

THOMAS SCOTT (INDIA) LIMITED

**12th
ANNUAL REPORT
2021-22**

INDEX

| Particulars | Page No. |
|--------------------|-----------------|
|--------------------|-----------------|

| | |
|--------------------------------------|----|
| · Notice | 01 |
| · Board's Report | 24 |
| · Management Discussion and Analysis | 48 |
| · Independent Auditor's Report | 59 |
| · Annual Accounts | 69 |
| · Cash Flow Statement | 71 |
| · Notes on Accounts | 78 |

*Please click **index items** to go directly on the desired page and click the bottom line of the page to come back to **Index**

CORPORATE INFORMATION

Board of Directors

| | |
|----------------------------|----------------------|
| Mr. Brijgopal Balaram Bang | Managing Director |
| Mr. Vedant Bang | Whole Time Director |
| Mrs. Anuradha Paraskar | Independent Director |
| Mr. Subrata Kumar Dey | Independent Director |
| Ms. Swati Sahukara | Independent Director |

Key Managerial Personnel

| | |
|--------------------|--|
| Mr. Samir Samaddar | Chief Financial Officer |
| Ms. Rashi Bang | Company Secretary & Compliance Officer |

Secretarial Auditors

M/s. Kothari H. & Associates
Practicing Company Secretaries
208, 2nd Floor, BSE Building, Dalal Street, Fort, Mumbai - 400 001.
Tel.: (022) 2272 1831, E -mail: info@khacs.com

Statutory Auditors

M/s. Bhatte & Company
Chartered Accountants
307, Tulsiani Chambers, Nariman point, Mumbai-400021
Tel.: (022) 22853039/30208868, E-mail: dhbhatte@gmail.com

Registrar & Transfer Agent

KFin Technologies Limited (Formerly KFin Technologies Private Limited)
Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, - 500
032 Telangana. Tel.: +91 40 6716 2222, 3321 1000, Email: einward.ris@kfintech.com

Registered Office & Corporate Office

50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013
Tel: (022) 66607965, Fax: (022) 66607970, Email: investor.tsil@banggroup.com Website: www.thomascott.org

Bankers

Bank of India & ICICI Bank

Corporate Identity Number

L18109MH2010PLC209302

Manufacturing Units

Forever Clothing Co.
24A/1, 24B/1, Godavari Nagar, Aakashvani Road, Near Maruti Temple, Gawali Wasti, Solapur - 413 006

NOTICE OF 12th ANNUAL GENERAL MEETING

NOTICE is hereby given that the **TWELVETH ANNUAL GENERAL MEETING** of the Members of **Thomas Scott (India) Limited** will be held on, Friday, September 30, 2022 at 01.30 P.M through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM'), to transact the following businesses.

ORDINARY BUSINESS:

- 1. To receive, consider and adopt Standalone Financial Statements of the Company for the year ended on March 31, 2022, containing the Audited Balance Sheet, the Statement of Change in the Equity, Profit and Loss and Cash Flow and report of the Board and Auditors thereon on that date.**
- 2. To appoint a Director in place of Mr. Brijgopal Bang (holding DIN 00112203), who retires by rotation being eligible, seeks for re-appointment.**
- 3. To appoint Statutory Auditors of the Company and in this regard, 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 Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to the recommendation of Audit Committee and Board of Directors of the Company, M/s. Bharat Gupta & Co., Chartered Accountants (ICAI Firm Registration No. 131010W), be and is hereby appointed as the Statutory Auditors of the Company, in place of the retiring Statutory Auditors, M/s. Bhattar & Co, Chartered Accountants (ICAI Firm Registration No. 131092W), to hold office for a term of five consecutive years from the conclusion of 12th Annual General Meeting till the conclusion of 17th Annual General Meeting of the Company to be held in the year 2027 (i.e. for financial year 2022-23, 2023-24, 2024-25, 2025-26 and 2026-27), subject to their eligibility under Section 141 of the Companies Act, 2013, on such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time plus applicable taxes and reimbursement of out of pocket expenses incurred by them for the purpose of audit;

"RESOLVED FURTHER THAT the Board of Directors of the Company in consultation with the Audit Committee be and is hereby authorized to alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this resolution."

SPECIAL BUSINESS:

- 4. To appoint Mr. Vedant Bang (DIN: 09506327) as Whole Time Director and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:**

“RESOLVED THAT subject to provisions of Sec. 152 and other applicable provisions of the Companies Act, 2013 and the relevant rules made thereunder, including any statutory modifications or re-enactment thereof, for the time being in force and the applicable provisions of Articles of Association of the Company, Mr. Vedant Bang (DIN: 09506327), appointed as an Additional Director at its board meeting held on February 14, 2022, designated as Whole Time Director by the Board of Directors, at its Meeting held on August 13, 2022, based on the recommendation of the Nomination & Remuneration Committee and who holds office as such, up to the date of ensuing Annual General Meeting and in respect of whom, the Company has received a Notice in writing under Sec. 160(1) of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as Whole Time Director of the Company and the period of his office shall be liable to retire by rotation.

