto:cs@atamfebi.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.



4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

## **EXPLANATORY STATEMENT (PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013)**

The following statement sets out all material facts relating and the special businesses mentioned in the accompanying Notice:

### **Item no. 5**

Mr. Amit Jain (DIN: 01063087) was appointed as a Director of the company w.e.f. 06.10.1998. Since the area of operation of company is increasing company needs services of executive directors; therefore, it is proposed to increase the remuneration to Rs. 4,00,000 p.m including perquisites.

Mr. Amit Jain has great experience in the field of manufacturing and handling all government departments. He has been on the board since October 1998. He was responsible for the daily operations and takes strategic decisions for the company. He looked after the whole production process and production related activities as Managing Director of the company.

Pursuant to the provisions of section 197 read with the Schedule V of the Companies Act, 2013 as amended by the Companies (Amendment) Act, 2017, in case of no profit or inadequate profits as calculated under section 198 of the act, the company may pay remuneration to the managerial person in excess of the ceiling limits as specified in the Schedule V subject to the approval of shareholders by way of special resolution.

The terms as set out in the resolution and explanatory statement may be treated as an abstract of the terms and conditions governing the appointment and remuneration and memorandum of interest pursuant to section 190 of the companies act, 2013.

The particulars of disclosures as required under Schedule V of the Companies Act, 2013 are given hereunder:

I. General information:		
1	Nature of industry	The company is engaged in the business of manufacturing of valves, fittings and boiler mountings.
2	Date or expected date of commencement of commercial production	The company was incorporated on 30 <sup>th</sup> September , 1985
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable as the company is an existing company and operating its manufacturing of valves, fittings and boiler mountings successfully.
4	Financial performance based on given indicators	During the year, the company has achieved a sales turnover of Rs.1833.35 lakhs as compared to Rs.1629.41 lakhs for the previous year. The company has earned a profit after tax of Rs. 87.44 lakhs As compared to profit to Rs.4.15 lakhs for the previous year. Your directors expect better results in future.
5	Foreign investments or collaborations, if any	The company has no foreign equity investment.

II. Information about the appointee:		
1	Background details	Mr. Amit Jain is 44 by age, with over 23 years of experience. He was appointed as Director of the company i.e. 06 <sup>th</sup> October 1998 to provide necessary advice, from time to time, to the company and now he is serving the board as Managing Director of the Company
2	Past remuneration ( for last two years )	In the financial year 2019-20, Mr. Amit Jain (DIN 01063087) was paid total remuneration including perquisites of Rs. 3,00,000 as a Managing Director.  In the financial year 2018-19, Mr. Amit Jain (DIN 01063087) was paid total remuneration including perquisites of Rs.3,00,000 as a Managing Director.
3	Recognition of awards	He was appointed as Director of the company w.e.f. 06 <sup>th</sup> October 1998 to provide necessary advice, from time to time, to the company and now he is serving the board as Managing Director of the Company.
4	Job profile and suitability	Mr. Amit Jain has great experience in the field of manufacturing and handling all government departments. been on the board since October 1998. He was responsible for the daily operations and takes strategic decisions for the company. He looked after the whole production process and production related activities as Managing Director of the company.
5	Proposed remuneration	Remuneration proposed is Rs. 4,00,000/- per month i perquisites as minimum remuneration even in case of inadequacy of profits.
6	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	There is pecuniary relationship of Mr. Amit Jain with The Amco Industries. The transactions under consideration, is proposed to be entered into by the Company with Amco Industries is in the ordinary course of business and at arm length basis. Secondly, Amit Jain being lessor of the property situated at Abadi Near Canal Complex, Bye-Pass Road, Jalandhar , receives a rental income of Rs. 15000/- every month from M/s. Atam Valves Ltd, Jalandhar through Vimal Parkash Jain director of the company( hereinafter called as "Lessee")
III. Other information:		
1	Reasons of loss or inadequate profits	Due to recession in the market and also due to competition faced by the company, it has inadequate profits. However, directors are trying best to increase level of sales and profits of company in the current year.
2	Steps taken or proposed to be taken for improvement	The company has taken steps to focus on value added products and providing more focus on high contributing

		segments which will lead to higher sale volume and better bottom line. This will enable to optimize operating efficiency and bring down costs.	
IV	Disclosures	Shall be disclosed in the board of directors report in accordance with the requirements of schedule v of the Companies Act, 2013, if applicable to the company.	

The board recommends the special resolution set out at item no. 4 of the notice for your approval.

Mr. Amit Jain and his relatives are concerned and interested in the proposed resolution either financial or otherwise. None of the other directors, key managerial personnel or their relatives is concerned or interested financially or otherwise in the proposed resolution.

Since increase in remuneration of Mr. Amit Jain requires approval of shareholders', hence the proposed resolution is put for shareholders' approval.

#### **Item No. 6**

Keeping in view the Company's existing and future financial requirements and in view of the business expansion plans, the Board of Directors are of the opinion that the Company would require, from time to time, to borrow funds from banks, financial institutions and others to meet the funding requirements of the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting.

Accordingly, the Board proposes to obtain approval of shareholders by way of special resolution for an amount not exceeding Rs. 50,00,00,000/- (Rupees Fifty Crore Only).

This resolution is recommended for your approval as a Special Resolution.

None of the Directors, KMPs or their relatives are interested in the resolution, except to the extent of their shareholding.

#### **Item No. 7**

Pursuant to Section 180(1)(a) of the Companies Act, 2013, the Company can dispose off its undertakings/ property/ assets through sale or lease or provide security of its assets for repayment of loan or otherwise only with the approval of the shareholders accorded by way of a special resolution.

Accordingly, the Board proposes to obtain approval of shareholders by way of special resolution for an amount not exceeding Rs. 50,00,00,000/- (Rupees Fifty Crore Only).

This resolution is recommended for your approval as a Special Resolution.

None of the Directors, KMPs or their relatives are interested in the resolution, except to the extent of their shareholding.

### **Item No. 8**

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 govern the Related Party Transactions for entering into any contract, transactions or arrangement with the related party(ies), the Company obtain the approval of Shareholders by way of a Resolution as prescribed in rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013).

The particulars of the transaction pursuant to the provisions of Section 188 and Rules made thereunder, are as under:

Sr. No.	Name of Related Party	Nature of Relationship	Estimated Amount	Nature of Transactions
1.	Amco Industries	Mr. Amit Jain, Managing Director of the company is prop. of said firm.	Rs. 10,00,00,000/- p.a. (Rupees Ten Crore)	Purchase/Sale of Goods

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with related parties of the Company. The provisions of Section 188 of the Companies Act, 2013 that govern the related party's transactions.

Their present roles are crucial to provide impetus to the expanding national Business in the emerging market business of the Company. They are focusing on tapping the potential markets. Considering their qualification, experience and present role prescribed limit of Companies Act is not commensurate, hence requires approval of the shareholders.

This resolution is recommended for your approval as a Special Resolution.

None of the directors or KMPs except Mr. Amit Jain is interested or concerned financially or otherwise in the resolution set out in Item no. 8.

For and on behalf of Board of Directors

Amit Jain  
Managing Director  
DIN: 01063087

Place: - Jalandhar  
Date: - 04.09.2021

95, Shaheed Udham Singh Nagar,  
Jalandhar, Punjab-144008

# BOARD'S REPORT

*Dear Members*

Your Directors have the pleasure of presenting their Thirty Sixth (36<sup>th</sup>) Annual Report together with the Audited Financial Statements for the year ended March 31, 2021.

## FINANCIAL RESULTS

In compliance with the provisions of the Companies Act, 2013 ('Act'), and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') the Company has prepared its standalone financial statements for the FY 2020-21. The highlights of the standalone financial results of the Company for the FY 2020-21 and FY 2019- 20 are as under:

Sl. No.	Particulars	(Rs. in Lakhs)	
		Year Ended	
		31-03-2021	31-03-2020
		Audited	Audited
I	Revenue from Operations	1,833.35	1,629.41
II	Other Income	3.36	3.12
III	<b>Total Revenue (I+II)</b>	<b>1,836.71</b>	<b>1,632.53</b>
IV	<b>Expenses</b>		
	Cost of materials consumed	843.21	793.37
	Purchase of stock -in-trade	97.41	59.89
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-5.40	-104.31
	Employee benefits expense	377.17	417.66
	Finance cost	55.98	83.48
	Depreciation and amortisation expense	65.33	84.72
	Power and Fuel	45.25	42.54
	Other Expenses	235.96	233.78
	<b>Total expenses</b>	<b>1,714.92</b>	<b>1,611.14</b>
V	<b>Profit before tax (III-IV)</b>	<b>121.79</b>	<b>21.39</b>
VI	Tax expense	34.35	17.24
VII	<b>Profit for the period (V-VI)</b>	<b>87.44</b>	<b>4.15</b>
X	<b>Earnings per share of Rs. 10/- each (not annualized)</b>		
	- Basic (Rs.)	2.46	0.14
	- Diluted (Rs.)	2.46	0.14

## PERFORMANCE

On a Standalone Basis, your Company's total income for FY 2020-2021 was Rs. 1836.71 Lakhs as compared to Rs. 1632.53 Lakhs in FY 2019-20. Profit before tax was Rs. 121.79 Lakhs as compared to Rs. 21.39 Lakhs in the last year. Profit after tax was Rs. 87.44 Lakhs as compared to Rs. 4.15 Lakhs during the last year.

The company will definitely provide better results to the shareholders in upcoming year via better performance.

## DIVIDEND

During the year, the board, based on the company's performance, the directors are also pleased to recommend for your consideration and approval for payment of final dividend of Rs. 1.00/- per equity share of face value of Rs. 10/- each for the financial year 2020- 21. The final dividend on equity shares, if approved by the members would involve a cash outflow of Rs. 41.25 lakhs. Pursuant to regulation 43A of the SEBI listing regulations, a dividend distribution policy is available on the company's website viz <https://www.atamvalves.in> and forms part of the Annual Report as Annexure –I.

## GENERAL RESERVE

The Company has not transferred any amount to the General Reserve for the financial year ended March 31, 2021.

## SHARE CAPITAL

For the financial year ended March 31, 2021, the issued, subscribed and paid up equity share capital of the company is Rs. 4,12,50,000/- (Rupees Four Crore Twelve Lakhs Fifty Thousand) consisting of 41,25,000 (Forty One Lakh Twenty Five Thousand) equity shares of Rs. 10/- each.

During the year, company came up with IPO and got its shares listed on SME platform of BSE, due to which the issued, subscribed and paid up equity share capital of the company increased from Rs. 3,00,00,000/- to Rs. 4,12,50,000/-.

## DEPOSITS

The company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet as per section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) rules, 2014.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### • INDUCTIONS, RE-APPOINTMENT, RETIREMENT & RESIGNATION

During the year under review, Mr. Vimal Parkash Jain, Wholetime Director and Mrs. Pamila Jain, Wholetime Director had retired by rotation and offered themselves for re-appointment.

Pursuant to the provisions of the Act, Mr. Amit Jain, Managing Director of the Company, is liable to retire by rotation at the forthcoming AGM and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment. Mr. Amit Jain is not debarred from re-appointment pursuant to any order of SEBI or any other authority.

### • INDEPENDENT DIRECTORS

All the independent directors have given declarations that they meet the criteria of independence as laid down under section 149(6) of the act and regulation 16 of SEBI listing regulations. The independent directors have also confirmed that they have complied with the company's code of conduct for directors and senior management personnel.

In the opinion of the board, all the independent directors possess strong sense of integrity and having requisite experience, qualification and expertise.

#### • **POLICY ON NOMINATION, REMUNERATION AND BOARD DIVERSITY**

The company believes that building a diverse and inclusive culture is integral to its success. A diverse board, among others, will enhance the quality of decisions by utilising different skills, qualifications, professional experience and knowledge of the board members necessary for achieving sustainable and balanced development. In terms of SEBI listing regulations and act, the company has in place nomination & remuneration policy.

The said policy of the company, inter alia, provides that the nomination and remuneration committee shall formulate the criteria for appointment of executive, non-executive and independent directors on the board of directors of the company and persons in the senior management of the company, their remuneration including determination of qualifications, positive attributes, independence of directors and other matters as provided under sub section (3) of section 178 of the act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The policy also lays down broad guidelines for evaluation of performance of board as a whole, committees of the board, individual directors including the chairperson and the independent directors. The policy encourages the appointment of women at senior executive levels and thereby promoting diversity. The policy is designed to attract, recruit, retain and motivate best available talent.

### **BOARD MEETINGS AND ATTENDANCE**

During the Financial year 2020-21, Twelve (12) Board Meetings were held. These were held on May 06, 2020; May 14, 2020; May 25, 2020; June 08, 2020; June 27, 2020; August 07, 2020; September 01, 2020; September 08, 2020; September 30, 2020; December 21, 2020; December 31, 2020; March 27, 2021. The interval between any two meetings was well within the maximum allowed gap of 120 days.

