



ATAM

Valves, Fittings & Boiler Mountings



Ball Valves

The background of the entire page is a photograph of an industrial worker wearing a white hard hat and safety glasses, looking upwards at a complex network of pipes and machinery. This image is framed by a large, semi-transparent blue circle. Overlaid on the left side of this circle are three concentric, solid blue circles of increasing size, creating a tunnel-like effect.

unlocking **value**

Atam Valves Limited

Annual Report 2021-22

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Atam Valves Limited

At a glance

35+

Years of excellence

9

Nations of presence

6

Workshops

2,033

Annual Revenue (₹ lakh)

500+

SKUs

145

Net Profit (₹ lakh)



About Atam Valves Limited

One of India's leading manufacturers of Valves, Cocks and Boiler Mountings.

Established in 1972 as a manufacturer of automobile bushings, the Company graduated into the complex industrial valves space in 1982.

Being in the valve space for more than two decades, the Company has a deep understanding of the sectoral dynamics and customer preferences.

The Company's vertically-integrated facility houses cutting-edge technology and sophisticated equipment which enable it to straddle the entire value-chain – design – manufacture – delivery.

The Company's products cater to multiple industries that require controlling of service fluids, oil & steam, within various pressure and temperature ranges. Its products conform with several national & international standards and have received the stamp of approval from multiple governmental agencies and large industrial houses in India and across the globe.

Headquartered at Jalandhar, Punjab, the Company's shares are listed on The BSE Limited.

For Shareholders

BSE Code : 543236

Face Value : ₹ 10.00

Book Value : ₹ 26.69

1,100.84

Networth
March 31, 2022 (₹ lakh)

4,125.00

Capital Employed
March 31, 2022 (₹ lakh)

4,562.25

Market Capitalisation
March 31, 2022 (₹ lakh)

Vision

Ability to dream, to do something big and strong dedication.

Mission

To endeavour its position as the global leader in valve engineering and manufacturing.

Values

Total commitment to innovation, quality and product integrity that attracts trust and confidence.

Our Niche

Design house

We have best-in-class design and analysis software and highly-qualified engineers employed, which gives us the ability to design products as per customers' requirements, in-house.

Manufacturing capability

We have our own forging unit and heat treatment furnaces. Our workshops are organised according to the type of materials are being used for manufacturing the

products. We develop valves using more than 6 different materials.

Testing facility

We also maintain state-of-the-art laboratory for testing and quality control where we have already installed highly sophisticated testing machines. We do both destructive and non-destructive testing in our facility and are planning to start cryogenic and fire-safe tests as well.

Our most demanded

Product categories



Gate Valves

These are linear motion valves in which a flat closure element slides into the flow to provide cut-off.

Gate valves are used mainly in oil & gas industry, manufacturing, pharma, automotive, marine and residential complex.



Globe Valves

Similar to gate valves these are also used to regulate the flow in the pipeline.

These kind of valves are mostly used in oil & gas industry, chemical industry, wastewater plants, food processing facilities and process plants.



Non-return Valves

Non-return valve or otherwise known as check valve or clack valve is a one-way valve that is designed to flow the fluid in both directions.

Some of the major applications are in nuclear industry, pharma companies, power plants, laboratories, fuel system, etc.



Ball Valves

These valves are used for pressure and flow control and shut-off for corrosive fluids, slurries, normal liquid and gases.

Ball valves are majorly used in oil & gas industry, manufacturing sectors, chemical storage and residential buildings.



Butterfly Valves

A butterfly valve is a quarter-turn rotational motion valve, that is used to stop, regulate and shut-off across different systems.

These valves found their applications in cooling water, gas, air, fire protection, slurry, vacuum service, high-pressure and high-temperature water and steam services.



Plug Valves

A cylindrical shape quarter-turn valve that is used to block or allow the fluid-flow through the valve.

Plug valves are used for services like air, gas, vapour, slurry, mineral ore, sewage applications, oil piping systems, etc. It is also suitable for vacuum as well as high-pressure applications.



Parallel Slide (Blow Down) Valves

These valves are commonly used in boilers in order to drain dissolved solids from the boiler water.

One or multiple such valves are used in boilers depending on the design and purpose.



Safety Valves

A safety valve is used to protect the system against overpressure.

Safety valves are used in almost all major industries such as oil & gas, chemical, pharma and many more.



Pressure Reducing Valves

These kind of valves are a type of pressure control device. These are used to maintain constant reduced pressure in a pipeline where the flow is fluctuating.

Pressure reducing valves are used primarily in air compressor, aircraft & aerospace, oxyfuel welding & cutting, mining industries, etc.



Steam Traps

This is an automatic valve which allows condensate, air and non-condensate gases to be discharged, while holding the steam into the system.

Steam traps valves are often used in chemicals, food & beverage, oil & petrochemicals, pulp & paper and pharmaceuticals industry.



Fusible Plugs

This kind of valves are used as a safety measure when critical temperatures are reached in a closed vessel.

Air compressor system or steam systems are some of the major areas where fusible plugs are used.

One of the most prominent usages is in the high-performance aircraft wheel or at a steam boiler.



Water Level Gauges

It is a device that provides indication of the water level in the boiler, whether the level is too high or too low. Depending upon the operating pressure of the boilers different types of water level gauges are fitted.

Water level gauges are used in many factories, chemical plants, electrical stations or liquid storage system.



Strainers

Strainer valve is a kind of pipe fitting valve through which liquid is passed for purification, filtering or separation from solid matter.

These kind of valves are typically used in pipelines to protect pumps, meters, control valves, steam traps, regulators and other process equipment.



Stainless Steel & High-pressure Steel Fittings

High pressure fittings are used to connect valves, pipes and other equipment to create piping systems.

Aerospace, nuclear power generation, automotive industries are some of the major users of these fittings.



Our sectoral exposure



Oil & gas refineries



Petrochemical industries



Power generation plants



Boiler manufacturing



Power transformer manufacturer



Sugar industries



Textile industries



Rubber industries



Pharmaceutical industries



Chemical industries



Fertilisers industries



Paper industries



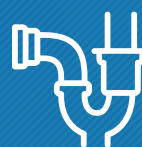
Processing industries



Marine & Ship building



Infrastructure & household



Plumbing

Our marquee clients






Our competitive advantage

More than three decades of experience

Our business journey has provided us with rich on-ground exposure about our business space and that of our user sectors. This rich experience has allowed us to create diversity in our business that helps in sustaining business growth.

Integrated manufacturing facility

The Company has a self-sustaining fully integrated manufacturing facility. In addition to a full-fledged design & development team, it possesses capabilities for casting, testing, machining, welding, assembling, quality checking and painting & packaging. This facilitates in shorter lead time, better quality products, higher standards for compliance and sustainability.

Wide range of capabilities

The Company has three induction furnaces that can melt a wide range of metals such as non-ferrous, stainless steel and carbon & alloy steel. In addition to Atom possesses multiple moulding capabilities such as Shell moulding with non-ferrous metals, Investment casting with stainless steel and No bake moulding process with carbon & alloy steels.

Product strength

The Company valves are engineered to handle service conditions at -192°C to 550°C and pressure upto 10000 psi.

Diverse product range

The Company's rich knowledge in the sector and diverse capability matrix allows has enabled it to create one of the most diverse range of products that cater to multiple critical requirements. Further, its ability to customise products for specific customer applications helps us to widen our product offerings.

Power of customisation

The Company's investments in capabilities (cutting-edge design & simulation software 3D printer, dedicated die and pattern manufacturing shop and testing facilities) and intellectual capital (a dedicated and highly qualified team of design engineers) allows it to customise the products as per clients' requirements.

Wide sectoral bandwidth

The Company's wide product range allows it to cater to multiple sectors, majority of which are critical to the sustenance of economic growth. Its products are used by

industrial sectors such as, oil & gas refineries, petrochemical industries, power generation plants, boiler manufacturers, marine & ship building, infrastructure, plumbing, sugar, rubber and paper industry among others.

Multi-region presence

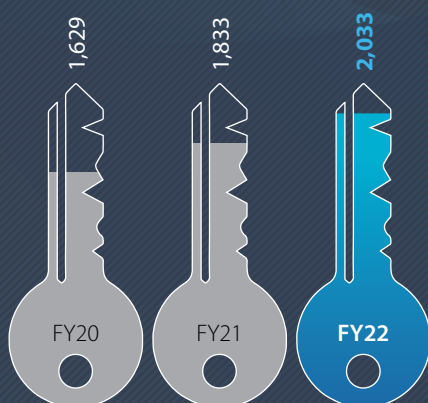
The Company has a robust sales and distribution network (750 dealers) across India. Further, its products are exported to all major economies including USA, UK, UAE, Australia, South Africa, Kuwait, other Middle East countries and other European countries.



Key performance indicators

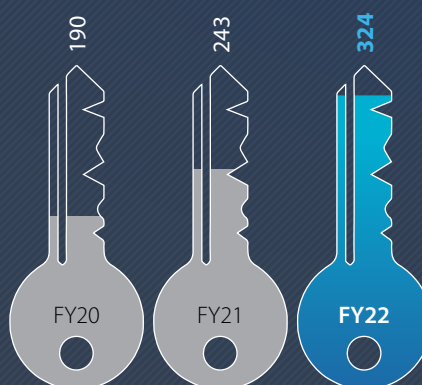
Revenue

(₹ Lakh)



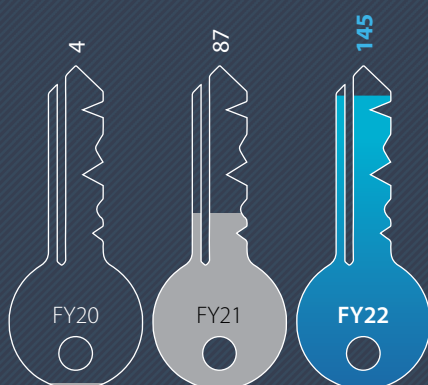
EBITDA

(₹ Lakh)



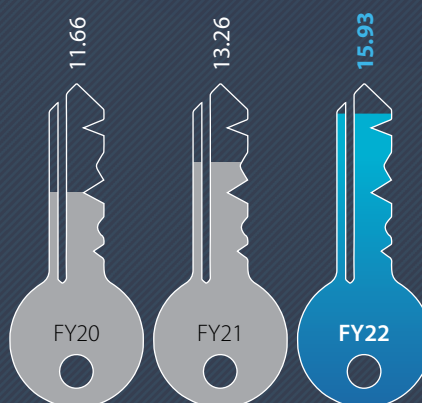
Profit after tax

(₹ Lakh)

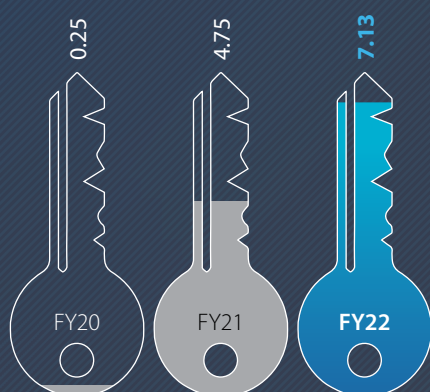


EBITDA Margin

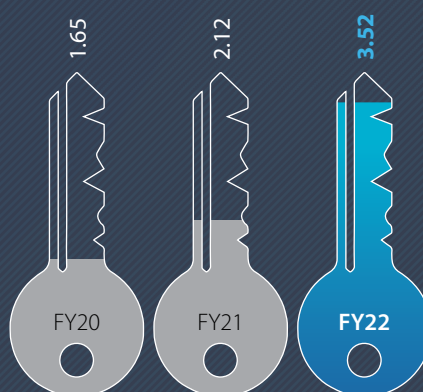
(%)



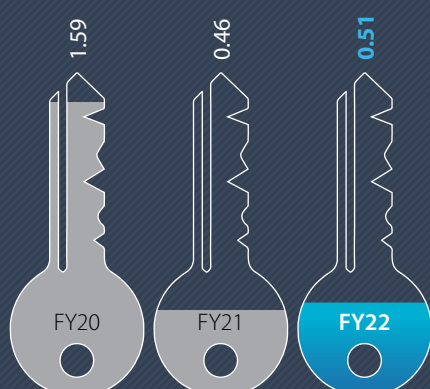
PAT Margin (%)



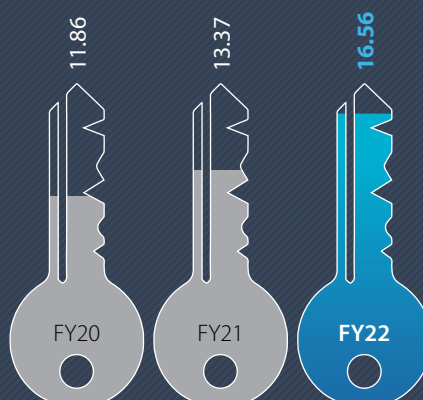
EPS (₹)



Debt to equity ratio (X)



ROCE (%)





From the Chairman's Desk

“Our future promises to be even more exciting. We have charted a growth path that promises to sustain business growth over the medium term.”