The composition of the board of the directors and the details of the meetings attended by the members during the year are given below:-

<b>Name of the director</b>	<b>Category</b>	<b>No. of board meeting held &amp; entitled to attend.</b>	<b>No. of board meetings attended</b>
Mr. Vimal Parkash Jain	Wholetime Director	12	12
Mr. Amit Jain	Managing Director	12	12
Mrs. Pamila Jain	Wholetime Director and CFO(KMP)	12	12
Mrs. Rajni Sharma	Independent Director	12	3
Mr. Ravi Bhushan Jain	Independent Director	12	3
Mr. Surinder Kumar Salwan	Independent Director	12	3

### **BOARD COMMITTEES**

In compliance with the statutory requirements, the Board has constituted various Committees with specific terms of reference and scope. The objective is to focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees operate as the Board's empowered agents according to their charter / terms of reference. The Board Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.



## ➤ AUDIT COMMITTEE

As on March 31, 2021, the Audit Committee comprises of 3 (Three) Non- Executive Directors, of whom 2 (two) members, including the chairman are Independent Directors. All members of the committee possess knowledge of corporate finance, accounts and corporate laws. The composition of the Audit Committee meets the requirements of section 177 of the act and regulation 18 of SEBI listing regulations.

### **Brief description of terms of reference**

The terms of reference of the Audit Committee and its role & powers as specified in section 177 of the act and regulation 18 of SEBI listing regulations, as amended from time to time, inter alia, includes the following:-

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 and, 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:
  - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - ii. Changes, if any, in accounting policies and practices and reasons for the same;
  - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv. Significant adjustments made in the financial statements arising out of audit findings;
  - v. Compliance with listing and other legal requirements relating to financial statements;
  - vi. Disclosure of any related party transactions;
  - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial information and results of operations;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;

- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.

### Meetings, Attendance & Composition of the Audit Committee

During the Financial year, 2020-21, four (4) meetings of the Audit Committee were held. The meetings were held on 06.05.2020, 25.08.2020, 15.12.2020, 27.03.2021. Requisite quorum was present in all meetings of the committee.

The statutory auditors, internal auditors and senior executives of the company were invited to attend the meetings of the committee. The board accepted all recommendations made by the committee during the year.

The Composition of the Board of the Directors and the Details of the Meetings attended by the Members during the year are given below:-

S.No.	Name of the director	Status in committee nature.	Nature of directorship.	No. of meeting held & entitled to attend.	No. of meetings attended
1	Mr. Ravi Bhushan Jain	Chairman	Independent Director	4	4
2	Mr. Vimal Parkash Jain	Member	Wholetime Director	4	4
3	Mr. Surinder Kumar Salwan	Member	Independent Director	4	4

### ➤ NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2021, the Nomination and Remuneration Committee comprises of 3 (Three) directors, all of whom are Independent. The composition of the committee meets the requirements of section 178 act and the SEBI listing regulations.

### Brief description of terms of reference

Terms of reference of the Nomination and Remuneration Committee, inter alia, includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the level and composition of remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of independent directors and the Board;
3. To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
4. Devising a policy on Board diversity; and
5. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

## Meetings, Attendance & Composition of the Nomination and Remuneration Committee

During the Financial year, 2020-21, Two (2) meetings of the Nomination and Remuneration Committee were held. The meetings were held on 07.07.2020 and 21.11.2020. Requisite quorum was present in all meetings of the committee.

The Composition of the Board of the Directors and the Details of the Meetings attended by the Members during the year are given below:-

S.No.	Name of the director	Status in committee nature.	Nature of directorship.	No. of meeting held & entitled to attend.	No. of meetings attended
1	Mr. Rajni Sharma	Chairman	Independent Director	2	2
2	Mr. Ravi Bhushan Jain	Member	Independent Director	2	2
3	Mr. Surinder Kumar Salwan	Member	Independent Director	2	2

## ➤ STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the regulation 20 of the SEBI listing regulations and provisions of section 178 of act, the company has a Stakeholders Relationship Committee. As on March 31, 2021, the Stakeholders Relationship Committee comprises of 3 (Three) directors.

### Brief description of terms of reference

Terms of reference of the Stakeholders Relationship Committee, inter alia, includes the following:

1. Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
2. Redressal of security holders's/investor's complaints Efficient transfer of shares; including review of cases for refusal of transfer / transmission of shares and debentures;
3. Reviewing on a periodic basis the approval/refusal of transfer or transmission of shares, debentures or any other securities;
4. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
5. Allotment and listing of shares;
6. Reference to statutory and regulatory authorities regarding investor grievances; and
7. To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
8. Any other power specifically assigned by the Board of Directors of the Company.

### Meetings, Attendance & Composition of the Stakeholders Relationship Committee

The meetings of the committee are generally held as and when deemed necessary, to review and ensure that all investor requests/ grievances are redressed within stipulated time period.

During the Financial year, 2020-21, Four (4) meetings of the Stakeholders Relationship Committee were held. The meetings were held on 01.07.2020, 01.10.2020, 01.01.2021, 31.03.2021. Requisite quorum was present in all meetings of the committee. The Composition of the Board of the Directors and the Details of the Meetings attended by the Members during the year are given below:-

S. No.	Name of the director	Status in committee nature.	Nature of directorship.	No. of meeting held & entitled to attend.	No. of meetings attended
1	Mr. Surinder Kumar Salwan	Chairman	Independent Director	4	4
2	Mr. Vimal Parkash Jain	Member	Wholetime Director	4	4
3	Mr. Amit Jain	Member	Managing Director	4	4

### SUBSIDIARY/ASSOCIATE & JOINT VENTURE COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

During the financial year under review the company has no subsidiary/associate & Joint Venture Company and as a result no consolidated financial statements.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, the company has not transferred any amount to Investor Education and Protection Fund (IEPF).

Further in terms section 124(6) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended, the company has not transferred any number of equity shares to the demat account of Investor Education and Protection Fund.

### STATUTORY AUDITORS

At the Thirty Fifth (35<sup>th</sup>) AGM held on September 12, 2020 the members approved appointment of **M/s. K.C. KHANNA & Co.**, Chartered accountants (Firm Registration No.000481N) as statutory auditors of the company to hold office for a period of five years from the conclusion of that AGM till conclusion of the 40<sup>th</sup> AGM.

### AUDITORS'S REPORT

The Auditors' Report read along with notes to accounts is self-explanatory and therefore does not call for further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark. There are no frauds reported by the auditors under section 143(12).

### SECRETARIAL AUDITOR

The Board of Directors, pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have appointed **M/s VISHAL SONI & ASSOCIATES**, Practicing Company Secretaries, Jalandhar, Punjab as the secretarial auditor of the company to conduct the secretarial audit as per the provisions of the said act for the financial year 2020-21.

A Secretarial Audit Report for the Financial Year 2020-21 is annexed herewith as **Annexure-II** in Form MR-3. There are no adverse observations in the Secretarial Audit Report which call for explanation.

## **INTERNAL AUDITOR**

The Board of Directors has appointed **M/s. J.C ARORA & ASSOCIATES**, Chartered Accountant as the Internal Auditor of the company on the recommendations of the Audit Committee for the F.Y.2020-21. The Internal Auditor conducts the Internal Audit of the functions and operations of the company and reports to the Audit Committee and Board from time to time.

## **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the Statutory nor the Secretarial Auditors has reported to the Audit Committee under Section 143(12) of the Companies Act, 2013 any fraud committed against the company by its officers or employees, the details of which would need to be mentioned in the Board's Report.

## **CORPORATE SOCIAL RESPONSIBILITY**

During the year under review, the provisions of Section 135 of the Companies Act, 2013, are not applicable on the company.

## **BUSINESS RESPONSIBILITY REPORT**

The Company has been exempted from reporting on Business Responsibility Report as per Regulation 34(2)(f) of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015.

## **CORPORATE GOVERNANCE REPORT:-**

As per regulation 15(2) of the listing regulation, the compliance with the corporate governance provisions shall not apply in respect of the following class of the companies:-

- (a) Listed entity having paid up equity share capital not exceeding Rs. 10 crore and net worth not exceeding Rs. 25 crore, as on the day of the previous financial year.
- (b) Listed entity which has listed its specified securities on SME exchange.

Since our company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of corporate governance shall not apply to the company and it does not form the part of the annual report for the financial year 2020-21.

## **INTERNAL CONTROL/INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY**

The company implemented suitable controls to ensure its operational, compliance and reporting objectives. The company has adequate policies and procedures in place for its current size as well as the future growing needs. These policies and procedures play a pivotal role in the deployment of the internal controls. They are regularly reviewed to ensure both relevance and comprehensiveness and compliance is ingrained into the management review process.

Adequacy of controls of the key processes is also reviewed by the internal audit team. Suggestions to further strengthen the process are shared with the process owners and changes are suitably made. Significant findings, along with management response and status of action plans are also periodically shared with and reviewed by the audit committee. It ensures adequate internal financial control exist in design and operation.

**M/s. J.C ARORA & ASSOCIATES** is the internal auditor of the company for the F.Y 2020-21 who conducts internal audit and submit reports to the audit committee. The internal audit is processed to design to review the adequacy of internal control checks in the system and covers all significant areas of the company's operations. The audit committee reviews the effectiveness of the company's internal control system.

## **RISK MANAGEMENT**

The company has a duly approved risk management policy and constituted risk management policy and constituted risk management committee as required under SEBI listing regulations. The committee oversees the risk management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. The purpose of the committee is to assist the board of directors in fulfilling its oversight responsibilities with regard to enterprise risk management.

The company facets constant pressure from the evolving marketplace that impacts important issues in risk management and threatens profit margins. The company emphasizes on those risks that threaten the achievement of business objectives of the group over the short to medium term. Your company has adopted the mechanism for periodic assessment to identify, analyse, and mitigate the risks.

The appropriate risk identification method depends on the application area, the nature of the project, the project phase, resources available, regulatory requirements and client requirements as to objectives, desired outcome and the required level of detail.

All the senior executives have the responsibility for over viewing management's processes and which results in identifying, assessing and monitoring risk associated with organization's business operations and the implementation and maintenance of policies and control procedures to give adequate protection against key risk of the company.

Further, in carrying out the risk management processes, the senior executives of the company consider and assess the appropriateness and effectiveness of management information and other systems of internal control, encompassing review of the external auditor's report to management on internal control and action taken or proposed resulting from those reports.

The risk management and internal control systems within the organization encompass all policies, processes, practices and procedures established by management and/ or the board to provide reasonable assurance that:

- Established corporate, business strategies and objectives are achieved ;
- Risk exposure is identified and adequately monitored and managed ;
- Resources are acquired economically, adequately protected and managed efficiently and effectively in carrying out the business
- Significant financial, managerial and operating information is accurate, relevant, timely and reliable and
- There is an adequate level of compliance with policies, standards, procedures and applicable laws and regulations.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour. The company has a vigil mechanism and whistle blower policy under which the persons covered under the policy including directors and employees are free to report misuse or abuse of authority, fraud or

suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the company is affected. The reportable matters may be disclosed to the vigilance officer who operates under the supervision of the audit committee. Persons covered under the policy may also report to the chairman of the audit committee.

During the year under review, no employee was denied access to the chairman of the audit committee. No complaints were received under vigil mechanism & whistle blower policy during the financial year 2020-21.

## **DETAILS OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186**

During the financial year under review, no transaction under section 186 was held by the company.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All related party contracts/arrangements/transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. All related party transactions are placed before the audit committee for approval. Prior omnibus approval of the audit committee was obtained for the transactions which are of a foreseen and repetitive nature. The statement of transactions entered into pursuant to the omnibus approval so granted is placed before the audit committee for approval.

All related party transactions are mentioned in Note No. 28 of the notes to the Accounts.

## **PARTICULARS OF EMPLOYEES**

Disclosures relating to remuneration of directors u/s 197(12) of the act read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report as **Annexure –III**. The Remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the Company.

## **ANNUAL RETURN**

In accordance with section 134(3)(a) of the Companies Act, 2013 an extract of annual return in the prescribed format is appended to this report as **Annexure –IV** and also available on the website of the company at [www.atamvalves.in](http://www.atamvalves.in) after the conclusion of the AGM.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The management discussion and analysis report for the financial year under review, as stipulated under the SEBI listing regulations, is presented in a separate section, forming part of this annual report as **Annexure-V**.

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

Information in accordance with the provisions of section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are under:

<b>Sr. No.</b>	<b>Particulars</b>	<b>Comments</b>
<b>(A)</b>	<b>Conservation of energy</b>	
<b>(i)</b>	The steps taken or impact on conservation of energy.	Energy conservation is very important for the company and therefore, energy conservation measures are undertaken wherever practicable in its factory and attached facilities. The company is making



		every effort to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient equipment's with latest technologies. Impact on conservation of energy was that the electricity load expenses reduced.
(ii)	The steps taken by the company for utilizing alternate sources of energy.	Nil
(iii)	The capital investment on energy conservation equipment	Nil

<b>(B)</b>	<b>Technology Absorption</b>	
(i)	The efforts made towards technology absorption	Your company firmly believes that adoption and use of technology is a fundamental business requirement for carrying out business effectively and efficiently. While the industry is labour intensive, we believe that mechanization of development through technological innovations is the way to address the huge demand supply gap in the industry. We are constantly upgrading our technology to reduce costs and achieve economies of scale.
(ii)	The benefits derived like product improvement, cost reduction, product development or import substitution.	Nil
(iii)	In case of imported technology imported during the last three years reckoned from the beginning of the financial year.	
	(a) The details of technology imported	Nil
	(b) The year of import	N.A.
	(c) Whether the technology has been fully absorbed	N.A.
	(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof and	N.A.
(iv)	the expenditure incurred on research and development	Nil

### (C) Foreign Exchange Earnings and Outgo

	Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
(a)	CIF value of Imports	-	6,61,155
(b)	FOB value of exports (including export to Nepal)	49,05,276	43,82,157
(c)	Imported and Indigenous Consumption		
	(i) Raw Material		
	-Imported	-	-
	-Indigenous	8,43,21,085	7,93,37,402
	%		
	-Imported	-	-
	-Indigenous	100.00	100.00
	(ii) Store and spares (including packing material)		
	-Imported	-	-
	-Indigenous	78,13,395	65,28,575
	%		
	-Imported	-	-
	-Indigenous	100.00	100.00

Detail of foreign currency exposure as on the reporting date that has not been hedged by a derivative instrument or otherwise is given below.

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March
Against Export ( Debtors)	20,542	39,276

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

There were no significant material orders passed by the regulators/courts/tribunals during the financial year 2020-21 which would impact the going concern status of the company and its future operations.

### DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Act, with respect to Directors' Responsibility Statement, the board of directors, to the best of its knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The directors have selected such accounting policies and applied them consistently and made judgements 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 that period.
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of companies act, 2013 and rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

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

## MD & CFO CERTIFICATION

The MD and CFO of the company are required to give annual certification on financial reporting and internal controls to the board in terms of Regulation 17(8) of listing regulation and certification on financial results while placing the financial result before the board in terms of Regulation 33 of listing regulation and same is also published in this report as **Annexure-VI**.

## STATEMENT UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has an Anti-Sexual Harassment Policy in place which is in line with requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy.

During the year under report, your Company did not receive any case of sexual harassment and henceas on March 31, 2021, there were no pending cases of sexual harassment in your Company.

## EQUITY SHARES LISTING, STOCK CODE AND LISTING FEE PAYMENT

Name and address of the Stock Exchange, Scrip code and Status of fee paid for the financial year 2021-22:

Name and Address of the Stock Exchanges	Stock code	Status of fee Paid for FY 2021-22
BSE Limited (SME Platform) BSE-Corporate Office Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	543236	Paid

## OTHER DISCLOSURES

- (i) The statutory auditors of the company has not reported incident related to fraud during the financial year to the audit committee or board of directors under section 143(12) of the act.
- (ii) 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.
- (iii) No material changes and commitments, if any, affecting the financial position of the Company have occurred between the end of the financial year of the company to which the financial statements relate and the date of this report. The outbreak of Coronavirus (COVID-19) is causing significant disturbance and slowdown of economic activity in India and across the globe. The company has evaluated impact of this pandemic on its business operations. The company will continue to closely monitor any changes arising of future economic conditions and impact on its business.

- (iv) No change in the nature of the business of the company happened during the financial year under review.

## **ACKNOWLEDGEMENT**

Your Directors place on record their deep appreciation for the contribution made by the employees at all levels with dedication, commitment and team effort, which helped your company in achieving the performance during the year.

Your directors also acknowledge with thanks the support given by the government, bankers, members and investors at large and look forward to their continued support.

For and on behalf of Board of Directors

Place: - Jalandhar  
Date:-04.09.2021

Amit Jain  
Managing Director  
DIN: 01063087  
95, Shaheed Udham Singh Nagar,  
Jalandhar, Punjab-144008

# DIVIDEND DISTRIBUTION POLICY

The Board of Directors (the “Board”) of ATAM VALVES LIMITED (the “Company”) has adopted the Dividend Distribution Policy (the “Policy”) of the Company as required in terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) in its meeting held on 04<sup>th</sup> September 2021.

## EFFECTIVE DATE

The Policy shall become effective from the date of its adoption by the Board i.e. 04<sup>th</sup> September 2021.

## PURPOSE, OBJECTIVES AND SCOPE

The Securities and Exchange Board of India (“SEBI”) vide its Notification dated July 08, 2016 has amended the Listing Regulations by inserting Regulation 43A in order to make it mandatory to have a Dividend Distribution Policy in place by the top five hundred listed companies based on their market capitalization calculated as on the 31st day of March of every year. Considering the provisions of the aforesaid Regulation 43A, the Board of Directors (the “Board”) of the Company recognizes the need to lay down a broad framework for considering decisions by the Board of the Company, with regard to distribution of dividend to its shareholders and/ or retaining or plough back of its profits. The Policy also sets out the circumstances and different factors for consideration by the Board at the time of taking such decisions of distribution or of retention of profits, in the interest of providing transparency to the shareholders.

The Policy is not an alternative to the decision of the Board for recommending dividend, which is made every year after taking into consideration all the relevant circumstances enumerated hereunder or other factors as may be decided as relevant by the Board.

Declaration of dividend on the basis of parameters in addition to the elements of this Policy or resulting in amendment of any element or the Policy will be regarded as deviation. Any such deviation on elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company, along with the rationale will be disclosed in the Annual Report by the Board of Directors.

The Policy shall not apply to:

- Determination and declaring dividend on preference shares as the same will be as per the terms of issue approved by the shareholders;
- Distribution of dividend in kind, i.e. by issue of fully or partly paid bonus shares or other securities, subject to applicable law;
- Distribution of cash as an alternative to payment of dividend by way of buyback of equity shares.

## GENERAL POLICY OF THE COMPANY AS REGARDS DIVIDEND

The general considerations of the Company for taking decisions with regard to dividend payout or retention of profits shall be as following-

1. Subject to the considerations as provided in the Policy, the Board shall determine the dividend

payout in a particular year after taking into consideration the operating and financial performance of the Company, the advice of executive management including the CFO, and other relevant factors.

2. The Board may also, where appropriate, aim at distributing dividends in kind, subject to applicable law, in form of fully or partly paid shares or other securities.

## **CONSIDERATIONS RELEVANT FOR DECISION OF DIVIDEND PAY-OUT**

The Board shall consider the following, while taking decisions of a dividend payout during a particular year-

### **Statutory requirements**

The Company shall observe the relevant statutory requirements including those with respect to mandatory transfer of a certain portion of profits to any specific reserve such as Debenture Redemption Reserve, Capital Redemption Reserve etc. as provided in the Companies Act, 2013, which may be applicable to the Company at the time of taking decision with regard to dividend declaration or retention of profit.

### **Agreements with lending institutions/ Debenture Trustees**

The decision of dividend pay-out shall also be affected by the restrictions and covenants contained in the agreements as may be entered into with the lenders of the Company from time to time.

### **Proposals for major capital expenditures etc.**

In addition to plough back of earnings on account of depreciation, the Board may also take into consideration the need for replacement of capital assets, expansion and modernization or augmentation of capital stock, including any major capital expenditure proposals.

### **Expectations of major stakeholders, including small shareholders**

The Board, while considering the decision of dividend pay-out or retention of a certain amount or entire profits of the Company, shall, as far as possible, consider the expectations of the major stakeholders including the small shareholders of the Company who generally expects for a regular dividend payout.

## **FACTORS THAT MAY AFFECT DIVIDEND PAYOUT**

### **External Factors**

#### **Taxation and other regulatory concern**

Dividend distribution tax or any tax deduction at source as required by applicable tax regulations in India, as may be applicable at the time of declaration of dividend.

Any restrictions on payment of dividends by virtue of any regulation as may be applicable to the Company at the time of declaration of dividend.

#### **Product/ market expansion plan**

The Company's growth oriented decision to conserve cash in the Company for future expansion plan impacts shareholders expectation for the long run which shall have to be considered by the Board before taking dividend decision.

**Macroeconomic conditions**

Considering the state of economy in the Country, the policy decisions that may be formulated by the Government and other similar conditions prevailing in the international market which may have a bearing on or affect the business of the Company, the management may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances.

**Internal Factors****Past performance/ reputation of the Company**

The trend of the performance/ reputation of the Company that has been during the past years determine the expectation of the shareholders.

**Working capital management in the Company**

The current working capital management system within the Company also impacts the decision of dividend declaration.

**CIRCUMSTANCES UNDER WHICH DIVIDEND PAYOUT MAY OR MAY NOT BE EXPECTED**

The Board shall consider the factors provided above Para 4, before determination of any dividend payout after analyzing the prospective opportunities and threats, viability of the options of dividend payout or retention etc. The decision of dividend payout shall, majorly be based on the aforesaid factors considering the balanced interest of the shareholders and the Company.

**MANNER OF DIVIDEND PAYOUT**

The discussion below is a summary of the process of declaration and payment of dividends, and is subject to applicable regulations:

**In case of final dividends**

1. Recommendation, if any, shall be done by the Board, usually in the Board meeting that considers and approves the annual financial statements, subject to approval of the shareholders of the Company.
2. The dividend as recommended by the Board shall be approved/declared at the annual general meeting of the Company.
3. The payment of dividends shall be made within 30 days from the date of declaration to the shareholders entitled to receive the dividend on the record date/book closure period as per the applicable law.

**In case of interim dividend**

1. Interim dividend, if any, shall be declared by the Board.
2. Before declaring interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
3. The payment of dividends shall be made within 30 days from the date of declaration to the

shareholders entitled to receive the dividend on the record date as per the applicable laws.

4. In case no final dividend is declared, interim dividend paid during the year, if any, will be regarded as final dividend in the annual general meeting.

## **MANNER OF UTILISATION OF RETAINED EARNINGS**

The Board may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilization of the retained earnings of the Company shall be based on the following factors: Market expansion plan:

- Product expansion plan;
- Increase in production capacity;
- Modernization plan;
- Diversification of business;
- Long term strategic plans;
- Replacement of capital assets;
- Where the cost of debt is expensive;
- Other such criteria as the Board may deem fit from time to time.

## **AMENDMENT**

The Managing Director or the Chief Executive Officer of the Company shall be jointly/severally authorized to review and amend the Policy, to give effect to any changes/ amendments notified by any regulator under the applicable law from time to time. Such amended Policy shall be periodically placed before the Board for noting and necessary ratification.



# SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

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

**To**

**The Members,**

**Atam Valves Limited (L27109PB1985PLC006476),  
1051, Industrial Area, Jalandhar, Punjab-144004**

I have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by the **Atam Valves 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 books, papers, minutes books, forms and returns filled 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, as per the information provided and records produced before me, the company has, during the audit period covering the financial year ended March 31, 2021 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:

1. I have examined the books, papers, minute books, forms and returns filled and other records maintained by the company for the financial year ended on March 31, 2021 as mentioned in **Annexure-A** and **Annexure-B** according to the provision of:

- (i) The Companies Act, 2013 (the Act) and rules made there under;
- (ii) The Securities Contracts (Regulations) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulation and Bye Laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the 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) Securities and Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(Not applicable to the Company during the audit period)*
- (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018; *(Not applicable to the Company during the audit period)*
- (f) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations, 2014; *(Not applicable to the Company during the audit period)*
- (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(Not applicable to the Company during the audit period)*
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(Not applicable to the Company during the audit period)*
- (i) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; *(Not applicable to the Company during the audit period)*

2. I further report that with respect to the compliance of the below mentioned laws, we have relied on the representations made by the Company and its officers for system and mechanism framed by the Company for compliances under the other following Specific laws applicable as mentioned hereunder:

- (a) The Micro, Small and Medium Enterprises Development Act, 2006
- (b) Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952
- (c) Employees' State Insurance Act, 1948 (the "ESI Act")
- (d) The Factories Act, 1948
- (e) The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013
- (f) Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957
- (g) Payment of Bonus Act, 1965
- (h) Payment of Gratuity Act, 1972
- (i) Minimum Wages Act, 1948
- (j) Maternity Benefit Act, 1961
- (k) Shops and establishments laws in various states

3. I have also examined compliance with the applicable clauses of the following to the extent applicable:

- (I) Secretarial Standard issued by the Institute of Company Secretaries of India.
- (II) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited.

During the year under review, as per the information provided and records produced before me, the Company has complied with the provisions of the Act, Rules, Regulations, guidelines above.

**I further Report that:**

- 1) The Board of Director of the Company is duly constituted with proper balance of Executive Directors, Non-Executives Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review, if any, were carried out in compliance with the provisions of the Act.
- 2) 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 exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- 3) Majority decisions were carried through and there were no instances where any director expressing any dissenting views.

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

**I further report that** during the year company has increased its issued, paid up and subscribed share capital by way of Initial Public Offer and got its shares listed on SME platform of BSE on October 06, 2020.