Dear Shareholders

Hope you and your loved ones are doing well and prospering. It gives me immense pride to present the 37th Annual Report of the Company as we closed FY22 with great numbers. It highlights our ability to scale our performance higher in an otherwise perplexing year.

From the events of the last few years, it is quite evident that we live in an age of disruptions. Even as the world was recovering from the pandemic over the previous two years, geo-political turbulence impacted the world severely – intensifying the already heightened inflationary pressure and further disrupting the fragile global supply chain balance. Despite the turbulence, the Indian economy registered a healthy recovery in FY22 driven by a resurgence in all three segments of the economy, particularly the industrial segment.

In these troubled times, our team at Atam Valves responded with exceptional resilience in navigating through the volatility breakers. Leveraging our rich experience, domain knowledge and expertise we continued to envision opportunities and worked with speed to capitalise on them. We strengthened the connect with our customers, we delivered better and faster to fortify their trust in the ATAM brand. In doing so, we reported very satisfying growth.

Revenue increased by 11%, EBITDA grew by 33% and Net Profit leapfrogged by 67%. What was very satisfying was that our EBITDA margin improved by more than 260 bps despite the inflationary pressures. This improvement was owing to an increase in the proportion of value-added products in our revenue mix and our ability to pass on some part of the cost

increase to our clients. Moreover, our Return on Capital Employed improved by more than 300 bps. It showcases our ability to utilise every rupee invested in the business, better.

This stellar performance was the result of the unwavering passion and disciplined efforts of the entire team. They have gone above and beyond to brave the odds and supersede their given targets. I feel immensely proud to be a part of such a dedicated and energised team.

I take pleasure in mentioning that we have articulated our dividend policy. We will distribute 15% of our Net Profit to shareholders as dividends. We need to maintain this prudent balance in keeping with the reality that we are a growing company and will need to invest in strategic initiatives that help us to sustain our growth momentum.



Into the looking glass

Our future promises to be even more exciting. We have charted a growth path that promises to sustain business growth over the medium term.

* We have decided to acquire AMCO, a sole proprietorship enterprise that manufactures Industrial Valves, fittings and Boiler mounting having a wide market segment. AMCO has state of art manufacturing facility at Gagret, District Una, Himachal Pradesh. Until the deal is finalised, AMCO has started, in the later part of June, to sell the complete production to ATAM.

* We will continue to introduce new products to remain relevant to our customers and capitalise on opportunities arising from the changing dynamics in the sectors of our presence. This will ensure that we continue to occupy our preeminent position in the industrial value space.

* We plan to diversify into a consumer-facing space – bathroom fittings. This is an interesting value-add for us. The bathroom fitting space is cluttered in the premium segment with global and domestic

brands. Then there is the low-end segment which is occupied by the unorganised segment. The segment between the two ends of the pyramid is large but relatively uncluttered. This is where we will establish our brand. Moreover, valves are a critical part of these products, where we are experts. We need to add the aesthetics. The project report is under preparation. Hopefully, I will be able to share more on this project in my next communique.

* We will continue to focus on ideating and implementing new thoughts to sustain our growth.

About FY23...

FY23 is replete with uncertainties. Rising interest rates, the extended war scenario, additional fractures in global relations and other issues continue to challenge our progress. Being a strong enterprise rooted in our ethical value system, an energetic workforce and an innovative spirit, I believe we are ready to deliver an even better performance in the current year which should create wealth for all our stakeholders.

Acknowledgment

I take this opportunity to extend my gratitude to all stakeholders for their support in our stimulating journey this far. I solicit your continued co-operation.

Wishing you safety and well-being to you and your families.

Vimal Jain

Chairman

New investment and capex announcements by the private sector saw a 145% year-on-year rise in FY22. New project announcements in the manufacturing sector have improved significantly to ₹6.2 trillion in FY22, a rise of 93.75%, as against ₹3.2 trillion in FY20.



Mega trends that promise to brighten our prospects

Government thrust to Capital investments

Production-linked incentive (PLI) schemes are a cornerstone of the government's push for achieving an Atmanirbhar Bharat. The objective is to make India's domestic manufacturing globally competitive and to create global champions in manufacturing. As we are aware, in the Union Budget 2021-22, the Finance Minister announced an outlay of ₹1.97 Lakh Crore over five years for the PLI Schemes in 13 key sectors.

Government thrust to Capital Goods

The National Capital Goods Policy aims to increase domestic capital goods manufacturing output to US\$101 billion by 2025, a 225% jump from US\$31 billion in 2014-15. The government has notified the second phase of the Scheme on Enhancement of Competitiveness in the Indian Capital Goods Sector for providing assistance for common technology development and

services infrastructure, with a financial outlay of ₹207 crore. The outlay includes Budgetary support of ₹975 crore and industry contribution of ₹232 crore.

Oil & Gas sector

With the government aiming to more than double the share of natural gas in its energy base to 15% by 2030, India's oil and natural gas sector is likely to receive fresh investment of over \$300 billion by 2030 for developing natural supply and distribution infrastructure. Indian Oil Corp. Ltd plans to invest ₹1 trillion over the next four to five years in the oil & gas business space.

Petrochemical Sector

The next 10 years will be the most exciting decade India's petrochemical industry will ever see. About US\$100 billion worth of investment will boost domestic production by 2030 and help bridge India's supply deficit in petrochemical intermediates.

Pharmaceutical Sector

As per a report prepared by the IPA, at its current rate of 7-8% CAGR, the Indian pharmaceutical industry is expected to grow about US\$ 80 to 90 billion by 2030. With a double digit growth of 11-12%, the industry can grow about US\$65 billion by 2024 and about US\$120-130 billion by 2030.

Chemical Industry

The Indian chemical industry has a huge role to play to make India a US\$5 trillion economy by contributing around US\$300 billion to the GDP by 2025.



A case for investment



1) Large and growing demand



2) Continued focus on growing the product basket with value-added variants



3) A solid Balance Sheet position to support future capital investments



4) Leveraging inorganic opportunity for growth



5) Entry into a new business space

Corporate Information

ATAM VALVES LIMITED

37th Annual General Meeting

Date: 22nd September, 2022 • **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

STATUTORY AUDITOR

M/s K.C. Khanna & Co.

Chartered Accountants

FRN: 000481N

202, Stock Exchange Building,

Feroze Gandhi Market, Ludhiana, Punjab

INTERNAL AUDITOR

M/s J.C. Arora & Associates

Chartered Accountants

1st Floor, Sohal Complex, Sehdev Market,

Jalandhar, Punjab

SECRETARIAL AUDITOR

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

Office No. S6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road,

Andheri (East) Mumbai 400059 Maharashtra

Tel: +91 – 22 – 62638200

Email Id: info@bigshareonline.com

DEPOSITORIES

National Securities Depository Limited

Central Depository Services (India) Limited

LISTED

Bombay Stock Exchange- SME (Small and Medium Enterprises) Platform

BANKERS

HDFC Bank Limited

State Bank of India

INVESTOR RELATIONS

Mrs. Natisha Choudhary

Email : cs@atamfebi.com

Contact : +91-98152-01563

Board's Report

Dear Members

Your Directors have the pleasure of presenting their Thirty Seventh (37th) Annual Report together with the Audited Financial Statements for the year ended March 31, 2022.

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 2021-22. The highlights of the standalone financial results of the Company for the FY 2021-22 and FY 2020- 21 are as under:

(Amount ₹ in Lakhs except earnings per share)				
Sr. No.	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue from operations	19	2,033.06	1,833.35
II	Other Income	20	9.22	3.36
III	Total Income (I+II)		2,042.28	1,836.71
IV	Expenses:			
	Cost of materials consumed	21	1,053.11	843.21
	Purchases of Stock-in-trade	22	193.96	97.41
	Changes in inventories of finished goods work-in-progress and stock-in-trade	23	-224.61	-5.40
	Employee benefits expense	24	404.62	377.17
	Financial Cost	25	39.28	55.98
	Depreciation and amortization expense	26	84.15	65.33
	Others expenses	27	291.36	281.21
	Total expenses		1,841.87	1,714.91
V	Profit before tax (III-IV)		200.41	121.80
VI	Tax expense :			
	-Current tax		59.48	32.58
	-Deferred tax		-4.62	1.46
	-Income tax related to earlier year		0.41	0.30
VII	Profit for the year (V-VI)		145.15	87.45
VIII	Earnings per share (₹)	30		
	(1) Basic		3.52	2.46
	(2) Diluted		3.52	2.46

PERFORMANCE

On a Standalone Basis, your Company's total income for FY 2021-2022 was ₹2,042.28 Lakhs as compared to ₹1,836.71 Lakhs in FY 2020-21. Profit before tax was ₹200.41 Lakhs as compared to ₹ 121.80 Lakhs in the last year. Profit after tax was ₹145.15 Lakhs as compared to ₹87.45 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 ₹2/- per equity share of face value of ₹10/- each for the financial year 2021-22. The final dividend on equity shares, if approved by the members would involve a cash outflow of ₹82.50 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, 2022.

SHARE CAPITAL

For the financial year ended March 31, 2022, the issued, subscribed and paid up equity share capital of the company is ₹ 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 ₹ 10/- each.

Note : The Board of Directors in their meeting held on 10.05.2022 considered and approved the allotment of 18,00,000 Equity Warrants convertible into Equity Shares on Preferential basis to Promoter of the Company and issue of 5,49,000 Equity Warrants convertible into Equity shares on Preferential Basis to Non- Promoters and/or Key Managerial Personnel (KMP)/ Public Category Shareholders of the Company. The Extra- ordinary General Meeting for the same purpose was held on Wednesday, April 20th, 2022 at 11.00 A.M. IST. The In-Principal Approval for same was obtained from BSE vide e-Letter No. DCS/PREF/KK/PRE/2166/2022-23 on May 02, 2022.

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

Pursuant to the provisions of the Act, Mr. Vimal Parkash Jain, Whole time Director-cum-Chairman 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. Vimal Parkash

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 2021-22, Eight (8) Board Meetings were held. These were held on April 02, 2021; June 30, 2021; September 04, 2021; September 30, 2021; November 08, 2021; December 04, 2021; January 31, 2022; March 29, 2022. 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:-

Name of the director	Category	No. of board meeting held & entitled to attend.	No. of board meetings attended
Mr. Vimal Parkash Jain	Wholetime Director	8	8
Mr. Amit Jain	Managing Director	8	8
Mrs. Pamila Jain	Wholetime Director and CFO(KMP)	8	7
Mrs. Rajni Sharma	Independent Director	8	4
Mr. Ravi Bhushan Jain	Independent Director	8	4
Mr. Surinder Kumar Salwan	Independent Director	8	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, 2022, 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 2021-22, six (6) meetings of the Audit Committee were held. The meetings were held on 02.04.2021, 30.06.2021, 04.09.2021, 02.10.2021, 08.11.2021, 25.03.2022. 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	6	6
2	Mr. Vimal Parkash Jain	Member	Wholetime Director	6	6
3	Mr. Surinder Kumar Salwan	Member	Independent Director	6	5

➤ NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2022, 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 2021-22, Two (2) meetings of the Nomination and Remuneration Committee were held. The meetings were held on 14.07.2021 and 26.11.2021. 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. 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, 2022, 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' / 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 2021-22, Four (4) meetings of the Stakeholders Relationship Committee were held. The meetings were held on 02.04.2021, 01.07.2021, 08.11.2021, 31.03.2022. 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 (35th) 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 40th 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 2021-22.

A Secretarial Audit Report for the Financial Year 2021-22 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.2021-22. 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:

- Listed entity having paid up equity share capital not exceeding ₹ 10 Crore and net worth not exceeding ₹ 25 Crore, as on the day of the previous financial year.
- 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 2021-22.

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 2021-22 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 2021-22.

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. 29 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 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:

Sr. No.	Particulars	Comments
(A) Conservation of energy		
(i)	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) Technology Absorption		
(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

The details of Foreign Exchange earnings and outgo are duly mentioned in the balance sheet.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) CIF value of Imports	21.74	-
(b) FOB value of exports (including export to Nepal)	75.24	49.05
(c) Imported and Indigenous Consumption		
(i) Raw Material		
-Imported	21.74	-
-Indigenous	1,031.37	843.21
%		
-Imported	-	-
-Indigenous	100.00	100.00
(ii) Store and spares (including packing material)		
-Imported	-	-
-Indigenous	65.11	78.13
%		
-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 March 31, 2022	As at March 31, 2021
Against Export (Debtors)	-	0.21

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 2021-22 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.
- The directors had prepared the annual accounts on a going concern basis.
- 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.
- 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 hence as on March 31, 2022, 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

Amit Jain

Managing Director

DIN: 01063087

Place: - Jalandhar
Date:-05.09.2021

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 09th August, 2022.