**I further report that** during the audit period the company had no events which had bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**Place: Jalandhar**  
**Date: 04/09/2021**

**For Vishal Soni & Associates**  
**Company Secretaries**

**Vishal Soni**  
**Proprietor**  
**C.P. No. 9876**  
**Membership No. FCS 8876**  
**UDIN: -F008876C000896136**

## ANNEXURE - A

1. Memorandum & Articles of association of the company.
2. Annual Report for the financial year ended March 31, 2020.
3. Minutes of the meetings of the Board of Directors, Audit Committee and Nomination & Remuneration Committee, along with attendance register held during the financial year under report.
4. Minutes of General Body Meetings held during the financial year ended March 31, 2021 under report.
5. Statutory Registers as per Companies Act, 2013.
6. Agenda papers submitted to all the directors/ members for the Board Meetings and Committee Meetings.
7. Declarations received from the Directors of the Company pursuant to Section 149(6) & (7), section 164 and section 184 of the Companies Act, 2013 and Listing Regulations, 2015.
8. E-forms filed by the company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report.
9. Various Policies framed by the company required under the Companies Act, 2013 and SEBI act namely, Nomination and Remuneration Policy, Code of Conduct under Insider Trading Norms, Policy on Related Party Transactions, etc.
10. Documents pertaining to Appointment, Resignation of Directors and KMP.
11. Other relevant documents as required to be maintained and published on the website by the company.

### Limitations

*It is to be noted that due to Covid-19 situation in the Country and in compliance of the Covid-19 norms issued by the Government of India and State Governments from time to time, I had carried out the audit virtually and the documents, registers, forms, etc. were made available to us by the company through electronic medium. Further, wherever possible we have also taken confirmations from the company but the audit, as conducted, is subject to limitation of availability of documents due to continuous restrictions imposed by governments.*

## **ANNEXURE - B**

**To**  
**The Members,**  
**Atam Valves Limited (L27109PB1985PLC006476),**  
**1051, Industrial Area, Jalandhar, Punjab-144004**

My Secretarial Audit Report of even date, for the financial year 2020-21 is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations and standards applicable to Atam Valves Limited (the Company) is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of Secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to me by the Company, along with explanations where so required.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produce to me. I believe that the process and practices I followed, provides a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Whenever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place: Jalandhar**  
**Date: 04/09/2021**

**For Vishal Soni & Associates**  
**Company Secretaries**

**Vishal Soni**  
**Proprietor**  
**C.P. No. 9876**  
**Membership No. FCS 8876**  
**UDIN: -F008876C000896136**

**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**

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21:

Sr. No.	Name of Director/KMP	Designation	% Increase in Remuneration in the FY 2020-21	Ratio of Remuneration of each Director to Median Remuneration of Employees for the FY 2020-21
1.	Mr. Amit Jain	Managing Director	NA	1.38 : 1
2.	Mr. Vimal Parkash Jain	Wholetime Director	NA	1.38 : 1
3.	Mrs. Pamila Jain	Wholetime Director & CFO	NA	1.14 : 1
4.	Mrs. Natisha Choudhary	Company Secretary & compliance Officer	NA	0.09 : 1

- ii. The median remuneration (per annum) of employees of the Company during the financial year was Rs. 2613600/-. During the financial year, there was decrease of 12.88% in the median remuneration of employees.
- iii. There were 4 permanent employees on the rolls of the Company as on March 31, 2021.
- iv. Average percentage increase made in the salaries of employees and the managerial personnel in the last financial year i.e. 2020-21 was Nil.
- v. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of Board of Directors

Amit Jain  
Managing Director  
DIN: 01063087

Place: - Jalandhar  
Date:- 04.09.2021

95, Shaheed Udham Singh Nagar,  
Jalandhar, Punjab-144008

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31<sup>st</sup> March, 2021**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:-**

i.	CIN	L27109PB1985PLC006476
ii.	Registration Date	September 30, 1985
iii.	Name of the Company	ATAM VALVES LIMITED
iv.	Category / Sub-Category of the Company	Public Company having share capital
v.	Address of the Registered office and contact details	1051, Industrial Area, Jalandhar, Punjab-144004, India Tel: 0181-5001111, 5019601 Email: marketing@atamfebi.com
vi.	Whether listed company	Listed on SME Platform of BSE
vii.	Name, Address and Contact details of Registrar and Transfer Agent	Bigshare Services Private Limited Bharat Tin Works Building, 1st Floor, Opp. Vasant Oasis, Makwana Road, Marol, Andheri – East, Mumbai 400059 Maharashtra Tel: +91 – 22 -62638200 Email Id:- jibu@bigshareonline.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. No.	Name and Description of main products/ services	NIC Code of the product/ Service	% to total turnover of the Company
1.	To manufacture and/or produce and/or otherwise engage generally in the manufacture or production of or dealing in all types of Valves & Cocks, boiler mountings, pipe fittings, sanitary fitting and the sale, dealing or fabrication of steel and iron or non-ferrous metal and by products.	27109	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –**

S.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable section
1	N/A	--	--	--	--

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	3000000	0	3000000	100	2327980	0	2327980	56.44	(43.56)
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Body Corp.	0	0	0	0	0	0	0	0	0
e) Banks/ FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	672010	0	672010	16.29	16.29
<b>Sub-total (A) (1):-</b>	<b>3000000</b>	<b>0</b>	<b>3000000</b>	<b>100</b>	<b>2999990</b>		<b>2999990</b>	<b>72.73</b>	<b>(27.27)</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>3000000</b>	<b>0</b>	<b>3000000</b>	<b>100</b>	<b>2999990</b>	<b>0</b>	<b>2999990</b>	<b>72.73</b>	<b>(27.27)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									



a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI									
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0
<b>2. Non-Institutions</b>									
<b>a) Bodies Corp.-</b>									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	0	0	0	0	447010	0	447010	10.84	10.84
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	0	0	0	0	252000		252000	6.11	6.11
c) Others (specify)	0	0	0	0	426000	0	426000	10.33	10.33
<b>Sub-total (B)(2):-</b>	0	0	0	0	1125010	0	1125010	27.27	27.27
-	0	0	0	0	0	0	0	0	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	3000000	0	3000000	100	4125000	0	4125000	100	0

**(ii) Shareholding of Promoters**

S. No	Shareholders name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	VIMAL PARKASH JAIN	897030	29.90%	0	897030	21.74%	0	(8.16)
2.	AMIT JAIN	1430950	47.70%	0	1430950	34.69%	0	(13.01)
3.	PAMILA JAIN	660000	22.00%	0	660000	16.00%	0	(6.00)
4.	VIMAL PARKASH JAIN HUF	6000	0.2%	0	6000	0.15%	0	(0.05)
5.	AMIT JAIN HUF	6000	0.2%	0	6000	0.15%	0	(0.05)
6.	ANU JAIN	10	0.0003%	0	10	0.0002%	0	(0.0001)

**Note: - There has been no change in the no. of shares held by the promoters during the year. The change lies only in their percentage of total shares of the company due to IPO made during the year.**

**(iii) Change in Promoters' Shareholding (please specify, if there is no change): No Change**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Parshotam Lal Jain</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	261000	6.32	261000	6.32
	At the End of the year	261000	6.32	261000	6.32
<b>2.</b>	<b>Ashok Jain HUF</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	117000	2.83	378000	9.15
	At the End of the year	117000	2.83	378000	9.15
<b>3.</b>	<b>Aamla Jain</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	81000	1.96	459000	11.11
	At the End of the year	81000	1.96	459000	11.11
<b>4.</b>	<b>Dinkar Jain</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	63000	1.52	522000	12.63
	At the End of the year	63000	1.52	522000	12.63
<b>5.</b>	<b>Ashok Jain</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	63000	1.52	585000	14.15
	At the End of the year	63000	1.52	585000	14.15
<b>6.</b>	<b>Pritpal Singh Chawla</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	24000	0.58	609000	14.73
	At the End of the year	24000	0.58	609000	14.73

<b>7.</b>	<b>Nripan Jain</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	21000	0.50	630000	15.23
	At the End of the year	21000	0.50	630000	15.23
<b>8.</b>	<b>Sumedha Aggarwal</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	18000	0.43	648000	15.66
	At the End of the year	18000	0.43	648000	15.66
<b>9.</b>	<b>Arun Jain</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	18000	0.43	666000	16.09
	At the End of the year	18000	0.43	666000	16.09
<b>10.</b>	<b>Urvashi Aggarwal</b>				
	At the beginning of the year	-	-	-	-
	Increase in shareholding during the year due to purchase of shares	15000	0.36	681000	16.45
	At the End of the year	15000	0.36	681000	16.45

**(v) Shareholding of Directors and Key Managerial Personnel:**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For Each of the Directors and KMP</b>				
<b>1.</b>	<b>Vimal Parkash Jain (Wholetime Director)</b>				
	At the beginning of the year	897030	29.90%	897030	29.90%
	At the End of the year	897030	21.74%	897030	21.74%
<b>2.</b>	<b>Amit Jain (Managing Director)</b>				
	At the beginning of the year	1430950	47.70%	2327980	77.60%
	At the End of the year	1430950	34.68%	2327980	56.42%

3.	<b>Pamila Jain (Wholetime Director &amp; CFO)</b>				
	At the beginning of the year	66000	22.00%	2393980	99.60%
	At the End of the year	66000	16.00%	2393980	72.42%

## V. INDEBTEDNESS

### Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebteness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	4,66,12,929.00	3,07,15,132.00	-	7,73,28,061.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	4,66,12,929.00	3,07,15,132.00	-	7,73,28,061.00
<b>Change in Indebtedness during the financial year</b>				
□ Addition	-	-	-	-
□ Reduction	1,60,25,668.00	2,53,10,710.00	-	4,13,36,378.00
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,05,87,261.00	54,04,422.00	-	3,59,91,683.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particulars of Remuneration	Name of MD/WTG/ Manager			Total Amount
		<b>Mr. Amit Jain (MD)</b>	<b>Mr. Vimal Parkash Jain (WTD)</b>	<b>Mrs. Pamila Jain (WTD)</b>	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of	36,00,000	36,00,000	30,00,000	1,02,00,000

	the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	36,00,000	36,00,000	30,00,000	1,02,00,000

#### B. Remuneration to Other Directors:-

S. No.	Particulars of Remunerartion	Fee For Attending Board Meetings/Committee Meetings.	Commissions	Other Remuneration	Total Amount
<b>1.</b>	<b>INDEPENDENT DIRECTORS.</b>				
	(a) Ravi Bhushan Jain	22500	0	0	22500
	(b ) Surinder Kumar Salwan	32500	0	0	32500
	(c) Rajni Sharma	12500	0	0	12500
	<b>TOTAL (1)</b>	<b>67,500</b>	<b>0</b>	<b>0</b>	<b>67,500</b>
<b>2.</b>	<b>NON EXECUTIVE DIRECTORS.</b>				
	(a) Amit Jain	40,000	0	0	40,000
	(b) Pamila Jain	30,000	0	0	30,000
	(c) Vimal Parkash Jain	50,000	0	0	50,000
	<b>TOTAL (2)</b>	<b>1,20,000</b>	<b>0</b>	<b>0</b>	<b>1,20,000</b>
	TOTAL (1)+(2)	1,87,500	0	0	1,87,500
	<b>TOTAL MANAGERIAL REMUNERATION</b>	<b>1,87,500</b>	<b>0</b>	<b>0</b>	<b>1,87,500</b>

**Overall Ceiling as per the Act: - the sitting fees paid to other directors are within the maximum prescribed limits.**

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Natisha Choudhary (Company Secretary)	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2,54,400	-	2,54,400
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	2,54,400	-	2,54,400

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-



<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of Board of Directors

Place: - Jalandhar  
Date:- 04.09.2021

Amit Jain  
Managing Director  
DIN: 01063087  
95, Shaheed Udham Singh Nagar,  
Jalandhar, Punjab-144008

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## **BACKGROUND**

Our Company was originally incorporated as “Atam Valves Private Limited” on September, 30th, 1985 under the provisions of the Companies Act, 1956 vide Certificate of Incorporation issued by the Registrar of Companies, Punjab & Chandigarh. Later on, the company got converted into public limited company and the name of the company was changed to – “Atam Valves Limited” and fresh Certificate of Incorporation dated November 24th, 2017 was issued by the Registrar of the Companies, Punjab & Chandigarh.

Atam Valves Limited is one of the leading manufacturers of Valves, Cocks & Boiler Mountings in India. We are also an ISO 9001: 2008, ISO 14001: 2004, and CE Monogram and PED approved company & winner of National Award 2006 for quality and National Award 2009 for entrepreneurship Govt. of India.

Ever since inception in 1972 , our brand names ATAM & FEBI emerged as formidable names in Bronze , Brass , Cast Iron , Cast Steel , Forged Steel , S.S. Valves & cocks , conforming to various National & International standards . We are pioneers in developing Ball Valves in India and enjoy a strong Brand image. ATAM VALVES are suitable for industrial and domestic applications as well as for controlling a wide variety of service fluids, Oil & steam, within various pressure & temperature ranges."ATAM" products are approved by various quality institutions including bureau of Indian Standards. Indian Boiler Regulations and enjoy an active patronage of numerous Government and eminent Industrial houses in India & International Market.

## **Departmental Break up**

### **a) Chemical & Mechanical Testing Laboratory**

We have a well-equipped Laboratory run by qualified technician. We have installed universal testing machine, hardness testing machine for mechanical tests and Electro analyzer and all the equipment for ferrous & non-ferrous chemical analysis. We are already doing destructive & non-destructive tests and now company has plans to go for cryogenic and fire safe tests and we have installed spectrometer & PMI machine for identification of elements of material.