EFFECTIVE DATE

The Policy shall be come effective from the date of its adoption by the Board i.e. 09th August, 2021.

PURPOSE, OBJECTIVES AND SCOPE

The Securities and Exchange Board of India ("SEBI") vide its Notification dated July08 ,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 in to consideration the operating and financial performance of the Company, the advice of executive management including the CFO, and other relevant factors. The Board has articulated the Dividend Policy. The Company will distribute 15% of net profit to the shareholders as Dividend.
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 ascertain 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 in to 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 ascertain 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.

Macro economic 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 Para4, before determination of any dividend payout after analysing 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 of 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, 2022**

[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, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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, 2022 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. 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 Authorized Capital to 6.5Cr on 29.03.2022.

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:

For Vishal Soni & Associates
Company Secretaries

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

ANNEXURE - A

1. Memorandum & Articles of association of the company.
2. Annual Report for the financial year ended March 31, 2022.
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, 2022 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 2021-22 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:

For Vishal Soni & Associates
Company Secretaries

Vishal Soni

Proprietor

C.P. No. 9876

Membership No. FCS 8876

UDIN: -

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 2021-22 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22:

Sr. No.	Name of Director/KMP	Designation	% Increase in Remuneration in the FY 2021-22	Ratio of Remuneration of each Director to Median Remuneration of Employees for the FY 2021-22
1.	Mr. Amit Jain	Managing Director	16.66	0.76:1
2.	Mr. Vimal Parkash Jain	Wholetime Director	NA	0.64: 1
3.	Mrs. Pamila Jain	Wholetime Director & CFO	NA	0.54: 1
4.	Mrs. Natisha Choudhary	Company Secretary & compliance Officer	10	0.05 : 1

- ii. The median remuneration (per annum) of employees of the Company during the financial year was ₹ 5539980/-. During the financial year, there was increase of 5.98% in the median remuneration of employees.
- iii. There were 4 permanent employees on the rolls of the Company as on March 31, 2022.
- iv. Average percentage increase made in the salaries of employees and the managerial personnel in the last financial year i.e. 2021-22 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

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

Place: Jalandhar
Date: 05.09.2021

Annexure –IV

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31st March, 2022

[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 Office No. S6-2, 6 th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai 400093 Maharashtra Tel: +91 – 22 -62638200 Email Id:- info@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	
A. Promoters									
(1) Indian									
a) Individual/ HUF	23,27,980	0	23,27,980	56.44	23,27,980	0	23,27,980	56.44	0
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

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	
e) Banks/ FI	0	0	0	0	0	0	0	0	0
f) Any Other	6,72,010	0	6,72,010	16.29	6,72,010	0	6,72,010	16.29	0
Sub-total (A) (1):-	29,99,990	0	29,99,990	72.73	29,99,990	0	29,99,990	72.73	0
(2) Foreign									
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
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A) (1)+(A)(2)	29,99,990	0	29,99,990	72.73	29,99,990	0	29,99,990	72.73	0
B. Public Shareholding									
1. Institutions									
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
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.-									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 lakh	4,47,010	0	4,47,010	10.84	5,70,226	0	5,70,226	13.82	+2.98
ii) Individual shareholders holding nominal share capital upto ₹2 lakh	2,52,000	0	2,52,000	6.11	3,62,983	0	3,62,983	8.80	+2.69
c) Others (specify)	4,26,000	0	4,26,000	10.33					-5.69%
1. Bodies Corporate					57,000	0	57,000	1.38	
2. Clearing Member					38,801	0	38,801	0.94	

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	
3. Hindu Undivided Family					81,000	0	81,000	1.96	
4. Non-Resident Indians					15,000	0	15,000	0.36	
Sub-total (B)(2):-	11,25,010	0	11,25,010	27.27	11,25,010	0	11,25,010	27.27	
-	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	41,25,000	0	41,25,000	100	41,25,000	0	41,25,000	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			% change in share holding during 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	8,97,030	21.74%	0	8,97,030	21.74%	0	0.00
2.	AMIT JAIN	14,30,950	34.69%	0	14,30,950	34.69%	0	0.00
3.	PAMILA JAIN	6,60,000	16.00%	0	6,60,000	16.00%	0	0.00
4.	VIMAL PARKASH JAIN HUF	6,000	0.15%	0	6,000	0.15%	0	0.00
5.	AMIT JAIN HUF	6,000	0.15%	0	6,000	0.15%	0	0.00
6.	ANU JAIN	10	0.0002%	0	10	0.0002%	0	0.00

(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
1. Ritesh Jain				
At the beginning of the year	12,000	0.29	12,000	0.29
Increase in shareholding during the year due to purchase of shares	87,000	2.11	87,000	2.11
At the End of the year	99,000	2.40	99,000	2.40
2. Dinesh Jain				
At the beginning of the year	9,000	0.21	21,000	0.50
Increase in shareholding during the year due to purchase of shares	86,983	2.11	1,73,983	4.22
At the End of the year	95,983	2.32	1,94,983	4.72
3. Kulbhushan Parashar HUF				
At the beginning of the year	-	-	21,000	0.50
Increase in shareholding during the year due to purchase of shares	42,000	1.01	2,15,983	5.23
At the End of the year	42,000	1.01	2,36,983	5.73
4. Jagdish Parshad Sharma				
At the beginning of the year	-	-	21,000	0.50
Increase in shareholding during the year due to purchase of shares	36,000	0.87	2,51,983	6.1
At the End of the year	36,000	0.87	2,72,983	6.60
5. Neha Jain				
At the beginning of the year	12,000	0.29	33,000	0.79
Increase in shareholding during the year due to purchase of shares	12,000	0.29	2,63,983	6.39
At the End of the year	24,000	0.58	2,96,983	7.18

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
6.	Pritpal Singh Chawla				
	At the beginning of the year	24,000	0.58	57,000	1.37
	Increase in shareholding during the year due to purchase of shares	-	-	2,63,983	6.39
	At the End of the year	24,000	0.58	3,20,983	7.76
7.	Nripan Jain				
	At the beginning of the year	21,000	0.50	78,000	1.87
	Increase in shareholding during the year due to purchase of shares	-	-	2,63,983	6.39
	At the End of the year	21,000	0.50	3,41,983	8.26
8.	Ashok Jain				
	At the beginning of the year	63,000	1.52	1,41,000	3.39
	Increase in shareholding during the year due to purchase of shares	-42,000	-1.02	2,21,983	5.37
	At the End of the year	21,000	0.50	3,62,983	8.76
9.	Ritu Jain				
	At the beginning of the year	9,000	0.21	1,50,000	3.60
	Increase in shareholding during the year due to purchase of shares	12,000	0.29	2,33,983	5.66
	At the End of the year	21,000	0.50	3,83,983	9.26
10.	Dinkar Jain				
	At the beginning of the year	63,000	1.52	2,13,000	5.12
	Increase in shareholding during the year due to purchase of shares	-42,000	-1.02	1,91,983	4.64
	At the End of the year	21,000	0.50	4,04,983	9.76

(v) Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Directors and KMP	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
1.	Vimal Parkash Jain (Wholetime Director)				
	At the beginning of the year	8,97,030	21.74%	8,97,030	21.74%
	At the End of the year	8,97,030	21.74%	8,97,030	21.74%

S. No.	For Each of the Directors and KMP	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
2.	Amit Jain (Managing Director)				
	At the beginning of the year	14,30,950	34.68%	23,27,980	56.42%
	At the End of the year	14,30,950	34.68%	23,27,980	56.42%
3.	Pamila Jain (Wholetime Director & CFO)				
	At the beginning of the year	66,000	16.00%	23,93,980	72.42%
	At the End of the year	66,000	16.00%	23,93,980	72.42%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	305.86	54.04	-	359.90
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	305.86	54.04	-	359.90
Change in Indebtedness during the financial year				
• Addition	95.65	-	-	95.65
• Reduction	-	30.00	-	30.00
Net Change	-	-	- 65.65 (Addition)	
Indebtedness at the end of the financial year				
i) Principal Amount	401.51	24.04	-	425.55
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	401.51	24.04	-	425.55

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/WTD/Manager			Total Amount
		Mr. Amit Jain (MD)	Mr. Vimal Parkash Jain (WTD)	Mrs. Pamila Jain (WTD)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	42,00,000	36,00,000	30,00,000	1,08,00,000
	(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)	42,00,000	36,00,000	30,00,000	1,08,00,000

B. Remuneration to Other Directors:-

S. No.	Particulars of Remunerartion	Fee For Attending Board Meetings/Committee Meetings.	Commissions	Other Remuneration	Total Amount
1.	INDEPENDENT DIRECTORS.				
	(a) Ravi Bhushan Jain	30,000	0	0	30,000
	(b) Surinder Kumar Salwan	35,000	0	0	35,000
	(c) Rajni Sharma	15,000	0	0	15,000
	TOTAL (1)	80,000	0	0	80,000
2.	NON EXECUTIVE DIRECTORS.				
	(a) Amit Jain	30,000	0	0	30,000
	(b) Pamila Jain	17,500	0	0	17,500
	(c) Vimal Parkash Jain	45,000	0	0	45,000
	TOTAL (2)	92,500	0	0	92,500
	TOTAL (1)+(2)	1,72,500	0	0	1,72,500
	TOTAL MANAGERIAL REMUNERATION	1,72,500	0	0	1,72,500

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			Total
		CEO	Natisha Choudhary (Company Secretary)	CFO	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2,79,960	-	2,79,960
	(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	-	2,79,960	-	2,79,960

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)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of Board of Directors

Amit Jain

Managing Director

DIN: 01063087

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

Place : Jalandhar
Date : 05.09.2022

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 dipinsulation 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 Boiler mountings. The company has the ability to design and manufacture valves or bushings 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 "Aatma nirbhar 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, 2022 were ₹2,033.06 Lakhs as compared to ₹1,833.35 Lakhs 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 ₹145.15 Lakhs as compared to ₹87.45 Lakhs in the previous year.

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 31st March, 2022 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 31st March, 2022 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

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

Place: - Jalandhar

Date:-04.09.2021



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 March 31, 2022, 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 March 31, 2022, 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 our audit of the financial statements of the current period. 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 skepticism throughout the audit. We also:

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government 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 March 31, 2022 taken on record by the Board of directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a Director in terms of Section 164(2) of the Act.
- (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 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.
 - iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons

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

(ii) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(iii) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
- 3. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

(Abhishek Goel)

Partner

M. No. 521575

UDIN: 22521575AJVZQQ9650

Place: Jalandhar

Date: 30.05.2022

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) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us, the Property, Plant and Equipment have been physically verified by the management during the year and no discrepancies have been noticed on such verification.
- (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 reporting under clause (i)(c) of the Order is not applicable.
- (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
- (e) Based on the information and explanations given to us, no proceedings have been initiated during the year or are pending against the company as at March 31, 2022 for holding any benami property under Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder.
- (ii) (a) According to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory have been noticed on physical verification of inventories when compared with books of account.
- (b) The Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks on the basis of security of inventories and trade receivable (i.e current assets). There are certain differences in value of inventories and trade receivables as filed with banks vis-a-vis books of accounts. The summary of reconciliation and reasons of material discrepancies in this regard is as under:-

(Amount ₹ in Lakhs)

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-21	HDFC Bank Limited	Inventory	Not available#	650.00	NA	
		Trade receivables	318.67	434.93	-116.26	The balance of trade receivables submitted to bank includes amount recoverable by head office at Jalandhar from Ahmedabad branch against supply of goods whereas the same has not been included in the figure as per books of account. Further, the amount of trade receivables of Ahmedabad branch is not included in the statement submitted to bank whereas the same has been included in the figure as per books of account
Sep-21	HDFC Bank Limited	Inventory	891.75	560.00	331.75	The amount of inventory submitted to bank is on lower side as the same has been submitted considering the requirement for drawing power instead of actual inventory

		Trade receivables	413.34	537.42	-124.08	The balance of trade receivables submitted to bank includes amount recoverable by head office at Jalandhar from Ahmedabad branch against supply of goods whereas the same has not been included in the figure as per books of account. Further, the amount of trade receivables of Ahmedabad branch is not included in the statement submitted to bank whereas the same has been included in the figure as per books of account
Dec-21	HDFC Bank Limited	Inventory	Not available#	600.00	NA	
		Trade receivables	509.94	642.81	-132.87	The balance of trade receivables submitted to bank includes amount recoverable by head office at Jalandhar from Ahmedabad branch against supply of goods whereas the same has not been included in the figure as per books of account. Further, the amount of trade receivables of Ahmedabad branch is not included in the statement submitted to bank whereas the same has been included in the figure as per books of account
Mar-22	HDFC Bank Limited	Inventory	1,013.39	625.00	388.39	The amount of inventory submitted to bank is on lower side as the same has been submitted considering the requirement for drawing power instead of actual inventory
		Trade receivables	569.76	637.88	-68.12	The balance of trade receivables submitted to bank includes amount recoverable by head office at Jalandhar from Ahmedabad branch against supply of goods whereas the same has not been included in the figure as per books of account. Further, the amount of trade receivables of Ahmedabad branch is not included in the statement submitted to bank whereas the same has been included in the figure as per books of account

The actual amount of inventory as per books of account as on 30th June 2021 and 31st December 2021 is not available as the same is computed on half yearly basis required for submission of financial results to the stock exchange. The stock on such dates has been valued on estimated basis for submission to bank. Further, the same has been submitted to bank considering the estimated stock and requirement for drawing power.

- (iii) According to the information and explanations given to us, we report that the Company has not has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Therefore reporting under clause 3(iii) of the Order is not applicable.
- (iv) The Company has not has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans during the year. Therefore reporting under clause 3(iv) of the Order is not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits during the year covered under the provisions of sections 73 to 76 and any other relevant provision of the Companies Act, 2013 and the rules framed there under.
- (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 goods and service tax, provident fund, employees' state insurance, income tax, duty of custom, cess and other statutory dues to 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.

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 and records of the company examined by us, there are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- (ix) (a) According to the information and explanations given to us and records of the company examined by us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

According to the information and explanations given to us, and on the basis of our audit procedure the company has not been declared willful defaulter by any bank or financial institution or other lender.

According to the information and explanations given to us, the term loan has been applied for the purpose for which loans were obtained.

On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

According to the information and explanations given to us, there is no subsidiary, associate or joint venture of the company. Therefore reporting under clause 3(ix)(e) of the Order is not applicable.

According to the information and explanations given to us, there is no subsidiary, associate or joint venture of the company. Therefore reporting under clause 3(ix)(f) of the Order is not applicable.

- (x) (a) In our opinion and according to the information and explanations given to us and records of the Company examined by us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally convertible) during the year.
- (xi) (a) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

The company has not received any whistle blower complaint during the year.

- (xii) According to the information and explanation given to us, the company is not a Nidhi Company. Therefore reporting under clause 3(xii) of the Order is 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) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (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 directors or person connected with them.
- (xvi) (a) 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.

- (b) The Company has not conducted any non-banking financial or housing finance activities without a valid certificate of registration from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore reporting under clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any core investment company (CIC).
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us and on the basis of examination of records of the company, the company does not meet the applicable threshold specified under section 135 of the Companies Act, 2013 and therefore is not required to spend any amount on Corporate Social Responsibility (CSR) activities. Therefore reporting under clause 3(xx)(a) and (b) of the Order is not applicable.

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

(Abhishek Goel)

Partner

M. No. 521575

Place: Jalandhar

Date: 30.05.2022

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 March 31, 2022 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 March 31, 2022, 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

(Abhishek Goel)

Partner

M. No. 521575

Place: Jalandhar

Date: 30.05.2022

Balance Sheet

as at March 31, 2022

(Amount ₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2 (a)	412.50	412.50
(b) Reserves and surplus	2 (b)	688.34	584.44
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	3	179.47	266.78
(b) Deferred tax liabilities (net)	5	-	-
(c) Other Long term liabilities	4	4.00	4.50
(d) Long term provisions	6	21.19	22.29
(4) Current Liabilities			
(a) Short-term borrowings	7	358.38	189.03
(b) Trade Payables	8		
(i) Total outstanding dues of micro enterprises and small enterprises		30.77	37.01
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		103.21	173.32
(c) Other current liabilities	9	124.30	108.96
(d) Short-term provisions	10	35.29	18.80
Total		1,957.45	1,817.63
II. ASSETS			
(1) Non-Current Assets			
(a) Property, plant and equipments and Intangible assets	11		
(i) Property, plant and equipments		272.86	346.93
(ii) Intangible assets		0.26	0.26
(iii) Capital work in progress		-	-
(b) Deferred tax assets (net)	5	27.22	22.60
(c) Long term loans and advances	12	-	8.24
(d) Other non-current assets	13	18.52	18.48
(2) Current Assets			
(a) Inventories	14	1,013.39	845.46
(b) Trade receivables	15	569.76	514.42
(c) Cash and bank balances	16	18.46	15.71
(d) Short-term loans and advances	17	30.00	37.35
(e) Other current assets	18	6.98	8.18
Total		1,957.45	1,817.63

See accompanying notes to the financial statements
As per our report of even date attached

For and on behalf of Board of Directors

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

Vimal Parkash Jain
Chairman
DIN No. 01063027

Amit Jain
Managing Director
DIN No. 01063087

(Abhishek Goel)
Partner
M.No. 521575
Place: Jalandhar
Dated: 30.05.2022

Pamila Jain
Chief Financial Officer
AEUPJ4645J

Natisha Choudhary
Company Secretary
AUUPC2135N



Statement of Profit & Loss

for the year ended March 31, 2022

(Amount ₹ in Lakhs)

Sr. No.	Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue from operations	19	2,033.06	1,833.35
II	Other Income	20	9.22	3.36
III	Total Income (I+II)		2,042.28	1,836.71
IV	Expenses:			
	Cost of materials consumed	21	1,053.11	843.21
	Purchases of Stock-in-trade	22	193.96	97.41
	Changes in inventories of finished goods work-in-progress and stock-in-trade	23	-224.61	-5.40
	Employee benefits expense	24	404.62	377.17
	Financial Cost	25	39.28	55.98
	Depreciation and amortization expense	26	84.15	65.33
	Others expenses	27	291.36	281.21
	Total expenses		1,841.87	1,714.91
V	Profit before tax (III-IV)		200.41	121.80
VI	Tax expense :			
	-Current tax		59.48	32.58
	-Deferred tax		-4.62	1.46
	-Income tax related to earlier year		0.41	0.30
VII	Profit for the year (V-VI)		145.15	87.45
VIII	Earnings per share (₹)	30		
	(1) Basic		3.52	2.46
	(2) Diluted		3.52	2.46

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
Place: Jalandhar
Dated: 30.05.2022

For and on behalf of Board of Directors

Vimal Parkash Jain
Chairman
DIN No. 01063027

Pamila Jain
Chief Financial Officer
AEUPJ4645J

Amit Jain
Managing Director
DIN No. 01063087

Natisha Choudhary
Company Secretary
AUUPC2135N

Cash Flow Statement

for the year ended March 31, 2022

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Cash Flow From Operating Activities		
Profit before tax	200.41	121.79
Adjustments for:		
Depreciation and amortisation expense	84.15	65.33
Profit on Sale of Property Plant and Equipment	-7.50	-1.40
Interest Income	-1.54	-1.22
Interest expense	39.28	54.79
Operating Profit Before Working Capital Changes	314.80	239.29
Adjustments for increase/ (decrease) in operating liabilities:		
(a) Trade Payables	-76.36	45.18
(b) Other current and non current liabilities	15.95	47.33
(c) Long-term and Short-term provisions	-0.41	3.28
Adjustments for (increase)/ decrease in operating assets:		
(a) Inventories	-167.94	-17.67
(b) Trade receivables	-55.33	-104.37
(c) Long-term loans & advances and other non-current assets	-0.04	-13.87
(d) Short-term loans & advances and other current assets	8.56	-5.44
Cash Generated From Operations	39.23	193.73
Net Income tax paid	-35.84	-20.28
Net Cash Flow from/(used in) Operating Activities (A)	3.39	173.45
Cash Flow From Investing Activities		
Payment for Purchase of Property Plant and Equipment	-12.00	-159.44
Proceeds from Sales of Property Plant and Equipment	8.50	11.20
Fixed deposits not considered as Cash & Cash equivalents	-0.65	-0.73
Interest received	1.54	1.22
Net Cash Flow from/(used in) Investing Activities (B)	-2.61	-147.75
Cash Flow from Financing Activities		
Proceeds from long term borrowings from banks	55.00	239.03
Repayment of long term borrowings from banks	-95.90	-154.54
Net Proceeds from issue of Share Capital (including securities premium)	-	423.91
Proceeds from long term borrowings from others	46.00	175.89
Repayment of long term borrowings from others	-76.00	-429.00
Dividend Paid	-41.25	-
Proceeds/(repayment) of short term borrowings (on net basis)	152.95	-225.90
Interest and other financial charges paid	-39.48	-54.52



Cash Flow Statement (Contd...)

for the year ended March 31, 2022

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Net Cash Flow from/(used in) Financing Activities (C)	1.32	-25.13
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	2.10	0.57
Cash and Cash equivalents as at beginning of the year	1.32	0.75
Cash and Cash equivalents as at end of the year	3.42	1.32

Refer note no. 16 of the financial statements for the components of Cash and Cash equivalents

See accompanying notes to the financial statements
As per our report of even date attached

For and on behalf of Board of Directors

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

Vimal Parkash Jain
Chairman
DIN No. 01063027

Amit Jain
Managing Director
DIN No. 01063087

(Abhishek Goel)
Partner
M.No. 521575
Place: Jalandhar
Dated: 30.05.2022

Pamila Jain
Chief Financial Officer
AEUPJ4645J

Natisha Choudhary
Company Secretary
AUUPC2135N

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 1(a): CORPORATE INFORMATION

M/s. Atam Valves Limited hereinafter referred to as "the Company" was incorporated on 30th 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.

NOTE 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.

NOTE 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:

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

Notes to the Financial Statements for the year ended March 31, 2022

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.

(k) 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.

(l) Intangible assets

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

(m) 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.

Notes to the Financial Statements for the year ended March 31, 2022

(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.

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 2(a): SHARE CAPITAL :

Particulars	As at March 31, 2022	As at March 31, 2021
AUTHORISED:		
50,00,000 (previous year 50,00,000) Equity Shares of ₹ 10 each	500.00	500.00
	500.00	500.00
ISSUED, SUBSCRIBED AND PAID UP		
41,25,000 (previous year 41,25,000) Equity Shares of ₹ 10 each	412.50	412.50
	412.50	412.50

Reconciliation of number of shares outstanding at the end of the year:	As at March 31, 2022	As at March 31, 2021
Equity Shares at the beginning of the year	41,25,000	30,00,000
Add: Shares issued during the period (refer note 40)	-	11,25,000
Equity Shares at the end of the year	41,25,000	41,25,000

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.

Details of Shareholders holding more than 5% of the aggregate shares of the company:

Particulars	As at March 31, 2022	
	No.	% of Holding
Vimal Parkash Jain	8,97,030	21.75%
Amit Jain	14,30,950	34.69%
Pamila Jain	6,60,000	16.00%
Total	29,87,980	72.44%

Particulars	As at March 31, 2021	
	No.	% of Holding
Vimal Parkash Jain	8,97,030	21.75%
Amit Jain	14,30,950	34.69%
Pamila Jain	6,60,000	16.00%
Total	29,87,980	72.44%

Notes to the Financial Statements for the year ended March 31, 2022

Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, bonus shares and shares bought back for the period of five years immediately preceding the reporting date.

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2020
(a) Equity Shares allotted as fully paid up by way of bonus shares	-	-	-
(b) Equity Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-	-
(c) Equity Shares bought back by the Company	-	-	-

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(a) Equity Shares allotted as fully paid up by way of bonus shares	1,60,000	-
(b) Equity Shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-
(c) Equity Shares bought back by the Company	-	-

Details of Shareholdings by the Promoters and Promoter's Group of the Company

(i) As at March 31, 2022

Name	No of Shares	% of Total shares	% change in the year
Vimal Parkash Jain	8,97,030	21.75%	-
Amit Jain	14,30,950	34.69%	-
Vimal Parkash Jain HUF	6,000	0.15%	-
Amit Jain HUF	6,000	0.15%	-
Anu Jain	10	0.00%	-
Pamila Jain	6,60,000	16.00%	-
Total	29,99,990	72.73%	-

(ii) As at March 31, 2021

Name	No of Shares	% of Total shares	% change in the year
Vimal Parkash Jain	8,97,030	21.75%	-8.15%
Amit Jain	14,30,950	34.69%	-13.01%
Vimal Parkash Jain HUF	6,000	0.15%	-0.05%
Amit Jain HUF	6,000	0.15%	-0.05%
Anu Jain	10	0.00%	0.00%
Pamila Jain	6,60,000	16.00%	-6.00%
Total	29,99,990	72.73%	-27.27%

NOTE 2 (b): RESERVES AND SURPLUS

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
General Reserve		
Balance as at the beginning of the year	47.44	47.44
Add: Addition during the year	-	-
Balance as at the end of the year	47.44	47.44
Capital Subsidy Reserve		

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 2 (b): RESERVES AND SURPLUS (Contd..)