### **b) Castings**

The company is having its own foundry. The foundry is having one 500 kg oil furnace, four 50-kg pit furnaces and one induction furnace 200 kg twin crucibles for non-ferrous castings. The total capacity of non-ferrous casting is 2000 kg/Day. Most of the non-ferrous castings are done by shell moulding technique. We are doing centrifugal castings and investment castings also for few products. The total non-ferrous casting capacity is 750 Tons per year and total consumption of Cast Iron, Cast Carbon Steel and Stainless Steel casting is 1000 Tons per year.

**c) Forgings**

The company is having one forging shop equipped with one forging press, Two power presses and hydraulic press. A few components of Valves which need to be forged one, are made in our own forging shop. We have our own dies for the valves bodies & parts for class 800 and class 1500 but we are getting these forged from the central institute of hand tools.

**d) Work Shops**

The company is having six workshops. Two workshops for machining of nonferrous parts, one for Stainless Steel parts, Two for Cast Iron and Cast Steel parts one for grinding and shot blasting. Our workshops are equipped with the most modern machines like SPMs, CNC, turrets besides other best make Lathe machines, drill machines, centreless grinders, surface grinders, burnishing machines, slotting machines, radial drills etc.

The total number of machines is about 200 and they have capacity to produce Valves up to 300 mm. Three heat treatment furnaces are also installed for treatment of required parts. We are also having one vinyl coating plant for dip insulation on handles of Ball Valves.

**e) Quality Assurance**

We are having strict control on quality in all stages of production. The raw material is tested chemically before going in for castings. The castings are checked for any casting defects before going for machining. During machining all the parts are checked with go and no go gauges for sizes. After machining the parts are assembled and after assembly the complete valve pass through the pressure test required.

**f) Testing**

The company has its own testing shop for testing of Valves & Boiler mountings. We have hydraulic pumps for hydraulic tests upto 3000 lbs./sq.inch. We have Air compressors for testing on Air and two boilers one for 150 lbs./sq.inch capacity and one for 250 lbs./sq.inch capacity for steam tests. Each and every piece is tested for required pressure before packing for final shipment.

**Design-Development and Continual Improvement**

We are having in house design facility. The company has engaged well-qualified design engineers and we are having the modern Autocad systems. After designing of valves we have our own pattern and Die development shop having milling station, pantograph besides the lathe machines, where the desired patterns or dies are made for regular production. We have CAD CAM software for designing and development of dies for Investment casting & shell Mouldings

**Product Range**

The company is manufacturing a wide range of Bushings, Valves and Boilermountings. The company has the ability to design and manufacture valves orbushings as per customer's design and specification.

Our product range include

- Bushing in Brass/Gun-Metal/Bronze/ up to 300 mm OD and 600 mm length.
- Brass/Bronze/Cast Iron/Cast Steel/Forged Steel/Stainless Steel Investment Castings Valves and Boiler mountings viz. Gate, Globe, Check Valves, Pressure reducing Valves, Steam Traps, Gauge Glass Cocks, Strainers, Safety Valves (High & Full lift) Single post/Double post, Ball Valves, Steam stop Valves, Parallel slide Blow down valves, fusible plugs, combined feed check Valves, Injectors, Sight glass, moisture separators etc.

## **Sales**

We are having a large Sales network in India and in overseas countries. We are having about 350 dealers in the country and abroad. These dealers are approached through Sales agents and our special engineering personnel also visit the dealers whenever our customers have any technical problem in any industry or in any project.

## **Management**

Efficient board of Directors and qualified professionals manage the affairs of the company.

## **Aim**

Atam's aim is to give long term commitment to their customers by supplying best quality products. To serve the nation by giving more employment and by increasing production continuously. To earn more foreign exchange for the country by exploring more export markets.

## **INDUSTRY STRUCTURE AND DEVELOPMENT**

As you are aware, your Company has been engaged in the manufacturing of Valves, Cocks & Boiler Mountings. The year that went by, did pose a lot of challenges wherein the entire Global market was facing a slowdown and we too were impacted by the same. While working towards addressing the challenges posed by the slowdown in Business, the unexpected impact of Covid-19 Pandemic only aggravated the situation further.

In spite of all our proactive efforts to combat the impact arising from the above developments, we fell short of reaching our Targets set at the beginning of the year.

## **OPPORTUNITIES AND THREATS**

In spite of the current situation with the Pandemic impact on businesses worldwide, our TEAM continues with its efforts to explore opportunities within this situation. With renewed focus and awareness on Hygiene and Safety, we foresee a good potential opportunity for our products in the coming years. Further with the sustained efforts of our Government and launch of "Aatma Nirbhar Bharat" movement, we foresee an increased potential for our range of products in the coming years.

The challenges still lie in the short term (till situation comes back to normalcy and business picks up) in managing our Cash flows and Working Capital prudently. We have taken various initiatives in this direction.

## **OUTLOOK**

With the “New Normal” being set, we expect a challenging future ahead. Though we may have to face and manage challenges in the short term over the next few months, we foresee a Silver lining ahead. Further with the amplified focus on “Aatmanirbhar Bharat”, we foresee an increased shift towards Domestic Production and Sales. This will definitely help in effectively utilizing our plant capacities to the optimum and also help in planning for future growth and investments.

## **RISKS AND CONCERNS**

Along-with Technological obsolescence, dynamically changing market conditions, environmental concerns, growing competition including imports; we now have a new challenge posed by the Pandemic which has disrupted the entire Value chain of every business and severely impacted businesses globally.

Even though the impact due to the Pandemic and subsequent Lockdown is still to be fully ascertained, we foresee a challenging period over the next few months till the situation returns to normalcy. Hence the immediate focus is to ensure Survival and minimize the impacts on our business by focusing on conservation and effective utilization of all resources in the organization.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company continues its focus to further strengthen the internal controls mechanism. These controls ensure safeguarding of assets, reduction and early detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

## **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

- i. The Sales and other income of the company for the year ended March 31, 2021 were Rs. 18.36 Crores as compared to Rs. 16.32 Crores in the previous year.
- ii. The Company on a continuous basis sets up policies to exercise cost control and cost reduction programme.
- iii. The Company has earned a profit after tax of Rs. 87.44 Lacs.

# MD & CFO COMPLIANCE CERTIFICATE

[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]

To,  
The Board of Directors,  
Atam Valves Limited

We hereby certify that-

- i. We have reviewed the financial statements and the cash flow statements for the year ended 31<sup>st</sup> March, 2021 and that to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - b. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- ii. To the best of our knowledge and belief, no transactions entered by the company during the year ended 31<sup>st</sup> March, 2021 which are fraudulent, illegal or violation of the company's code of conduct.
- iii. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the company and we have disclosed to the auditors and the audit committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- iv. We further certify that we have indicated to the auditors and the audit committee:
  - a. There are no significant changes in internal control system during the year:
  - b. There are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements: and
  - c. There are no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the company's internal control system.

For and on behalf of Board of Directors

Place: - Jalandhar  
Date:-04.09.2021

Amit Jain  
Managing Director  
DIN: 01063087  
95, Shaheed Udham Singh Nagar,  
Jalandhar, Punjab-144008

Pamila Jain  
Chief Financial Officer  
DIN: 01063136  
95, Shaheed Udham Singh Nagar,  
Jalandhar,Punjab-144008

# INDEPENDENT AUDITOR'S REPORT

To the Members of Atam Valves Limited

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Atam Valves Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss and the Statement of Cash flows for the year ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, of the state of affairs of the Company as at 31 March 21, the profit and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements for the year ended March 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

### Other Information

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

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

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

When we read the Board's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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



- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance sheet, the statement of profit and loss and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a Director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of the company.

(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 we report that in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

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

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were to be transferred, to the Investor Education and Protection Fund by the Company.

For K.C. Khanna & Co;  
Chartered Accountants  
Firm Reg. No.000481N

Place: Jalandhar  
Date: 30.06.2021

(Abhishek Goel)  
Partner  
M. No. 521575  
UDIN: 21521575AAAAACO6671

## **Annexure -A to the Independent Auditors' Report**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Atam Valves Limited of even date)

- i.
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) According to the information and explanations given to us, the fixed assets have been physically verified by the management during the year. No discrepancy was noticed on such physical verification of fixed assets.
  - c) According to information and explanations given to us and on the basis of our examination of the records of the company, the company has not purchased any immovable property during the year and in preceding years. Therefore the provisions of paragraph (i) (c) of the Order are not applicable to the Company.
- ii. According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable.

According to the information and explanations given to us, the discrepancies noticed on physical verification of Inventories as compared to book records, if any, have been properly dealt with in the books of account.

- iii. According to the information and explanations given to us, we report that the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore the provisions of paragraph (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanation given to us, the company has not granted loan to any person or other body corporate and has not provided guarantee or security in connection with loan to any other body corporate or person and has not made investment in any other body corporate. Therefore the provisions of section 186 of the Companies Act 2013 are not applicable. Further, the company has not granted loans to directors or to the person in whom directors are interested. Therefore the provisions of the section 185 of the Companies Act, 2013 are not applicable to the company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits as per the provisions of section 73 and section 76 and any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules 2014 as amended from time to time.
- vi. According to the information and explanations given to us, the company is not required to maintain cost records under section 148 of the Act.

- (vii) (a) According to the information and explanations given to us and on the basis of the records of the Company examined by us, in our opinion, the Company has been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of custom, goods and service tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts in respect of statutory dues payable were outstanding as on the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no disputed statutory dues which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to a financial institution bank or government. The Company has not issued any debentures during the year or in the preceding year.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of term loans and money raised by way of initial public offer has been applied for the purpose for which those were raised.
- (x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of records of company, the company has paid / provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) According to the information and explanation given to us, the company is not a Nidhi Company. Therefore the provisions of paragraph 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanations given to us, and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable and the details of the transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. Thus the provisions of paragraph 3(xiv) of the Order are not applicable.
- (xv) According to information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transactions with director or person connected with him. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable.

- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For K.C. Khanna & Co;  
Chartered Accountants  
Firm Reg. No.000481N

Place: Jalandhar  
Date: 30.06.2021

(Abhishek Goel)  
Partner  
M. No. 521575

## **Annexure – “B” TO THE INDEPENDENT AUDITORS REPORT**

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the members of Atam Valves Limited of even date)

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

We have audited the internal financial control over financial reporting of Atam Valves Limited (“the Company”) as of 31<sup>st</sup> March 2021 in conjunction with our audit of financial statements of company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

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

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

## Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company.
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

## Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting with reference to these financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For K.C. Khanna & Co;  
Chartered Accountants  
Firm Reg. No.000481N

Place: Jalandhar  
Date: 30.06.2021

(Abhishek Goel)  
Partner  
M. No. 521575

# STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

CIN: L27109PB1985PLC006476

(Amount in ₹)

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2 (a)	4,12,50,000	3,00,00,000
(b) Reserves and surplus	2 (b)	5,84,44,132	1,85,58,502
<b>(2) Share application money pending allotment</b>			
		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	2,66,77,905	4,54,24,594
(b) Other Long term liabilities	4	4,50,000	4,00,000
(c) Deferred tax liabilities (net)	5	-	-
(d) Long term provisions	6	22,28,750	22,00,352
<b>(4) Current Liabilities</b>			
(a) Short-term Borrowings	7	93,13,778	3,19,03,467
(b) Trade Payables	8		
(i) Total outstanding dues of micro enterprises and small enterprises		37,01,442	53,22,715
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,73,32,228	1,11,93,402
(c) Other current liabilities	9	2,04,85,860	1,47,41,951
(d) Short-term provisions	10	18,80,363	4,14,489
<b>Total</b>		<b>18,17,64,458</b>	<b>16,01,59,471</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Property, plant and equipments	11	3,46,92,955	2,66,62,163
(b) Intangible assets	11	26,436	26,436
(c) Capital work in progress		-	5,01,000
(d) Deferred tax assets (net)	5	22,59,705	24,06,103
(e) Long term loans and advances	12	26,72,304	13,29,358
(f) Other non-current assets		-	-
<b>(2) Current Assets</b>			
(a) Inventories	13	8,45,45,774	8,27,78,689
(b) Trade receivables	14	5,14,42,665	4,10,05,531
(c) Cash and bank balances	15	15,71,158	14,41,130
(d) Short-term loans and advances	16	37,34,895	33,77,906
(e) Other current assets	17	8,18,566	6,31,155
<b>Total</b>		<b>18,17,64,458</b>	<b>16,01,59,471</b>

See accompanying notes to the financial statements

**As per our report of even date attached**

For K.C. Khanna & Co.  
Chartered Accountants  
Firm Reg No. 000481N

(Abhishek Goel)  
Partner  
M. No. 521575

ATAM VALVES LIMITED  
Annual Report 2020-21

**For and on behalf of Board of Directors**

Amit Jain  
Managing Director  
DIN: 01063087

Natisha Choudhary  
Company Secretary  
Membership No.: A39201

Vimal Parkash Jain  
Wholtime Director  
DIN: 01063027

Date: 30.06.2021  
Place: Jalandhar



# STANDALONE PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹)

Sr. No.	Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>A</b>	<b><u>Revenue:</u></b>			
	Revenue from operations	18	18,33,34,946	16,29,41,566
	Other Income	19	3,36,252	3,11,718
	<b>Total Revenue</b>		<b>18,36,71,198</b>	<b>16,32,53,284</b>
<b>B</b>	<b><u>Expenses:</u></b>			
	Cost of materials consumed	20	8,43,21,085	7,93,37,402
	Purchases of Stock-in-trade	21	97,41,280	59,88,513
	Changes in inventories of finished goods work-in-progress and stock-in-trade	22	-5,39,638	-1,04,31,177
	Employee benefits expense	23	3,77,16,759	4,17,65,657
	Financial Cost	24	55,98,275	83,48,431
	Depreciation and amortization expense	25	65,32,954	84,71,977
	Others expenses	26	2,81,21,232	2,76,32,857
	<b>Total expenses</b>		<b>17,14,91,947</b>	<b>16,11,13,660</b>
<b>C</b>	<b>Profit before tax (A-B)</b>		<b>1,21,79,251</b>	<b>21,39,624</b>
<b>D</b>	<b>Tax expense :</b>			
	-Current tax		32,58,000	15,81,000
	-Deferred tax expense		1,46,398	4,40,625
	-Income tax relating to earlier year		30,173	-2,97,303
	<b>Profit for the year after tax (C-D)</b>		<b>87,44,680</b>	<b>4,15,302</b>
	<b>Earnings per share :</b>	29		
	(1) Basic		2.46	0.14
	(2) Diluted		2.46	0.14

See accompanying notes to the financial statements

**As per our report of even date attached**

For K.C. Khanna & Co.

Chartered Accountants

Firm Reg No. 000481N

**For and on behalf of Board of Directors**

Amit Jain  
Managing Director  
DIN: 01063087

Natisha Choudhary  
Company Secretary  
Membership No.: A39201

(Abhishek Goel)

Partner

M. No. 521575

Vimal Parkash Jain  
Wholtime Director  
DIN: 01063027

Date: 30.06.2021  
Place: Jalandhar

# STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(Amount in ₹)		
Particulars	For the Year ended March 31,	For the Year ended March 31,
<b>Cash Flow From Operating Activities</b>		
Profit before tax	1,21,79,251	21,39,624
<b>Adjustments for:</b>		
Depreciation and amortisation expense	65,32,954	84,71,977
Profit on Sale of Property Plant and Equipment	(1,39,931)	-
Interest expense	54,79,454	82,42,344
<b>Operating Profit Before Working Capital Changes</b>	<b>2,40,51,728</b>	<b>1,88,53,945</b>
Adjustments for increase/ (decrease) in operating liabilities:		
(a) Trade Payables	45,17,553	85,25,781
(b) Other current liabilities	47,33,125	(1,19,63,770)
(c) Long-term provisions	78,398	22,00,352
(d) Short-term provisions	2,49,830	4,14,489
Adjustments for (increase)/ decrease in operating assets:		
(a) Inventories	(17,67,085)	(19,14,804)
(b) Trade receivables	(1,04,37,134)	2,15,00,942
(c) Long-term loans and advances	(13,87,010)	-
(d) Short-term loans and advances	(3,56,987)	14,61,101
(e) Other Current Assets	(2,60,021)	4,20,851
<b>Cash Generated From Operations</b>	<b>1,94,22,397</b>	<b>3,94,98,887</b>
Net Income tax paid	(20,28,066)	(21,44,424)
<b>Net Cash Flow from/(used in) Operating Activities (A)</b>	<b>1,73,94,331</b>	<b>3,73,54,463</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of of Property Plant and Equipment	(1,59,44,005)	(74,07,612)
Sales of Property Plant and Equipment	11,20,000	-
<b>Net Cash Flow from/(used in) Investing Activities (B)</b>	<b>(1,48,24,005)</b>	<b>(74,07,612)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from long term borrowings from banks	2,39,02,578	60,27,875
Repayment of long term borrowings from banks	(1,54,54,484)	(75,31,750)
Net Proceeds from issue of Share Capital (including securities premium)	4,23,90,950	-
Proceeds from long term borrowings from others	1,75,89,290	1,52,49,521
Repayment of long term borrowings from others	(4,29,00,000)	(5,02,00,000)
Proceeds/(repayment) of short term borrowings (on net basis)	(2,25,89,689)	1,42,93,593
Interest paid on borrowings	(54,51,553)	(81,13,049)
<b>Net Cash Flow from/(used in) Financing Activities (C)</b>	<b>(25,12,908)</b>	<b>(3,02,73,810)</b>
<b>Net Increase/(Decrease) in cash and cash equivalents (A+B+C)</b>	<b>57,418</b>	<b>(3,26,959)</b>
Cash and Cash equivalents as at beginning of the year	75,130	4,02,089
Cash and Cash equivalents as at end of the year	1,32,548	75,130
<b>Refer note no. 15 of the financial statements for the components of Cash and Cash equivalents</b>		

See accompanying notes to the financial statements

**As per our report of even date attached**

For K.C. Khanna & Co.  
Chartered Accountants  
Firm Reg No. 000481N

(Abhishek Goel)  
Partner  
M. No. 521575

**For and on behalf of Board of Directors**

Amit Jain  
Managing Director  
DIN: 01063087

NatishaChoudhary  
Company Secretary  
Membership No.: A39201

Vimal Parkash Jain  
Wholtime Director  
DIN: 01063027

Date: 30.06.2021  
Place: Jalandhar

# NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

## **1(a) Corporate Information:**

M/s. Atam Valves Limited hereinafter referred to as "the Company" was incorporated on 30<sup>th</sup> Sept, 1985 under the Companies Act, 1956 and is having registered office at 1051, Industrial Area, Jalandhar, Punjab. The Company is engaged in the business of manufacturing of Valves and fittings, steam traps and strainers.

## **1(b) Basis of Preparation:**

The financial statements have been prepared on accrual basis under historical cost convention in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with accounting standards prescribed under section 133 of Companies Act, 2013. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in previous years. As per MCA Notification dated 16th February 2015, the companies whose shares are listed on SME exchange are exempted from the compulsory requirement of adoption of Ind AS. As the company is covered under exempted from the compulsory requirement of adoption of Ind AS, the company has not adopted Ind AS.

## **1(c) Significant Accounting Policies:**

### **(a) Use of Estimates:**

The preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### **(b) Revenue Recognition:**

#### **Sale of goods**

Revenue from sale of goods are recognized:

When all the significant risks and rewards of ownership are transferred to the buyer and the company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods.

#### **Interest Income**

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

### **(c) Property, Plant and Equipment:**

- a) Property, plant and equipment are stated as per cost model i.e., at cost less accumulated depreciation and impairment, if any;
- b) Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management;

- c) Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the Statement of profit and loss when incurred;
- d) The cost and related accumulated depreciated are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss. Assets to be disposed of are reported at the lower of the carrying value or net realizable value;
- e) Depreciation is provided on written down value basis based on life assigned to each asset in accordance with Schedule II of the Companies Act, 2013.

**(d) Inventories:**

Inventories are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

The cost is determined as under in separate conditions:

- Raw material and stores and Spares on FIFO basis.
- Work in Progress on material cost and appropriate share of overheads in bringing the inventory in present location and condition.
- Finished Goods on material cost and overheads in bringing the inventory in present location and condition.

**(e) Employee Benefits:**

**(a) Short Term Employee Benefits :**

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

**(b) Post-Employment Benefits:**

**(i) Defined Contribution Plans:**

**Provident Fund:**

The Employer's contribution to Provident Fund and Employees Pension Scheme, a defined contribution plan is made in accordance with the Provident Fund Act, 1952 read with the Employees Pension Scheme, 1995 and is charged to the Statement of Profit and Loss.

**(ii) Defined Benefit Plans**

**Gratuity:**

The liability for gratuity is provided on the basis of actuarial valuation carried out by an independent actuary at the balance sheet date using projected unit credit method.

Actuarial gain or loss is recognized immediately in the statement of profit and loss.

**(f) Accounting For Taxes on Income:**

Tax expenses comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961.

Deferred Tax is recognized on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax Assets arising from timing differences are recognized to the extent there is a reasonable certainty that the assets can be realized in future.

**(g) Borrowing Cost:**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(h) Segment Reporting:**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive management in deciding how to allocate resources and in assessing performance.

**(i) Earnings per share:**

Basic earning per share is computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earning per share is computed by taking into account the aggregate of the weighted average number of equity shares outstanding during the period and the weighted average number of equity shares which would be issued on conversion of all the dilutive potential equity shares into equity shares.

**(j) Foreign currency transactions**Initial Recognition

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

## **Operating Leases**

Assets acquired on leases wherein a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals paid for such leases are recognised as an expense on systematic basis over the term of lease.

### **(k) Intangible assets**

Intangible Assets are stated at cost less accumulated amount of amortization.

### **(l) Amortization**

Intangible assets are amortized over their estimated useful lives from the date they are available for use.

### **(n) Impairment of Assets**

At each balance sheet date an assessment is made whether any indication exists that an asset has been impaired. If any such indication exists, an impairment loss i.e. the amount by which the carrying amount of an asset exceeds its recoverable amount is provided in the books of account.

### **(o) Cash and cash equivalents**

Cash comprises of cash on hand and demand deposit with banks other than under lien. Cash equivalents are short term, highly liquid investments that are readily convertible into known amount of cash and which are subject to insignificant risk of change in value.

### **(p) Cash flow statement :**

The cash flow statement has been prepared using indirect method in respect of operating activities in accordance with the Accounting Standard (AS) – 3 on “Cash flow statements”.

### **(q) Provisions and Contingent Liabilities:**

- (i) Provision is recognized (for liabilities that can be measured by using a substantial degree of estimation) when:
  - a) the company has a present obligation as a result of a past event;
  - b) a probable outflow of resources embodying economic benefits is expected to settle the obligation; and
  - c) the amount of the obligation can be reliably estimated
- (ii) Contingent liability is disclosed in case there is :
  - a) (i) possible obligation that arises from past events and 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 enterprise; or
    - (ii) a reliable estimate of the amount of the obligation cannot be made.
  - b) a present obligation arising from past events but is not recognised
    - (i) when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
    - (ii) a reliable estimate of the amount of the obligation cannot be made.

## NOTE 2(a): SHARE CAPITAL:

Particulars	As at March 31, 2021	As at March 31, 2020
<b>AUTHORISED:</b>		
50,00,000 (previous year 50,00,000) Equity Shares of ₹ 10 each	5,00,00,000	5,00,00,000
	<b>5,00,00,000</b>	<b>5,00,00,000</b>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
41,25,000 (previous year 30,00,000) Equity Shares of ₹ 10 each	4,12,50,000	3,00,00,000
	<b>4,12,50,000</b>	<b>3,00,00,000</b>
<b>Reconciliation of number of shares outstanding at the end of the year:</b>	<b>As at March 31, 2021</b>	<b>As at March 31, 2020</b>
Equity Shares at the beginning of the year	30,00,000	30,00,000
Add: Shares issued during the period (refer note 39)	11,25,000	-
Equity Shares at the end of the year	<b>41,25,000</b>	<b>30,00,000</b>

### Rights, preferences and restrictions attached to equity shares

The company has only one class of equity shares having a par value of ₹10/- each. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

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

**Shares held by holding company or its ultimate holding company or subsidiaries or associates of the holding company or the ultimate holding company in aggregate.**

There is no holding or ultimate holding company of the company.