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balance as at the beginning of the year	3.99	3.99
Add: Addition during the year	-	-
Balance as at the end of the year	3.99	3.99
Share Premium		
Balance as at the beginning of the year	311.41	-
Add: Amount received during the year (refer note 40)	-	337.50
Less: Amount utilized during the year (refer note 40)	-	26.09
Balance as at the end of the year	311.41	311.41
Surplus i.e. balance in Statement of Profit and Loss		
Balance as at the beginning of the year	221.60	134.16
Add: Transferred from statement of profit and loss during the year	145.15	87.45
Less: Final Dividend for FY 2020-21 (Rs.1/- per equity share)	-41.25	-
Balance as at the end of the year	325.50	221.60
TOTAL	688.34	584.44

NOTE 3: LONG TERM BORROWINGS

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) From Banks		
(a) Secured	218.56	229.24
(b) Unsecured	49.17	79.39
	267.73	308.63
Less: Current Maturities	112.30	95.90
	155.43	212.73
(ii) From Others (unsecured)		
(a) Loan from directors	24.04	54.04
TOTAL	179.47	266.78

Particulars	Loan Amount	No. of Outstanding Instalments As on 31.03.2022	No. of Outstanding Instalments As on 31.03.2021	Instalment Amount (Including Interest)	Frequency	Outstanding Amount As on 31.03.2022	Outstanding Amount As on 31.03.2022
Secured Loans							
HDFC Bank Auto Loan (A/C 114668808)	78.6	21	33	2.45	Monthly	48.02	72.71
HDFC Bank Auto Loan (A/C 115090092)	50	21	33	1.55	Monthly	30.36	45.97
HDFC Bank Working Capital Term Loan- GECL (A/C 8119431)	110.56	27	39	3.44	Monthly	85.18	110.56
HDFC Bank Working Capital Term Loan- GECL (A/C 452330831)	55	36#		1.7	Monthly	55	
Unsecured Loans							
HDFC Bank Loan Against Property (A/C 82970108)	143	18	30	2.95	Monthly	49.17	79.39
Total						267.73	308.63

Notes to the Financial Statements for the year ended March 31, 2022

Terms of repayment for loans from banks

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.

Instalment shall begin from March 2024 after a moratorium period of 24 months.

(ii) Working capital terms loans 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 plant and machinery. Further, there is a 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 the directors 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 the directors of the company.

NOTE 4: OTHER LONG TERM LIABILITIES

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Unsecured, Considered Good		
Security Deposits	4.00	4.50
TOTAL	4.00	4.50

NOTE 5: DEFERRED TAX ASSET/(LIABILITY)

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Deferred Tax Liability		
Impact of difference between tax depreciation and depreciation charged for the financial reporting	-	-
Deferred Tax Asset		
Impact of difference between tax depreciation and depreciation charged for the financial reporting	19.28	15.08
Impact of expenditure charged to the statement of profit and loss but allowable for tax purposes on payment basis	7.94	7.52
TOTAL	27.22	22.60

NOTE 6: LONG TERM PROVISIONS

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provision for Employee benefits		
-Provision for Gratuity	21.19	22.29
TOTAL	21.19	22.29

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 7: SHORT TERM BORROWINGS

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Loans repayable on demand		
- From banks (secured)	246.08	93.13
(ii) Current maturities of long-term debt		
(a) Secured	79.61	65.68
(b) Unsecured	32.69	30.22
TOTAL	358.38	189.03

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 plant and machinery. Further, there is a 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 the directors of the company.

NOTE 8: TRADE PAYABLES

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Trade Payables:-		
a) Total outstanding dues of micro enterprises and small enterprises	30.77	37.01
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	103.21	173.32
TOTAL	133.98	210.33

Refer note 42 for ageing schedule of trade payables.

NOTE 9: OTHER CURRENT LIABILITIES

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest accrued but not due on borrowings	1.37	1.57
Statutory dues Payables	18.10	32.43
Due to employees	33.37	34.59
Due to directors against salary and expenses	18.99	20.75
Advance from Customers	21.12	10.96
Payable for expenses	11.35	7.74
Payable for Property plant and equipments		
a) Total outstanding dues of micro enterprises and small enterprises	-	0.92
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Cheque issued but not presented	20.00	-
TOTAL	124.30	108.96

NOTE 10: SHORT TERM PROVISIONS

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Provision for Employee benefits		
- Provision for Gratuity	7.33	6.64
Provision for Income tax (net of advance tax)	27.96	12.16
TOTAL	35.29	18.80

Notes to the Financial Statements

for the year ended March 31, 2022

NOTE 11: PROPERTY, PLANT AND EQUIPMENTS AND INTANGIBLE ASSETS

(Amount ₹ in Lakhs)

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, 2020	632.73	17.17	42.78	232.75	1.48	926.90	6.15
Additions during the year	15.80	1.14	2.11	136.39	-	155.44	-
Disposals/Deletions during the year	-	-	-	-131.92	-	-131.92	-
Gross Carrying amount as at 31st March, 2021 (A)	648.53	18.31	44.89	237.21	1.48	950.42	6.15
Gross Carrying amount as at 1st April, 2021	648.53	18.31	44.89	237.21	1.48	950.42	6.15
Additions during the year	7.89	0.04	3.15	-	-	11.08	-
Disposals/Deletions during the year	-8.77	-	-	-	-	-8.77	-
Gross Carrying amount as at 31st March, 2022 (B)	647.64	18.35	48.04	237.21	1.48	952.72	6.15
Accumulated Depreciation as at 1st April, 2020	422.20	12.73	38.66	185.21	1.48	660.28	5.88
Depreciation for the year	39.40	1.25	1.43	23.25	-	65.33	-
Disposals/Deletions during the year	-	-	-	-122.12	-	-122.12	-
Accumulated Depreciation as at 31st March, 2021 (C)	461.59	13.98	40.10	86.34	1.48	603.49	5.88
Accumulated Depreciation as at 1st April, 2021	461.59	13.98	40.10	86.34	1.48	603.49	5.88
Depreciation for the year	33.57	1.07	2.42	47.09	-	84.15	-
Disposals/Deletions during the year	-7.77	-	-	-	-	-7.77	-
Accumulated Depreciation as at 31st March, 2022 (D)	487.39	15.05	42.52	133.43	1.48	679.86	5.88
Net Carrying amount as at 31st March, 2021 (A)-(C)	186.93	4.33	4.79	150.87	-	346.93	0.26
Net Carrying amount as at 31st March, 2022 (B)-(D)	160.26	3.30	5.52	103.78	-	272.86	0.26

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 12: LONG TERM LOANS AND ADVANCES

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Unsecured, Considered Good:		
Income tax refund receivable	-	8.24
TOTAL	-	8.24

NOTE 13: OTHER NON-CURRENT ASSETS

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Unsecured, Considered Good:		
Security Deposits	18.52	18.48
TOTAL	18.52	18.48

NOTE 14: INVENTORIES

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
At cost or net realizable value whichever is lower		
Raw materials	120.62	176.02
Work in progress	494.88	332.33
Finished goods	353.70	298.98
Stock in trade (including stock in transit ₹ 7.94 Lakhs previous year Nil)	30.09	14.80
Stores and spares	14.10	23.33
TOTAL	1,013.39	845.46

NOTE 15: TRADE RECEIVABLES

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Unsecured, considered good	569.76	514.42
TOTAL	569.76	514.42
Debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member	Nil	Nil
Refer note 43 for ageing schedule of trade receivables.		

NOTE 16: CASH AND BANK BALANCES

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i) Cash and Cash Equivalents		
Cash on hand	1.36	0.86
Balance with Banks		
-In current accounts	2.06	0.46
	3.42	1.32
(ii) Other bank balances		
- Fixed deposits with banks #	15.04	14.39
Total	18.46	15.71

includes earmarked balances against bank guarantees

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 17: SHORT TERM LOAN AND ADVANCES

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Unsecured, Considered Good:		
Advances to suppliers	19.00	22.00
Loans and Advances to employees	-	0.35
Balance with Government Authorities	11.00	15.00
TOTAL	30.00	37.35

NOTE 18: OTHER CURRENT ASSETS

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Export Incentives receivable	1.23	1.24
Prepaid Expenses	5.75	6.49
Cheques deposited but not cleared	-	0.45
TOTAL	6.98	8.18

NOTE 19: REVENUE FROM OPERATIONS

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
SALE OF PRODUCTS (A)		
Manufactured and traded goods	2,026.99	1,831.15
OTHER OPERATING INCOME (B)		
Duty drawback and other export incentives	2.18	0.63
Freight and other receipts	3.89	1.57
Total (A+B)	2,033.06	1,833.35

NOTE 20: OTHER INCOME

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income	1.54	1.22
Net gain on foreign currency transactions	0.08	0.60
Profit on sale of property plant and equipments	7.50	1.40
Miscellaneous income	0.09	0.15
Total	9.22	3.36

NOTE 21: COST OF MATERIAL CONSUMED

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Stock	176.02	160.89
Add: Purchases	997.71	858.34
Less: Closing Stock	120.62	176.02
Cost of Materials Consumed	1,053.11	843.21



Notes to the Financial Statements for the year ended March 31, 2022

NOTE 22: PURCHASES OF STOCK-IN-TRADE

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Purchases of stock in trade	193.96	97.41
Total	193.96	97.41

NOTE 23: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Inventories at the end of the period		
Work-in-progress	494.88	332.33
Finished Goods	353.70	298.98
Stock-in-trade	22.15	14.80
	870.73	646.12
Inventories at the beginning of the period		
Work-in-progress	332.33	430.54
Finished Goods	298.98	181.77
Stock-in-trade	14.80	28.41
	646.12	640.72
Net Decrease/(Increase)	-224.61	-5.40

NOTE 24: EMPLOYEE BENEFITS EXPENSE

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	376.56	346.57
Contribution to provident and other funds	24.63	22.88
Staff welfare expense	3.43	7.72
Total	404.62	377.17

NOTE 25: FINANCE COST

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest expense		
-on borrowings from banks	36.57	41.94
-on borrowings from others	-	12.86
Other borrowing costs	2.71	1.19
Total	39.28	55.98

NOTE 26: DEPRECIATION & AMORTIZATION EXPENSE

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipments	84.15	65.33
Amortization of intangible assets	-	-
Total	84.15	65.33

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 27: OTHER EXPENSES

(Amount ₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Stores and Spares	35.26	51.95
Consumption of Packing Material	29.85	26.19
Job Work charges	8.00	7.73
Power and fuel charges	39.66	45.25
Rent	9.60	8.40
Repairs and maintenance		
-Building	2.23	-
-Plant and Machinery	8.57	6.99
-Others	14.16	14.31
Insurance	6.85	5.50
Fee and Subscription	10.59	12.83
Freight and forwarding charges	13.31	16.33
Sales Promotion expenses	8.82	10.23
Legal and Professional charges	28.06	11.51
Donation	1.50	1.82
Director sitting fee	1.73	1.88
Payment to Auditors		
-Audit fee	1.50	1.50
-Certification and other services	-	-
Commission on Sale	47.58	43.31
Miscellaneous Expenses	24.08	15.48
Total	291.36	281.21

NOTE 28: Contingent liabilities and Commitments (to the extent not provided for) (No cash outflow is expected)

(Amount ₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Contingent liabilities	Nil	Nil
(ii) Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided	Nil	Nil

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 29: Disclosure of Related Party transactions :

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

Name	Relationship	Nature of Transaction during the year	Year ended March 31, 2022		Year ended March 31, 2021	
			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	42	9.12	36	9.57
		Rent Expense	6.6		5.4	
		Interest expense	0	3.54	6.86	21.54
		Loan Received	46		92	
		Loan Repaid	64		278	
Smt. Pamila Jain	Director	Remuneration	30	4.63	30	6.63
		Rent Expense	3		3	
		Interest expense	0	11.97	0.73	23.97
		Loan Received	0		22	
		Loan Repaid	12		5	
Sh. Vimal Parkash Jain	Director	Remuneration	36	2.28	36	4.56
		Interest expense	0	8.53	5.27	8.53
		Loan Received	0		50	
		Loan Repaid	0		146	
Amco Industries	Proprietorship concern of managing director	Purchase of goods (incl. of goods and service tax)	510.81	16.53	240.34	0.78
Atam & Febi Valves Pvt. Ltd.	Concern in which managing director exercises control	NA	0	0.55	0	0.55
Feby Valves Pvt. Ltd.	Concern in which director exercises control	NA	0	0.23	0	0.23