## NOTE 2 (b): RESERVES AND SURPLUS

Particulars	As at March 31, 2021	As at March 31, 2020
<b>General Reserve</b>		
Opening Balance	47,43,700	47,43,700
Add: Addition during the year	-	-
	<b>47,43,700</b>	<b>47,43,700</b>
<b>Investment Allowance Reserve</b>		
Balance as at the beginning of the year	-	50,511
Less: transferred to Surplus i.e. balance in Statement of Profit and Loss	-	50,511
Balance as at the end of the year	-	-
<b>Capital Subsidy Reserve</b>		
Balance as at the beginning of the year	3,99,250	3,99,250
Addition During the Year	-	-
Balance as at the end of the year	<b>3,99,250</b>	<b>3,99,250</b>
<b>Share Premium</b>		
Balance as at the beginning of the year	-	-
Add: Amount received during the year (refer note 39)	3,37,50,000	-
Less: Amount utilized during the year (refer note 39)	26,09,050	-
Balance as at the end of the year	3,11,40,950	-
<b>Surplus i.e. balance in Statement of Profit and Loss</b>		
Balance as at the beginning of the year	1,34,15,552	1,29,49,738
Add: Transferred from statement of profit and loss during the year	87,44,680	4,15,302
Add: Transferred from Investment Allowance Reserve	-	50,511
Balance as at the end of the year	<b>2,21,60,232</b>	<b>1,34,15,552</b>
<b>TOTAL</b>	<b>5,84,44,132</b>	<b>1,85,58,502</b>

### NOTE 3: LONG TERM BORROWINGS

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(i) From Banks</b>		
(a) Secured	2,29,23,751	1,34,85,021
(b) Unsecured	79,39,250	89,29,887
	3,08,63,001	2,24,14,907
Less: Current Maturities	95,89,518	77,05,445
	2,12,73,483	1,47,09,462
<b>(ii) From Others (unsecured)</b>		
(a) Loan from directors	54,04,422	3,07,15,132
<b>TOTAL</b>	<b>2,66,77,905</b>	<b>4,54,24,594</b>

#### Terms of repayment for loans from banks

Particulars	Loan Amount	No. of outstanding Instalments as on 31.03.2021	No. of outstanding Instalments as on 31.03.2020	Instalment Amount	Frequency	Outstanding Amount as on 31.03.2021	Outstanding Amount as on 31.03.2020
<b>Secured Loans</b>							
HDFC Bank Auto Loan A/C 53413739	67,72,000	-	10	2,07,200	Monthly	-	19,97,825
HDFC Bank Auto Loan A/C 114668808	78,60,000	33	-	2,45,020	Monthly	72,71,438	-
HDFC Bank Auto Loan A/C 115090092	50,00,130	33	-	1,55,000	Monthly	45,96,513	-
HDFC Bank Term Loan A/C 82748331	89,65,000	-	30	2,01,280	Monthly	-	54,44,672
HDFC Bank Term Loan A/C 8119431	1,10,55,800	36	-	3,43,650	Monthly	1,10,55,800	-
HDFC Bank Term Loan A/C 83708560	1,00,00,000	-	48	1,67,754	Monthly	-	60,42,523
<b>Unsecured Loans</b>							
HDFC Bank Loan Against Property A/C 82970108	1,43,00,000	30	-	2,95,112	Monthly	79,39,251	89,29,887
<b>Total</b>						<b>3,08,63,001</b>	<b>2,24,14,907</b>

#### Details of primary and collateral security for loans from banks

- (i) Loans from banks for purchase of vehicles are secured against hypothecation of vehicle so purchased.
- (ii) Term loans from banks are secured by way of primary security of plant and machinery owned by company and collateral security of property situated at H No 95, Near Chawla Hospital, Shaheed Udham Singh Nagar, 144001 and property situated at Khasra No. 15953/1, 15952, Industrial Area, GT Road, Bypass, Near Hind Metal Works, Jalandhar owned by directors of the company. The loans are also guaranteed by Amit Jain, Vimal Parkash Jain, Pamila Jain (directors of the company) and Manoj Kumar Jain (relative of director of the company).
- (iii) Unsecured loan from banks is against collateral security of property situated at 95, Saheed Udam Singh Nagar, Jalandhar owned by directors of the company and also guaranteed by Amit Jain, Vimal Parkash Jain, Pamila Jain (directors of the company).

### NOTE 4: OTHER LONG TERM LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured, Considered Good Security Deposits	4,50,000	4,00,000
<b>TOTAL</b>	<b>4,50,000</b>	<b>4,00,000</b>



**NOTE 5: DEFERRED TAX ASSET/(LIABILITY)**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Deferred Tax Liability</b>		
Impact of difference between tax depreciation and depreciation charged for the financial reporting period	-	-
<b>Deferred Tax Asset</b>		
Impact of difference between tax depreciation and depreciation charged for the financial reporting period	15,07,507	17,26,244
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis	7,52,198	6,79,859
<b>TOTAL</b>	<b>22,59,705</b>	<b>24,06,103</b>

**NOTE 6: LONG TERM PROVISIONS**

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee benefits -Provision for Gratuity	22,28,750	22,00,352
<b>TOTAL</b>	<b>22,28,750</b>	<b>22,00,352</b>

**NOTE 7: SHORT TERM BORROWINGS**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Secured Loans:</b>		
<b>(a) Loans repayable on Demand</b>		
-From banks	93,13,778	3,19,03,467
<b>TOTAL</b>	<b>93,13,778</b>	<b>3,19,03,467</b>

**Terms of repayment and security for loans repayable on demand**

Loans repayable on demand from banks are secured by way of primary security of hypothecation of stock of raw material, stock in process and finished goods and charge on book debts and collateral security of property situated at H No 95, Near Chawla Hospital, Shaheed Udham Singh Nagar, 144001 and property situated at Khasra No. 15953/1, 15952, Industrial Area, Near Hind Metal Works, GT Road, Bypass, Jalandhar owned by directors of the company. The loans are also guaranteed by Amit Jain, Vimal Parkash Jain, Pamila Jain (directors of the company) and Manoj Kumar Jain (relative of director of the company).

**NOTE 8: TRADE PAYABLES**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Trade Payables:-</b>		
a) Total outstanding dues of micro enterprises and small enterprises	37,01,442	53,22,715
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,73,32,228	1,11,93,402
<b>TOTAL</b>	<b>2,10,33,670</b>	<b>1,65,16,117</b>

## NOTE 9: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2021	As at March 31, 2020
Current maturities of long-term debt	95,89,518	77,05,445
Interest accrued but not due on borrowings	1,57,196	1,29,295
Statutory dues Payables	32,43,305	12,51,461
Due to employees	34,59,011	31,52,838
Due to directors against salary and expenses	20,75,080	7,66,156
Advance from Customers	10,96,061	2,60,842
Payable for expenses	7,73,528	4,82,564
Payable for Property plant and equipments		
a) Total outstanding dues of micro enterprises and small enterprises	92,161	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	9,93,350
<b>TOTAL</b>	<b>2,04,85,860</b>	<b>1,47,41,951</b>

## NOTE 10: SHORT TERM PROVISIONS

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Employee benefits -Provision for Gratuity	6,64,319	4,14,489
Provision for Income tax (net of advance tax Rs. 20,41,956/-)	12,16,044	-
<b>TOTAL</b>	<b>18,80,363</b>	<b>4,14,489</b>

## NOTE 11: PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

Particulars	Property, plant and equipments						Intangible assets
	Plant and Equipment	Furniture and Fixtures	Office Equipment	Vehicles	Books & Periodicals	Total	Website
Gross Carrying amount as at 1st April, 2019	5,57,50,119.05	15,36,477.93	40,80,624.68	2,32,75,238.41	1,47,642.62	8,47,90,102.69	6,14,500.00
Additions during the year	75,22,661.44	1,80,090.80	1,97,209.76	-	-	78,99,962.00	-
Disposals/Deletions during the year	-	-	-	-	-	-	-
Gross Carrying amount as at 31st March, 2020 (A)	6,32,72,780	17,16,569	42,77,834	2,32,75,238	1,47,643	9,26,90,065	6,14,500
Gross Carrying amount as at 1st April, 2020	6,32,72,780	17,16,569	42,77,834	2,32,75,238	1,47,643	9,26,90,065	6,14,500
Additions during the year	15,79,813	1,14,416	2,11,057	1,36,38,530	-	1,55,43,816	-
Disposals/Deletions during the year	-	-	-	-1,31,92,320	-	-1,31,92,320	-
Gross Carrying amount as at 31st March, 2021 (B)	6,48,52,594	18,30,985	44,88,891	2,37,21,448	1,47,643	9,50,41,561	6,14,500
Accumulated Depreciation as at 1st April, 2019	3,84,53,043	11,40,557	37,30,054	1,40,84,629	1,47,643	5,75,55,925	5,88,064
Depreciation for the year	37,66,629	1,32,242	1,36,280	44,36,826	-	84,71,977	-
Disposals/Deletions during the year	-	-	-	-	-	-	-
Accumulated Depreciation as at 31st March, 2020 (C)	4,22,19,672	12,72,799	38,66,334	1,85,21,455	1,47,643	6,60,27,902	5,88,064
Accumulated Depreciation as at 1st April, 2020	4,22,19,672	12,72,799	38,66,334	1,85,21,455	1,47,643	6,60,27,902	5,88,064
Depreciation for the year	39,39,552	1,24,921	1,43,200	23,25,282	-	65,32,954	-
Disposals/Deletions during the year	-	-	-	-1,22,12,251	-	-1,22,12,251	-
Accumulated Depreciation as at 31st March, 2021 (D)	4,61,59,223	13,97,720	40,09,534	86,34,486	1,47,643	6,03,48,606	5,88,064
Net Carrying amount as at 31st March, 2020 (A)-(C)	2,10,53,109	4,43,770	4,11,501	47,53,783	-	2,66,62,163	26,436
Net Carrying amount as at 31st March, 2021 (B)-(D)	1,86,93,371	4,33,265	4,79,357	1,50,86,962	-	3,46,92,955	26,436

**NOTE 12: LONG TERM LOANS AND ADVANCES**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, Considered Good:</b>		
Security Deposits	18,48,034	4,61,024
Advance Income Tax (net of provision for taxation Rs. 15,81,000/-)	-	8,29,593
Income tax refund receivable	8,24,270	38,740
<b>TOTAL</b>	<b>26,72,304</b>	<b>13,29,358</b>

**NOTE 13: INVENTORIES**

Particulars	As at March 31, 2021	As at March 31, 2020
Raw materials	1,76,01,694	1,60,88,604
Work in progress	3,32,33,208	4,30,53,912
Finished goods	2,98,97,934	1,81,77,083
Stock in trade	14,80,358	28,40,867
Stores and spares	23,32,580	26,18,223
<b>TOTAL</b>	<b>8,45,45,774</b>	<b>8,27,78,689</b>

**NOTE 14: TRADE RECEIVABLES**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, Considered Good :</b>		
Outstanding for a period exceeding six months from the date they were due for payment	44,80,722	36,94,280
Others	4,69,61,943	3,73,11,251
<b>TOTAL</b>	<b>5,14,42,665</b>	<b>4,10,05,531</b>

**NOTE 15: CASH AND BANK BALANCES**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(i) Cash and Cash Equivalents</b>		
Cash on hand	86,125	53,304
Balance with Banks		
-In current accounts	46,423	21,826
	1,32,548	75,130
<b>(ii) Other bank balances</b>		
- Fixed deposits with banks	14,38,610	13,66,000
<b>Total</b>	<b>15,71,158</b>	<b>14,41,130</b>

**NOTE 16: SHORT TERM LOAN AND ADVANCES**

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Unsecured, Considered Good:</b>		
Advances to suppliers	22,00,472	18,60,004
Loans and Advances to employees	34,800	-
Balance with Government Authorities	14,99,623	15,17,903
<b>TOTAL</b>	<b>37,34,895</b>	<b>33,77,906</b>

**NOTE 17: OTHER CURRENT ASSETS**

Particulars	As at March 31, 2021	As at March 31, 2020
Export Incentives receivable	1,24,798	1,12,698
Prepaid Expenses	6,48,963	4,56,136
Cheques deposit but not cleared	44,805	-
Other recoverable	-	62,321
<b>TOTAL</b>	<b>8,18,566</b>	<b>6,31,155</b>

**NOTE 18: REVENUE FROM OPERATIONS**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>SALE OF PRODUCTS (A)</b>		
Manufactured and traded goods	18,31,15,452	16,25,00,354
<b>OTHER OPERATING INCOME (B)</b>		
Duty drawback and other export incentives	62,779	1,55,426
Freight and other receipts	1,56,715	2,85,786
<b>Total (A+B)</b>	<b>18,33,34,946</b>	<b>16,29,41,566</b>

**NOTE 19: OTHER INCOME**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest income	1,21,637	1,37,032
Net gain on foreign currency transactions	59,781	1,16,489
Profit on sale of property plant and equipments	1,39,931	-
Miscellaneous income	14,903	58,197
<b>Total</b>	<b>3,36,252</b>	<b>3,11,718</b>

**NOTE 20: COST OF MATERIAL CONSUMED**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Opening Stock	1,60,88,604	1,83,13,600
Less: GST on Opening Stock	-	-27,93,600
Opening Stock excluding taxes	1,60,88,604	1,55,20,000
Add: Purchases	8,58,34,175	7,99,06,006
Less: Closing Stock	1,76,01,694	1,60,88,604
<b>Cost of Materials Consumed</b>	<b>8,43,21,085</b>	<b>7,93,37,402</b>

**NOTE 21: PURCHASES OF STOCK-IN-TRADE**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Purchases of stock in trade	97,41,280	59,88,513
<b>Total</b>	<b>97,41,280</b>	<b>59,88,513</b>

**NOTE 22: CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
<b>Inventories at the end of the period</b>		
Work-in-progress	3,32,33,208	4,30,53,912
Finished Goods	2,98,97,934	1,81,77,083
Stock-in-trade	14,80,358	28,40,867
	<b>6,46,11,500</b>	<b>6,40,71,862</b>
<b>Inventories at the beginning of the period</b>		
Work-in-progress	4,30,53,912	4,18,69,600
Finished Goods	1,81,77,083	1,62,84,925
Stock-in-trade	28,40,867	18,86,160
Less: GST on opening Stock	-	-64,00,000
	<b>6,40,71,862</b>	<b>5,36,40,685</b>
<b>Net Decrease/(Increase)</b>	<b>-5,39,638</b>	<b>-1,04,31,177</b>

**NOTE 23: EMPLOYEE BENEFITS EXPENSE**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Salaries and wages	3,46,56,903	3,85,43,034
Contribution to provident and other funds	22,87,681	27,68,525
Staff welfare expense	7,72,175	4,54,098
<b>Total</b>	<b>3,77,16,759</b>	<b>4,17,65,657</b>

**NOTE 24: FINANCE COST**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Interest expense		
-on borrowings from banks	41,93,735	46,31,765
-on borrowings from others	12,85,719	36,10,579
Other borrowing costs	1,18,821	1,06,087
<b>Total</b>	<b>55,98,275</b>	<b>83,48,431</b>

**NOTE 25: DEPRECIATION & AMORTIZATION EXPENSE**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Depreciation of property, plant and equipments	65,32,954	84,71,977
Amortization of intangible assets	-	-
<b>Total</b>	<b>65,32,954</b>	<b>84,71,977</b>

**NOTE 26: OTHER EXPENSES**

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Consumption of Stores and Spares	51,94,846	37,03,846
Consumption of Packing Material	26,18,549	28,24,729
Job Work charges	7,73,446	9,34,884
Power and fuel charges	45,25,416	42,54,474
Rent	8,40,000	5,55,840
Repairs and maintenance		
-Building	-	4,884
-Plant and Machinery	6,99,095	9,23,320
-Others	14,30,815	16,59,195
Insurance	5,50,330	5,00,145
Fee and Subscription	12,82,596	13,81,176
Freight and forwarding charges	16,33,194	17,95,235
Sales Promotion expenses	10,23,427	11,93,600
Legal and Professional charges	11,50,609	13,44,757
Donation	1,82,000	1,03,200
Director sitting fee	1,87,500	30,000
Payment to Auditors		
-Audit fee	1,50,000	1,00,000
-Certification and other services	-	50,000
Commission on Sale	43,30,991	46,43,633
Miscellaneous Expenses	15,48,418	16,29,939
<b>Total</b>	<b>2,81,21,232</b>	<b>2,76,32,857</b>

## NOTE 27: CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)

(No cash outflow is expected)

Particulars	As at 31st March 2021	As at 31st March 2020
(i) Contingent liabilities	Nil	Nil
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided	Nil	2,32,070

## NOTE 28: DISCLOSURE OF RELATED PARTY TRANSACTIONS

Disclosure of related parties, relationship and Nature of transactions between the parties

(Amount in ₹)

Name	Relationship	Nature of Transaction during the year	Year ended 31.03.2021		Year ended 31.03.2020	
			Amount of Transaction during the year	Amount Payable/ (receivable) at the end of year	Amount of Transaction during the year	Amount Payable/ (receivable) at the end of year
Sh. Amit Jain	Managing Director	Remuneration	36,00,000	9,56,580	36,00,000	29,545
		Rent expense	5,40,000		1,32,000	
		Interest expense	6,85,784	21,54,446	26,89,250	2,01,20,096
		Loan received	92,00,000		1,20,00,000	
		Loan repaid	2,78,00,000		4,81,00,000	
Smt. Pamila Jain	Director	Remuneration	30,00,000	6,62,500	30,00,000	5,65,510
		Rent expense	3,00,000		2,80,000	
		Interest expense	72,718	23,97,015	1,20,090	6,29,751
		Loan received	22,00,000		-	
		Loan repaid	5,00,000		18,50,000	
Sh. Vimal Parkash Jain	Director	Remuneration	36,00,000	4,56,000	36,00,000	1,71,100
		Interest expense	5,27,217	8,52,960	8,01,239	99,65,284
		Loan received	50,00,000		-	
		Loan repaid	1,46,00,000		2,50,000	
Sh. Manoj Jain #	Director	Remuneration	-	-	2,55,000	35,729
Amco Industries	Proprietorship concern of managing director	Purchase of goods (incl. of goods and service tax)	2,40,33,676	78,210	1,93,00,510	10,39,634
Atam & Febi Valves Pvt. Ltd	Concern in which managing director exercises control	NA	-	55,004	-	55,004
Febi Valves Pvt. Ltd.	Concern in which director exercises control	NA	-	23,000	-	23,000

# Sh. Manoj Jain was director of the company upto 02.09.2019 and the transactions during the said period have been reported above.

## NOTE 29: EARNINGS PER SHARE

	For the Year ended 31 March 2021	For the Year ended 31 March 2020
Profit attributed to the equity shareholders (₹)	87,44,680	4,15,302
Weighted Average Number of equity shares	35,60,959	30,00,000
Basic earning per share (₹)	2.46	0.14
Diluted earning per Share (₹)	2.46	0.14
Face value per equity share (₹)	10	10

**NOTE 30:**

In accordance with the Accounting Standard 28 "on Impairment of Assets" the company has assessed on the balance sheet date whether there are any indications (as listed in paragraph 8 to 10 of the Standard) with regard to the impairment of any of the assets. Based on such assessment, it has been ascertained that no potential loss is present and therefore formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account.

**NOTE 31:**

The Company has recognized deferred tax assets to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**NOTE 32: DISCLOSURES REQUIRED UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

	Particulars	Year ended 31-Mar-2021	Year ended 31-Mar-2020
(i)	the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	-Principal		
	-Trade payables	37,01,442	53,22,715
	-Payable for Property plant and equipments	92,161	-
	-Interest	38,044	
(ii)	the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii)	the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	71,634	-
(iv)	The amount of interest accrued and remaining unpaid at the end of accounting year	1,09,678	-
(v)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	25,083	-

Note: Dues of Micro, Small and Medium enterprises have been determined on the basis of information collected by the management and same has been relied upon by the auditors.

**NOTE 33: EMPLOYEE BENEFITS**

(i) The summarized position of Post-employment benefits recognized in the Statement of Profit and Loss and Balance Sheet in accordance with Accounting Standard (AS) 15 is as under:-

**a) Changes in the present value of the defined benefit obligation :**

Particulars	31-Mar-2021	31-Mar-2020
Present Value of obligation as at beginning of the year	26,14,841	-
Interest Cost	1,83,039	-
Current Service Cost #	8,88,659	26,14,841
Benefits Paid	(76,609)	-
Actuarial Loss/(gain) on obligation	(7,16,861)	-
Present Value of obligation as at end of the year	28,93,069	26,14,841

#The company used to recognize gratuity expense on payment basis till the financial year ended 31 March 2019. Therefore, the entire liability as on 31 March 2020 has been recognized as current service cost in the statement of profit and loss for the financial year ended 31 March 2020.



<b>b) Change in fair value of plan assets:</b>		
<b>Particulars</b>	<b>31-Mar-2021</b>	<b>31-Mar-2020</b>
Fair Value of Plan Assets as beginning of the year	-	-
Expected return on plan assets	-	-
Contribution	-	-
Benefits Paid	-	-
Actuarial (Loss) / Gain	-	-
Fair Value of Plan Assets as at end of the year	-	-
<b>c) Amount recognized in Balance Sheet:</b>		
<b>Particulars</b>	<b>31-Mar-2021</b>	<b>31-Mar-2020</b>
Present value of obligation as at the end of the year	28,93,069	26,14,841
Fair value of Plan Assets as at the end of the year	-	-
Net liability/(asset) recognized in Balance Sheet	28,93,069	26,14,841
Unfunded Net (Liability) / Assets recognized in the Balance Sheet	(28,93,069)	(26,14,841)
The above liability includes short term Gratuity liability of ₹ 6,64,319/- (previous year ₹ 4,14,489/-).		
<b>d) Expense recognized in the statement of profit and loss:</b>		
<b>Particulars</b>	<b>31-Mar-2021</b>	<b>31-Mar-2020</b>
Interest cost	1,83,039	-
Current service cost	8,88,659	26,14,841
Past Service Cost	-	-
Expected return on plan asset	-	-
Net actuarial (gain)/loss recognized in the period	(7,16,861)	-
Expense recognized in statement of profit and loss	3,54,837	-
<b>e) Experience adjustment in respect of Gratuity liability:</b>		
<b>Particulars</b>	<b>31-Mar-2021</b>	<b>31-Mar-2020</b>
Experience adjustment in respect of plan liabilities- loss/(gain)	-7,16,861	(3,85,924)
<b>f) Principal Actuarial assumptions</b>		
<b>Particulars</b>	<b>31-Mar-2021</b>	<b>31-Mar-2020</b>
Discount rate	7.00 % p.a	7.00 % p.a
Salary Growth Rate	5.00 % p.a	5.00 % p.a
Expected rate of return	NA	NA
Withdrawal rate (Per Annum)	5.00% p.a.	5.00% p.a.
Method Used	Projected Unit Credit Method	Projected Unit Credit Method
f) The estimates of future salary increases considered in actuarial valuation take account of inflation, Seniority, promotion & other relevant factors such as supply & demand in employment market.		
(ii) The Contribution to Provident Fund during the year ended 31 March 2021 is ₹ 16,38,603/- (31 March 2020 ₹ 20,32,431/-)		

**NOTE 34:** The Company is a single segment company engaged in the business of manufacturing of Valves and fittings, steam traps and strainers. Therefore disclosure requirements of primary business segment as contained in the accounting standard are not applicable to the Company. However, the secondary segment disclosures are as under:

<b>Secondary segment-Geographical:</b>		
<b>Particulars</b>	<b>For the Year ended 31 March 2021</b>	<b>For the Year ended 31 March 2020</b>
<b>Revenue from external customers:</b>		
With in India	17,83,85,506	15,81,61,264
Outside India (including export to Nepal)	48,86,661	46,24,876
<b>Total Sales</b>	<b>18,32,72,167</b>	<b>16,27,86,140</b>
<b>Non- Current assets (Property plant and equipments) by geographical location of assets</b>		
<b>Particulars</b>	<b>As at 31 March 2021</b>	<b>As at 31 March 2020</b>
With in India	3,46,92,955	2,66,62,163
Outside India	-	-
<b>Total Non-Current assets (Property plant and equipments)</b>	<b>3,46,92,955</b>	<b>2,66,62,163</b>
The manufacturing facilities are situated only in India.		
<b>Total cost incurred to acquire segment assets that are expected to be used during more than one period by geographical location of assets (including capital work-in-progress)</b>		
<b>Particulars</b>	<b>For the Year ended 31 March 2021</b>	<b>For the Year ended 31 March 2020</b>
With in India	1,50,42,816	84,00,962
Outside India	-	-
<b>Total</b>	<b>1,50,42,816</b>	<b>84,00,962</b>

**NOTE 35:** The interest capitalized during the year is Nil (previous year Nil).

## **NOTE 36: LEASES**

The Company has taken leased facilities under cancellable operating leases agreements. The cancellable arrangements can be terminated by either party after giving due notice. The lease rent expenses recognized during the year amounts to ₹ 8,40,000/- (Previous year ₹ 5,55,840/-). The future obligation in respect of non-cancellable operating leases is Nil (previous year Nil).

## **NOTE 37: FOREIGN CURRENCY EXPOSURE**

Detail of foreign currency exposure as on the reporting date that has not been hedged by a derivative instrument or otherwise is given below.

Particulars	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March
Against Export ( Debtors)	20,542	39,276

**NOTE 38:** The information required by the paragraph 5 of general instructions for the preparation of statement of Profit and Loss as per Schedule III of the Companies Act 2013 is as under:

Particulars	For the Year ended 31 March 2021	For the Year ended 31 March 2020
<b>(a) CIF value of Imports</b>	-	6,61,155
<b>(b) FOB value of exports (including export to Nepal)</b>	49,05,276	43,82,157
<b>(c) Imported and Indigenous Consumption</b>		
<b>(i) Raw Material</b>		
-Imported	-	-
-Indigenous	8,43,21,085	7,93,37,402
%		
-Imported	-	-
-Indigenous	100.00	100.00
<b>(ii) Store and spares (including packing material)</b>		
-Imported	-	-
-Indigenous	78,13,395	65,28,575
%		
-Imported	-	-
-Indigenous	100.00	100.00

**NOTE 39:** During the year ended 31 March 2021, the Company had completed the Initial Public Offer (IPO) of its equity shares comprising a fresh issue of 11,25,000 equity shares having a face value of ₹ 10/- each at an offer price of ₹ 40/- per share aggregating to ₹ 4,50,00,000. Pursuant to the IPO, the Equity shares of the Company have got listed on SME Platform of BSE Limited on 06 October 2020. The Company incurred ₹ 26,09,050 as IPO related expenses (excluding taxes) which have been adjusted against securities premium. The utilisation of IPO proceeds out of fresh issue is summarized below:

<b>Particulars</b>	<b>Amount</b>
Gross proceeds from issue	4,50,00,000
Less: Issue related expenses	26,09,050
Net proceeds from issue	4,23,90,950
Amount utilized towards repayment/ prepayment of certain bank borrowings availed by the Company	4,23,90,950
Unutilized amount as on 31.03.2021	-

**NOTE 40:** The board of directors has recommended a final dividend of ₹ 1.00 per equity share of face value of ₹ 10/- each for the financial year 2020-21 subject to approval of shareholders in ensuing Annual General Meeting.

**NOTE 41:** The Company has considered internal and external information while finalizing various estimates in relation to its financial statement upto the date of its approval by the Board of Directors and has not identified any material impact on the carrying value of assets, liabilities and provisions due to COVID-19. The Company also has not experienced any difficulties with respect to collections or liquidity. The Company will continue to closely monitor any material changes to future economic conditions.

**NOTE 42:** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

**NOTE 43:** There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with relevant provisions of the Companies Act 2013 and rules made thereunder.

**NOTE 44:** The previous year figures have been reclassified, wherever necessary to confirm the current year classification.