NOTE 30: Earnings per share

	Year ended March 31, 2022	Year ended March 31, 2021
Profit attributed to the equity shareholders (₹)	145.15	87.45
Weighted Average Number of equity shares	41,25,000	35,60,959
Basic earning per share (₹)	3.52	2.46
Diluted earning per Share (₹)	3.52	2.46
Face value per equity share (₹)	10	10

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 31: 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 32: 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 33: Disclosures related to trade payables in respect of Micro, Small and Medium Enterprises

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(a) the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
-Principal		
-Trade payables	30.77	37.01
-Payable for Property plant and equipments	-	0.92
-Interest	0.03	0.38
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	1.08	0.72
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year	1.11	1.10
(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	0.25

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 34: 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	Year ended March 31, 2022	Year ended March 31, 2021
Present Value of obligation as at beginning of the year	28.93	26.15
Interest Cost	2.02	1.83
Current Service Cost #	7.81	8.89
Benefits Paid	-4.61	-0.77
Actuarial Loss/(gain) on obligation	-5.63	-7.17
Present Value of obligation as at end of the year	28.52	28.93

Notes to the Financial Statements for the year ended March 31, 2022

b) Change in fair value of plan assets:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
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	-	-

c) Amount recognized in Balance Sheet:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Present value of obligation as at the end of the year	28.52	28.93
Fair value of Plan Assets as at the end of the year	-	-
Net liability/(asset) recognized in Balance Sheet	28.52	28.93
Unfunded Net (Liability) / Assets recognized in the Balance Sheet	-28.52	-28.93
The above liability includes short term Gratuity liability of ₹ 7.33 Lakhs (previous year ₹ 6.64 Lakhs).		

d) Expense recognized in the statement of profit and loss:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest cost	2.02	1.83
Current service cost	7.81	8.89
Past Service Cost	-	-
Expected return on plan asset	-	-
Net actuarial (gain)/loss recognized in the period	(5.63)	(7.17)
Expense recognized in statement of profit and loss	4.20	3.55

e) Experience adjustment in respect of Gratuity liability:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Experience adjustment in respect of plan liabilities- loss/(gain)	-5.63	-7.17

f) Principal Actuarial assumptions

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
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 March 31 2022 is ₹ 18.23 Lakhs (March 31 2021 ₹ 16.38 Lakhs)

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 35: 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:

Secondary segment-Geographical:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from external customers:		
With in India	1,954.92	1,783.85
Outside India (including export to Nepal)	75.96	48.87
Total Sales	2,030.88	1,832.72

Non- Current assets (Property plant and equipments) by geographical location of assets

Particulars	As at March 31, 2022	As at March 31, 2021
With in India	272.86	346.93
Outside India	-	-
Total Non-Current assets (Property plant and equipments)	272.86	346.93

The manufacturing facilities are situated only in India.

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)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
With in India	11.08	150.43
Outside India	-	-
Total	11.08	150.43

NOTE 36: The interest capitalized during the year is Nil (previous year Nil).

NOTE 37: 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 ₹ 9.60 Lakhs (Previous year ₹ 8.40 Lakhs). The future obligation in respect of non-cancellable operating leases is Nil (previous year Nil).

NOTE 38: 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 March 31, 2022	As at March 31, 2021
Against Export (Debtors)	-	0.21

NOTE 39: The board of directors has recommended a final dividend of ₹ 2/- per equity share of face value of ₹ 10/- each for the financial year 2021-22 subject to approval of shareholders in ensuing Annual General Meeting

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 40: 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 ₹ 450 Lakhs. 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 Lakhs 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:

Particulars	Amount
Gross proceeds from issue	450.00
Less: Issue related expenses	-26.09
Net proceeds from issue	423.91
Amount utilized towards repayment/ prepayment of certain bank borrowings availed by the Company	423.91
Unutilized amount as on 31.03.2021	-

NOTE 41: In the opinion of the Board, all the assets other than Property, Plant and Equipment and Intangible assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated

NOTE 42: Ageing schedule of Trade Payables

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st march 2022						
(i) MSME	26.01	3.09	0.77			30.77
(ii) Others	90.58	11.12	1.51			103.21
(iii) Disputed dues - MSME						
(iv) Disputed dues - Others						
As at 31st March 2021						
(i) MSME	12.36	24.65				37.01
(ii) Others	149.47	21.97	1.88			173.32
(iii) Disputed dues - MSME						
(iv) Disputed dues - Others						

NOTE 43: Ageing schedule of Trade receivables

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 yrs	
As at 31st march 2022							
(i) Undisputed Trade receivables-considered good	348.03	168.27	14.49	38.97			569.76
(ii) Undisputed Trade receivables-considered doubtful							
(iii) Disputed Trade receivables-considered good							
(iv) Disputed Trade receivables-considered DOUBTFUL							

Notes to the Financial Statements for the year ended March 31, 2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 yrs	
As at 31st march 2021							
(i) Undisputed Trade receivables-considered good	347.44	123.83	3.59	39.56			514.42
(ii) Undisputed Trade receivables-considered doubtful							
(iii) Disputed Trade receivables-considered good							
(iv) Disputed Trade receivables-considered DOUBTFUL							

NOTE 44: Ageing schedule of Capital Work in Progress

Particulars	Amount in CWIP For a period of					Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years		
As at 31st March 2022						
(i) Projects in progress						
(ii) Projects temporarily suspended						
As at 31st March 2021						
(i) Projects in progress						
(ii) Projects temporarily suspended						

NOTE 45: The Company has taken borrowings from banks on the basis of security of inventories and trade receivable (i.e current assets). There are certain differences in value of inventories and trade receivables as filed with banks vis-a-vis books of accounts. The summary of reconciliation and reasons of material discrepancies in this regard is as under:-

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Jun-21	HDFC Bank Limited	Inventory	Not Available #	650	NA	
		Trade receivables	318.67	434.93	-116.26	The balance of trade receivables submitted to bank includes amount recoverable by head office at Jalandhar from Ahmedabad branch against supply of goods whereas the same has not been included in the figure as per books of account. Further, the amount of trade receivables of Ahmedabad branch is not included in the statement submitted to bank whereas the same has been included in the figure as per books of account.

Notes to the Financial Statements for the year ended March 31, 2022

Quarter	Name of Bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
Sept-21	HDFC Bank Limited	Inventory	891.75	560	331.75	The amount of inventory submitted to bank is on lower side as the same has been submitted considering the requirement for drawing power instead of actual inventory
		Trade receivables	413.34	537.42	-124.08	The balance of trade receivables submitted to bank includes amount recoverable by head office at Jalandhar from Ahmedabad branch against supply of goods whereas the same has not been included in the figure as per books of account. Further, the amount of trade receivables of Ahmedabad branch is not included in the statement submitted to bank whereas the same has been included in the figure as per books of account.
Dec-21	HDFC Bank Limited	Inventory	Not Available #	600	NA	
		Trade receivables	509.94	642.81	-132.87	The balance of trade receivables submitted to bank includes amount recoverable by head office at Jalandhar from Ahmedabad branch against supply of goods whereas the same has not been included in the figure as per books of account. Further, the amount of trade receivables of Ahmedabad branch is not included in the statement submitted to bank whereas the same has been included in the figure as per books of account.
Mar-22	HDFC Bank Limited	Inventory	1,013.39	625	388.39	The amount of inventory submitted to bank is on lower side as the same has been submitted considering the requirement for drawing power instead of actual inventory
		Trade receivables	569.76	637.88	-68.12	The balance of trade receivables submitted to bank includes amount recoverable by head office at Jalandhar from Ahmedabad branch against supply of goods whereas the same has not been included in the figure as per books of account. Further, the amount of trade receivables of Ahmedabad branch is not included in the statement submitted to bank whereas the same has been included in the figure as per books of account.

The actual amount of inventory as per books of account as on 30th June 2021 and 31st December 2021 is not available as the same is computed on half yearly basis required for submission of financial results to the stock exchange. The stock on such dates has been valued on estimated basis for submission to bank. Further, the same has been submitted to bank considering the estimated stock and requirement for drawing power.

Notes to the Financial Statements for the year ended March 31, 2022

NOTE 46: The company has not been declared as wilful defaulter by any bank or financial Institution or other lender.

NOTE 47: There are no loans or advances in the nature of loans granted to Promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
(a) Repayable on demand; or

(b) Without specifying any terms or period of repayment

NOTE 48: No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

NOTE 49: The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

NOTE 50: The company does not have any charge or satisfaction which is yet to be registered with ROC beyond the statutory period.

NOTE 51: Key Financial Ratios

Particulars	Numerator	Denominator	As at end year ended 31 st March 2022	As at end year ended 31 st March 2021	Variance	Reasons for variation (if variation is more than 25%)
Curent ratio (in times)	Curent assets	Current Liabilities	2.51	2.7	-6.77%	
Debt- Equity ratio (in times)	Total debt	Total Shareholders's Funds	0.49	0.46	6.86%	
Debt service coverage ratio (in times)	Earnings available for debt service	Debt Service	0.81	0.99	-17.92%	
Return on Equity ratio (ROE) (in %)	Profit for the year	Average Shareholders's Funds	13.84%	11.80%	17.31%	
Inventory turnover ratio (in times)	Sales of goods	Average inventory	2.18	2.19	-0.36%	
Trade Receivables turnover ratio (in times)	Sales of goods	Average Trade Receivable	3.74	3.96	-5.61%	
Trade payables turnover ratio (in times)	Purchase of goods	Average Trade Receivable	7.3	5.53	31.99%	Ratio has increased due to early payments to the suppliers as compared to previous year
Net Capital turnover ratio (in times)	Sales of goods	Average Working Capital	2.16	2.36	-8.73%	
Net profit ratio (in %)	Profit for the year	Revenue from operations	7.14%	4.77%	49.68%	Ratio has increased due to increase in revenue with no corresponding increase in fixed expenses as compared to previous year
Return on capital employed (ROCE) (in %)	Earnings before interest and tax	Average capital Employed	14.63%	12.24%	19.53%	
Return on investment (in %)	Profit for the year	Average Shareholders's Funds	13.84%	11.80%	17.31%	

(1) Net Profit after taxes + Non-cash operating expenses like depreciation and other amortisations + Finance cost

Notes to the Financial Statements for the year ended March 31, 2022

(2) Interest payments during the year + Principal repayments in subsequent year

(3) Shareholder's Funds + Long-term borrowings + Short-term Borrowings+ Deferred Tax Liabilities

NOTE 52: The company has not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall.

(a) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

NOTE 53: The company has not received any fund from any person or entity, including foreign entities (Funding parties) with the understanding (whether recorded in writing or otherwise) that the company shall.

(a) directly or indirectly lend or invest in other person or entities identified in any manner whatsoever by or on behalf of the funding party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

NOTE 54: 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	Year ended March 31, 2022	Year ended March 31, 2021
(a) CIF value of Imports	21.74	-
(b) FOB value of exports (including export to Nepal)	75.24	49.05
(c) Imported and Indigenous Consumption		
(i) Raw Material		
-Imported	21.74	-
-Indigenous	1,031.37	843.21
%		
-Imported	-	-
-Indigenous	100.00	100.00
(ii) Store and spares (including packing material)		
-Imported	-	-
-Indigenous	65.11	78.13
%		
-Imported	-	-
-Indigenous	100.00	100.00

NOTE 55: The company does not have any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

NOTE 56: In accordance with provisions of Section 135 of the Companies Act, 2013, a company meeting the applicable threshold, need to spend at least 2% of the average net profit of the immediate preceding three financial years on Corporate Social Responsibility (CSR) activities as defined in schedule-VII of the Companies Act 2013. The company does not meet the applicable threshold and therefore is not required to spend any amount in this regard.

NOTE 57: The Company has not traded or invested in Crypto currency or Virtual Currency, during the financial year ended 31st March, 2022.

NOTE 58: 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

Notes to the Financial Statements for the year ended March 31, 2022

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 59: The Code on Social Security, 2020 ('Code') relating to the employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period when the Code becomes effective.

NOTE 60: The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

NOTE 61: 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 62: The figures of comparative period have been regrouped/ reclassified to comply with the amendments in schedule III to the Companies Act, 2013 vide notification dated 24th March, 2021 or to make them comparable with current year classification, if any.

For and on behalf of Board of Directors

Vimal Parkash Jain
Chairman
DIN No. 01063027

Amit Jain
Managing Director
DIN No. 01063087

Pamila Jain
Chief Financial Officer
AEUPJ4645J

Natisha Choudhary
Company Secretary
AUUPC2135N



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 37th(Thirty Seventh) Annual General Meeting ('AGM' or 'the Meeting') of the Members of Atam Valves Limited ("the Company") will be held on Friday, September 30, 2022 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, 2022 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, 2022 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 ₹ 2/- per Equity Share of ₹ 10/- each fully paid for the financial year 2021-22.**

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 ₹ 2 per Equity Share of ₹ 10/- each aggregating to ₹ 82,50,000/- as recommended by the Board of Directors of the Company for the year ended March 31, 2022 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, 12th 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 Seventh Annual General Meeting till the conclusion of Fortieth Annual General Meeting."

4. **To appoint Mr. Vimal Parkash Jain (DIN:- 01063027) as a Whole time 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. Vimal Parkash Jain (DIN:- 01063027), 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. **Re-Appointment of Mr. Vimal Prakash Jain as Whole Time Director**

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

"RESOLVED THAT pursuant to Sections 196 and 197 of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the Act, consent of the members be and is hereby accorded to the re-appointment of Mr. VIMAL PRAKASHJAIN as WHOLE TIME DIRECTOR of the Company for a period of five years on the terms and conditions including remuneration as may be determined by Board or any of its Committee from time to time, within the maximum limits of Remuneration approved by the members of the Company on such terms and conditions as set out in foregoing resolution and the explanatory statement annexed thereto.

RESOLVED FURTHER THAT Board and Committee be and is hereby authorized to do all such acts, deeds and things, as it may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interest of the Company, as it may deem fit.”

6. APPROVAL OF EMPLOYEE STOCK OPTION SCHEME- ATAM ESOP 2022.

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

“RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) read along with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules framed thereunder and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021(SBEB & SE Regulations) including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force and in accordance with circulars/ guidelines issued by SEBI, the articles of association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), as amended, and other applicable regulations, rules and circulars/guidelines in force, from time to time and subject to any approval(s) of any authorities as may be required, and subject to any such condition(s) or modification(s), if any, as may be prescribed or imposed by such authorities while granting such approval(s) and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the ‘Board’, which term shall include Nomination and Remuneration Committee constituted and designated by the Board to act as the ‘Compensation Committee’ under the SBEB& SE Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), the consent of the Shareholders be and is hereby accorded to the Board to grant, vest and allot, from time to time, and in one or more tranches, options under the Atam Employee Stock Option Scheme 2022 (“ATAM ESOP 2022”) to or to the benefit of such person(s) who are permanent employees of the Company, whether working in India or outside India, and/or to the directors of the Company, whether whole-time or not but excluding independent director(s) and to such other persons as may be decided by the Board and/or permitted under SBEB & SE Regulations (hereinafter referred to as ‘Eligible Employees’) but does not include an employee who is a promoter or a person belonging to the promoter group and a director(s) who either himself or through his relative or through anybody corporate, directly or indirectly,

holds more than 10% of the outstanding equity shares of the Company, to subscribe to such number of equity shares of the Company but not exceeding in aggregate of 5% of the expanded equity share capital of the Company from time to time under one or more Employee Stock Option Scheme, and on such terms and conditions, as may be determined by the Board in accordance with the provisions of Atam ESOP 2022 and in due compliance with the SBEB & SE Regulations and other applicable laws, rules and regulations;

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, merger and sale of division/ undertaking or other re-organisation, change in capital and others, (as the case may be) the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure the fair and equitable benefits under Atam ESOP 2022 are passed on to the Eligible Employees;

RESOLVED FURTHER THAT in case the equity shares of the Company are either sub-divided or consolidated, then the number of equity shares to be allotted and the price of acquisition payable by the option grantees under the Atam ESOP 2022 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹10/-per equity share, bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Board be and is hereby authorised to devise, formulate, evolve, decide upon and bring into effect Atam ESOP 2022 on such terms and conditions as contained in explanatory statement to this item in the notice and to modify, alter, vary, revise or amend the said terms or suspend, withdraw, revise or terminate Atam ESOP 2022, subject to compliance with the SBEB & SE Regulations, the Act and other applicable laws, rules and regulations, as may be prevailing at that time.

RESOLVED FURTHER THAT Board be and is hereby authorised to allot equity shares of the Company as may be required for the Atam ESOP 2022.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take necessary steps for listing of the equity shares allotted under Atam ESOP 2022 on the stock exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Regulations and other applicable laws, rules and regulations.

RESOLVED FURTHER THAT the equity shares so issued and allotted under Atam ESOP 2022 shall rank paripassu with the then existing equity shares of the Company.

RESOLVED FURTHER THAT the number of Employee Stock Options that may be granted to any Eligible Employee, in any financial year and in aggregate under the Atam ESOP 2022 shall be 1% of the expanded equity share capital (excluding outstanding warrants and conversions) of the Company.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing the Compensation Committee to appoint Merchant Bankers, Brokers, Solicitors Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of Atam ESOP 2022 as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard, without being required to seek any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of Atam ESOP 2022 and to take all such steps and do all acts as may be incidental or ancillary thereto.

RESOLVED FURTHER THAT subject to applicable provisions of the Act and other applicable laws, the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors or chairman or managing director of the Company with a power to further delegate to any executives or officer of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings etc. as may be necessary in this regard."

7. TO CONSIDER AND APPROVE THE INCREASE IN AUTHORIZED SHARE CAPITAL OF THE COMPANY AND CONSEQUENT ALTERATION IN CAPITAL CLAUSE OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 13, 61, & 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) and re-enactment(s) thereof for the time being in force) and the rules framed thereunder, consent of the Members be and is hereby accorded to increase the Authorized Share Capital of the Company from the present INR 6,50,00,000/- (Rupees Six Crores Fifty Lakh only) consisting of 65,00,000 (Sixty Five Lakhs) Equity Shares of ₹10/- (Rupees Ten) each to INR 15,00,00,000/- (Rupees Fifteen Crores only) consisting of 1,50,00,000 (One Crores Fifty Lakhs) Equity Shares of ₹10/- (Rupees Ten) each.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be and is hereby altered by substituting the existing Clause V thereof by the following new Clause V as under:

"V. The authorized Share Capital of the Company is ₹ 15,00,00,000/- (Rupees Fifteen Crores only) consisting of 1,50,00,000 (One Crores Fifty Lakhs) Equity Shares of ₹10/- (Rupees Ten) each with power to increase and/ or reduce the capital of the company as provided in the Articles of the Company"

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the Board, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this resolution), be and is hereby authorized to take such steps as may be necessary and to execute all deeds, applications, documents and writings that may be required and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the above resolution(s), on behalf of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for the purpose of giving effect to this resolution, the Board of Director of the Company be and is hereby authorised to do all acts, deeds, matters and things necessary, proper or desirable and to sign and execute all necessary documents, authority letters, applications and returns with Stock Exchange, SEBI, Superintendent of Stamps, NSDL, CDSL, RTA or any other authority."

8. To approve the issuance of Bonus Shares

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

“RESOLVED THAT pursuant to Section 63 of the Companies Act, 2013 read with Rule 14 of Companies (Share Capital and Debentures) Rules 2014 and other applicable provisions, if any, including rules notified thereunder, as may be amended from time to time (including any statutory modification or re-enactment thereof for the time being in force) read with Regulation 293 and other relevant provisions, laid down in Chapter XI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, applicable provisions of Article of Association of the Company and subject to such approvals, consent, permissions, conditions and sanctions as may be necessary from appropriate Authorities and subject to such terms and modifications, if any, as may be specified while according such approvals and subject to acceptance of such conditions and modifications by the Board of Directors and subject to such permissions, sanctions and approvals as may be required in this regard; the consent of the members of the Company be and is hereby accorded for issue upto 67,74,000 Equity Shares (Sixty-Four Lakhs Seventy-Four Thousand) of ₹10/- each (which includes 23,49,000 warrants convertible into Equity shares in the ratio of 1:1) as bonus shares of an aggregate nominal value upto ₹ 6,47,40,000 (Six Crores Forty-Seven Lakhs Forty Thousand only), as bonus shares to the Shareholders of the Company whose name will appear in the register of members on Record Date to be determined by the Board for this purpose, out of the Securities Premium Account and Reserves.”

“RESOLVED FURTHER THAT:

- a) the bonus issue of shares will be made in the ratio of 1:1 i.e.1 (One) fully paid up Equity Shares for every 1 (One) Equity Shares held to the shareholders on such date (Record Date) as may be determined by the Board of Directors after approval of this resolution by shareholders in General Meeting.
- b) the bonus equity shares so allotted shall rank paripassu in all respects with the fully paid-up equity shares of the Company as existing on the Record Date;
- c) the bonus equity shares so allotted shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company;
- d) Share certificate shall be issued to those to whom the Bonus Shares are allotted within the time prescribed in the Companies Act, 2013 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. With regard to the shares held in dematerialized form, the bonus shares will be credited to the respective demat A/c of the holders;
- e) No member shall be entitled to a fraction of an Equity Shares as a result of implementation of this resolution

& no certificate or coupon or cash shall be issued for fraction of equity shares & the bonus shall be rounded to lower integer;

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for listing of such bonus equity shares on the Stock Exchanges where the securities of the Company are presently listed as per the provisions of the Listing Regulations and other applicable regulations, rules and guidelines.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take necessary steps for the purpose of giving effect to this resolution, the Board of Director of the Company be and is hereby authorised to do all acts, deeds, matters and things necessary, proper or desirable and to sign and execute all necessary documents, authority letters, applications and returns with Stock Exchange, SEBI, Superintendent of Stamps, NSDL, CDSL, RTA or any other authority.

RESOLVED FURTHER THAT the issue and allotment of the bonus equity shares to the extent they relate to Non-Resident Indians (NRIs), Foreign Institutional Investors (FIIs) and other Foreign Investors, be subject to the approval of RBI or any other regulatory authority, as may be necessary.

RESOLVED FURTHER THAT the Board be and is here by authorized to take necessary steps for listing of such bonus equity shares on the Stock Exchanges where the shares of the Company are presently listed as per the provisions of the SEBI LODR Regulations and other applicable regulations, rules and guidelines.”

9. 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 ₹ 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."

10. 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 ₹ 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."

11. 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 contacts."

"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

Amit Jain

Managing Director

DIN: 01063087

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

Place : Jalandhar

Date : 05.09.2022

ANNEXURE TO THE NOTICE

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE 37th ANNUAL GENERAL MEETING

[PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

Name	Mr. Vimal Pakash Jain
Director Identification Number (DIN)	01063027
Date of Birth	18.03.1948
Nationality	Indian
Qualifications	Degree in Bachelor of Science in Engineering (Mechanical)
Experience/Expertise	<ul style="list-style-type: none"> Coordinate the organization's financial activities to ensure all operations are efficient, profitable, and properly funded. Create and implement policies to increase productivity, maximize profit and cut overhead costs. Define organizational and department problems and create and implement plans to correct problems and make a more efficient company. Implemented new quality assurance initiatives to increase product reliability and customer satisfaction.
Date of appointment on Board	30.09.1995
Terms and conditions of appointment/re-appointment	Re-appointed as Whole-time Director
List of Directorship in other Indian Companies	1. Febi Valves Private Limited 2. Atam and Febi Valves Private Limited
Details of Committee Membership held in other Indian Companies	Nil
Shares held	8,97,030 Equity Shares
Relationship between Director inter se and other key managerial personnel of the company	(Father)- Mr. Amit Jain, Managing Director (Father-in-Law)- Mrs. Pamila Jain, Whole-time Director-cum-CFO
Number of Board Meetings attended during the year	Eight (8)

NOTES

- 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.
- 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.
- 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.



4. 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.
5. 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.
6. 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. 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.
7. 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.
8. Brief Resume of the Director(s) seeking re-appointment, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 {SEBI (LODR) Regulations, 2015} and Secretarial Standard on General Meeting (SS-2) as amended issued by the Institute of Company Secretaries of India (ICSI) is annexed hereto and forms part of Notice.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETING SARE AS UNDER:

- (i) The voting period begins on 27th September, 2022 (09:00 a.m.) and ends on 29th September, 2022 (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 23rd September, 2022 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 CDSL	<ol style="list-style-type: none"> 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 https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 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: https://eservices.nsdl.com 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 & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. 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 & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. 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 above mentioned website.

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

(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.
- 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 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:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
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"> 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.
Dividend Bank Details OR 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"> 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.

- (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 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.
- 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 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 (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:

- 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 at least **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 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 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. Vimal Parkash Jain (DIN: 01063027) was appointed as a Director of the company w.e.f. 30.09.1995.

Mr. Vimal Parkash Jain (DIN: 01063027) has great experience in the field of manufacturing. He has been on the board since September 1995. 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 Wholetime 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 th 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 ₹2033.06 lakhs as compared to ₹1833.35 lakhs for the previous year. The company has earned a profit after tax of ₹ 145.15 lakhs As compared to profit to ₹ 87.45 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. Vimal Parkash Jain is 74 by age, with over 23 years of experience. He was appointed as Director of the company i.e. 30 th September 1995 to provide necessary advice, from time to time, to the company and now he is serving the board as Wholetime Director-cum-Chairman of the Company.
2	Past remuneration (for last two years)	In the financial year 2020-21, Mr. Vimal Parkash Jain (DIN 01063027) was paid total remuneration including perquisites of ₹ 3,00,000 as a Wholetime Director. In the financial year 2019-20, Mr. Vimal Parkash Jain (DIN 01063027) was paid total remuneration including perquisites of ₹3,00,000 as a Wholetime Director.
3	Recognition of awards	He was appointed as Director of the company w.e.f. 30 th September 1995 to provide necessary advice, from time to time, to the company and now he is serving the board as Wholetime Director of the Company.
4	Job profile and suitability	Mr. Vimal Parkash Jain has great experience in the field of manufacturing. He has been on the board since September 1995. 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 Wholetime Director of the company.
5	Proposed remuneration	Remuneration proposed is ₹ 3,00,000/- per month including perquisites as minimum remuneration even in case of inadequacy of profits.
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. 5 of the notice for your approval.

Mr. Vimal Parkash 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 re-appointment and fixing Remuneration require approval of shareholders, hence the proposed resolution.

Item No. 6

Employee Stock Option Scheme is an effective instrument in promoting the culture of employee ownership, creating long term wealth in their hands which also helps the Company to attract and motivate the best available talent in competitive environment.

The Company is proposing to issue employee stock option under the Atam Employee Stock Option Scheme to motivate employees, who are consistently performing well, associated with the Company for the longer period, to provide the ownership in the Company and to give them opportunity to participate and gain from the Company's performance, thereby, acting as a retention tool as well as to align the efforts of such talent towards long term value creation in the organization and to attract new talent.

Further, with the various business scheme introduced by the Government, the Company is expecting good business growth in the EPC Sector and which required the commitments of the employees towards the organization, hence this is the right time to reward the employees in terms of stock options.

The Nomination and Remuneration Committee to be designated as the Compensation Committee at its meeting inter-alia formulated the detailed terms and conditions of the said scheme which was duly approved by the Board of Directors of the Company ('the Board') at its meeting held on 05th September, 2022 subject to the approval of the members and the provisions of the SEBI (Share Based Employee Benefits & Sweat Equity) Regulations, 2021, as amended from time to time (the 'SBEB & SE Regulations').

The Company seeks approval of the members for the issue of Stock Options to the Eligible Employees of the Companies as may be determined by the Compensation Committee of the Company.

The salient features of Atam ESOP 2022 as per Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and SBEB & SE Regulations are as under:

1. Brief description of the scheme:

The objective of the Scheme is to provide sense of ownership and participation to the employees in the Company and to attract new talent which will ultimately contribute to the success of the Company.

2. The total number of options, shares or benefits, as the case may be, to be granted:

Not exceeding in aggregate, 5% of the paid up Capital of the Company.

3. Identification of classes of employees entitled to participate and be beneficiaries in the scheme(s):

Present and future permanent employees who has been working in India or outside India, including Directors of the

Company, whether the Managing Director or Whole Time Directors of the Company, but excluding an independent director, as may be determined by the Compensation Committee from time to time. Further, as per SEBI Regulations and Companies Act, 2013 the employees who are Promoters or member of the Promoter group, independent directors or directors who themselves or through a relative/ body corporate directly or indirectly holds more than 10% of the outstanding equity shares of the Company, shall not be eligible to participate in the said ESOP Scheme.

4. The Appraisal process for determining the eligibility of the employee to the Scheme:

The appraisal process for determining the eligibility of the employees will be decided by the Compensation Committee from time to time. The appraisal process for determining the employees, to whom the options shall be granted, shall be based upon their past performance and potential future indications, qualification, their experience in the field, period of service with the company, the status/ designation of the Employees in the Company and other factors deemed relevant.

5. Requirements of Vesting and period of Vesting:

Vesting shall occur on terms decided by the Board or the Compensation Committee. Granted Options shall lapse in case the employee fails to fulfil the said terms. The options granted shall vest so long as the employee continues to be in the employment of the Company.

6. Maximum period within which the options / benefit shall be vested:

The option/ benefit shall vest between a minimum of 1 to a maximum of 5 years from the date of grant.

7. Exercise price, purchase price or pricing formula:

Exercise price shall be the market price, being latest available closing price, prior to the date of the meeting of the Board, in which options are granted/ shares are issued, on the stock exchange on which the shares of the Company are listed. As the shares are listed on more than one stock exchange, therefore, the stock exchange where there is highest trading volume on the said date shall be considered.

8. Exercise period and process of exercise:

The exercise period shall be 5 years from the date of Vesting. Option shall be exercised during the Exercise Period (except in case of resignation or termination etc). Options not exercised during any particular exercise period shall lapse.

9. Maximum number of options, shares, as the case may be, to be issued per employee and in aggregate:

Maximum number of shares that may be issued pursuant to exercise of Options Granted to an eligible employee, shall not exceed 5% of the expandable equity share capital of the

Company, subject to such fair and reasonable adjustment that may be necessitated pursuant to any future corporate action.

11. Maximum quantum of benefits to be provided per employee under the scheme(s):

The Maximum quantum of benefits underlying the options issued to a negligible employee shall depend upon the Market Price of the shares as on the date of sale of shares arising out of exercise of options.

12. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust:

Atam ESOP 2022 shall be administered by the Company and not through a trust.

13. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both:

The scheme only involves new issue of shares by the Company.

14. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc. :

Not Applicable

15. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s):

Not Applicable

16. The conditions under which the option vested in employees may lapse, e.g. in case of termination of employment for misconduct:

Below are the instances stating the treatment in case of occurrence of events:

- **Resignation or Termination:** In the event of resignation or termination of the employee, all vested options to be exercised within the period of notice period, else the option shall stand lapsed.

- **Termination for misconduct:** In the event of termination for misconduct of the employee, all vested, unvested as on that day shall lapse.

- **Death:** In the event of death of the employee while in employment, all the Options Granted to him under the Plan till such date shall vest forthwith in the nominee(s), and in the absence of any nomination, in the legal heir(s) of the deceased employee Vested Options can be exercised by the Nominee(s) or legal heir(s) (within the relevant exercise period) in the same manner as the Option holder could have exercised had he been alive, subject to the production of documentary evidence to the satisfaction of the Company with respect to identification of Nominee(s) or legal heir(s) and upon compliance with such other formalities a may be required by the Company.

- **Permanent disability:** In the event of permanent disability of an Option holder, while in employment of the Company or its subsidiary, all Options Granted to him as on date of permanent disability would vest in him on that day. The Options would be exercisable at any time within the exercise period, as per the Plan.

- **Transfer:** In the event of an Option holder being transferred to a subsidiary Company/associate Company at the instance of or with consent of the Company or its subsidiary, such Option holder will continue to hold all vested Options and can exercise them anytime within the exercise period. All unvested Options shall vest as per the Vesting schedule and can be exercised any time within the exercise period.

- **Retirement:** In the event of retirement of an Option holder at the instance of or with consent of the Company, employee will continue to hold all vested Options and can exercise them anytime within the exercise period. All unvested Options shall vest as per the Vesting schedule. The Options can be exercised at any time within the exercise period. The above is applicable provided the employee does not enter into competition is employed by a competitor.

17. The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of an employee –Resignation or Termination:

In the event of resignation or termination of the employee, all vested options to be exercised within the period of notice period, else the option shall stand lapsed and In the event of termination for misconduct of the employee, all vested, unvested as on that day shall lapse.

18. A statement to the effect that the company shall confirm to the accounting policies specified in Regulation 15:

The Company shall comply with the disclosures and the accounting policies as prescribed from time to time.

19. The method which the company shall use to value its options:

To calculate the employee compensation cost, the Company shall use the Fair Value Method.

20. Lock-in: Nil

21. Terms & conditions for buyback, if any, of specified securities

Regulation 6 (1) of SBEB & SE Regulations and Rule 12 (1) of the Companies (Share Capital and Debentures) Rules, 2014 ('ESOP Rules'), requires that every employee stock option scheme shall be approved by the members of a company by passing a special resolution in a general meeting. Further, as Atam ESOP 2022 will entail further issue of shares, consent of the members is required by way of a special resolution pursuant to Section 62(1)(b) of the Companies Act, 2013. Accordingly, the special resolution set out at Item No. 6 of this Notice is

proposed for approval by members. Directors/ Key Managerial Personnel of the Company / their relatives who may be granted stock options under Atam ESOP2022 may be deemed to be concerned or interested in the special resolution set out in Item No. 6 of this Notice. Save as aforesaid, none of the Directors / Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the said special resolution.

The Board recommends the special resolutions set out at Item No. 6 of this Notice for approval by the members

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 anyone 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 ₹ 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

The Current Authorised Share Capital of your Company is INR 6,50,00,000 (Rupees Six Crores and Fifty Lakhs only) consisting of 65,00,000 (Sixty Five Lakhs) Equity Shares of ₹10/- (Rupee Ten) each. The Company proposes to increase its authorized share capital to INR 15,00,00,000/- (Rupees Fifteen Crores only) consisting of 1,50,00,000 (One Crore and Fifty Lakhs) Equity Shares of ₹10/- (Rupees Ten) each to cover issuance of Bonus Issue.

In view of the proposal to Bonus Issue and other business requirements of raising funds from time to time, it is proposed to increase the Authorized Share Capital from 6,50,00,000 (Rupees Six Crores and Fifty Lakhs only) to 15,00,00,000 (Rupees Fifteen Crores), comprising: 1,50,00,000 (One Crores and Fifty lakhs) Equity Shares of ₹ 10/- (Ten) each;

Pursuant to the provisions of Section 13 and Section 61 the proposed increase of Authorized Share Capital of the Company requires approval of the Members of the Company. Consequent upon the increase in Authorized Share Capital of the Company, Clause V of the Memorandum of Association of the Company will require alteration so as to reflect the increase in the Authorized Share Capital. Accordingly, approval of the

Members of the Company is hereby sought by way of ordinary resolution as set out in Item No. 7 of the Notice.

None of the Director(s), Key Managerial Personnel and their relatives is, in any way, concerned or interested, financially or otherwise, in the above referred resolutions except to the extent of their shareholding. The Board of your Company recommends that the resolutions under Item No. 7, be passed in the interest of your Company.

Item No. 8

The equity shares of the company are listed and actively traded on the BSE SME PLATFORM. Further, since incorporation of your company it has performed well both in terms of profit and business. As on March 31, 2022 the Reserves and Surplus including Security Premium Reserve account stands ₹ 6,88,34,000/-.

With a view to Capitalise the Security Premium Amount and to rationalise the capital structure, the Board of Directors of the Company at its Meeting held on 05.09.2022 has considered and approved, subject to approval of the shareholders of the Company and any other statutory and regulatory approvals as applicable, bonus issue in the proportion of 1 (one) equity share of INR 10 (Rupees Ten) each fully paid-up for every 1 (One) equity share of INR 10 (Rupees Ten) each fully paid-up of the Company held by the shareholders as on the Record Date (as indicated in the resolution) by capitalizing whole or part of sum standing in the Securities Premium Account and/ or Reserves & Surplus.

The Bonus Shares so allotted shall rank pari passu in all respects with the fully paid-up Equity Shares of the Company as on the Record Date and shall be made according to the regulations as specified under Chapter IX of SEBI (ICDR) Regulations 2018.

Further it is to be stated that the company had previously issued 23,49,000 (Twenty-Three Lakh Forty-Nine Thousand) Warrants convertible into Equity Shares. The said warrant holders shall also be eligible for the bonus issue of equity shares subject to the post conversion of the Equity Shares. The Company shall also create a reserve of upto ₹ 2,34,90,000 (Rupees Two Crore Thirty-Four Lakhs Ninety Thousand only) for the purpose of bonus issue of equity shares to the warrant holders post conversion into equity shareholders by capitalisation of Securities Premium account and/or reserves & surplus.

In terms of the provisions of Sections 63 of the Companies Act, 2013, approval of the shareholders of the Company is sought by way of Ordinary Resolution for capitalizing the security premium account and/or reserves & surplus in pursuance of issue of bonus shares.

None of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way, concerned

or interested, financially or otherwise, in the resolution, except to the extent of the stock options/equity shares held by them in the Company.

Your Directors, therefore, recommend the passing of the resolutions mentioned in Item No. 8 as Ordinary Resolutions.

Item No. 9

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 ₹ 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. 11

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.	₹ 50,00,00,000/- p.a. (Rupees Fifty 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. 11.

For and on behalf of Board of Directors

Amit Jain

Managing Director

DIN: 01063087

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

Place : Jalandhar

Date : 05.09.2022



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