“RESOLVED FURTHER THAT in accordance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the Articles of Association of the Company and subject to such other approval, as may be necessary, approval of the members be and is hereby accorded to the appointment of Mr. Vedant Bang (DIN: 09506327) as Whole-time Director of the Company, for a period of 3 (three) years on terms and conditions and remuneration as follows:

| Particulars | Remuneration |
|---|--|
| Salary | ₹ 3,50,000/- per month |
| Special Allowance | As may be decided by the Board from time to time which shall not include Provident Fund, Gratuity, Superannuation Fund etc. |
| Provident Fund, Superannuation Fund, Gratuity, Earned Leave | As per the Rules and Regulations of the Company |
| Leave Travel Concession | For Self & Family, subject to maximum of once in a year, in India. |
| Reimbursement of Expenses | He shall also be entitled to reimbursement of all actual expenses or charges, including travel, entertainment and other out-of-pocket expenses incurred by her for and on behalf of the Company, in furtherance of its business and objects. |

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the appointment and/or remuneration based on the recommendation of the Nomination & Remuneration Committee subject to the same not exceeding the limits specified under Section 197 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force).

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby severally authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

- To re-appoint Mr. Brijgopal Bang (DIN: 00112203) as Managing Director and to revise his remuneration and in this regard, to consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution: -**

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and on the recommendation of the Nomination and Remuneration committee and the Board and as per the Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to reappoint Mr. Brijgopal Bang (DIN: 00112203) as Managing Director, for a further period of 3 (three) years from the expiry of his present term of office, that is, with effect from December 01, 2022 till November 30, 2025 on the terms and conditions including revised remuneration as set out in the Statement annexed to the Notice, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit;

“RESOLVED FURTHER THAT the remuneration payable to Mr. Brijgopal Bang, Managing Director with effect from December 01, 2022 shall be within the limit as specified under section 197 of the Companies Act, 2013 read with Schedule V of the Act, as under:

I. Period of Remuneration: December 01, 2022 to November 30, 2025.

II. Remuneration: up to Rs. 4,00,000/- per month which may be provided in one or more of the following heads:

- a. Basic Salary
- b. House Rent Allowances
- c. Special allowance
- d. Leave Travel allowance
- e. City Compensatory Allowance
- f. Annual club maintenance fees
- g. Payment of statutory contribution toward PF, ESIC as may be applicable
- h. Conveyance allowance
- i. Gratuity
- j. Other allowance, with the annual increment as may be decided by the Board from time to time.

“RESOLVED FURTHER THAT the Mr. Brijgopal Bang, Managing Director shall not be entitled for any sitting fee for attending any meeting of the Board of Directors or a committee thereof.”

“RESOLVED FURTHER THAT the relation between the Company and Mr. Brijgopal Bang, Managing Director shall be deemed to be employer-employee and his services may be terminated by either side by providing 6 months’ notice or remuneration in leave thereof.”

“RESOLVED FURTHER THAT the Nomination and Remuneration Committee and the Board of directors of the Company be and is hereby authorized with liberty and powers to increase, reduce, alter or vary the terms and conditions of remuneration in such manner as the Board may deem fit within the limit specified

as aforesaid from time to time during his tenure.”

RESOLVED FURTHER THAT any Director or Company Secretary of the Company be and is hereby authorised to do all acts, deeds and things including filings and take steps as may be deemed necessary, proper or expedient to give effect to this Resolution and matters incidental thereto.”

Registered Office:

50, Kewal Industrial Estate,
Senapati Bapat Marg, Lower Parcel (W)
Mumbai City MH 400013 IN

By the Board of Directors

SD/-
Rashi Bang
Company Secretary &
Compliance Officer

Date: Mumbai

Place: September 01, 2022

NOTES:

1. In view of the continuing social distancing norms due to Covid-19, the Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, the latest being 02/2022 dated 5th May, 2022 and Securities Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated 13th May, 2022, and other applicable circulars issued in this regard, have allowed the companies to conduct AGM through VC/OAVM till 31st December, 2022 without physical presence of Members at a common venue. In accordance with the applicable provisions of the Act and the said Circulars of MCA and SEBI, the 12th AGM of the Company shall be conducted through VC/OAVM. National Securities Depositories Limited ('NSDL') will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 12 below and is also available on the website of the Company at <https://www.thomasscott.org/investor-relations.htm>
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), relating to the Special Businesses to be transacted at the AGM, is annexed hereto. The Board of Directors at its meeting held on September 01, 2022, considered and decided to include Item Nos. 3 and 4 & 5 as given above as Ordinary business and Special Businesses respectively in the forthcoming AGM, as they are unavoidable in nature
3. As the AGM shall be conducted through VC/OAVM, the facility for appointment of proxies by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. However, pursuant to Section 113 of the Act, Corporate members are entitled to appoint authorized representatives to attend the AGM through VC/OAVM on their behalf and to cast their votes through remote e-voting. Corporate members are requested to send (in advance), a scanned copy (PDF/JPG Format) of the Board Resolution/Letter of Authority/Power of Attorney, together with the respective specimen signatures of those representative(s), to the Scrutinizer through e-mail at info@khacs.com, and to the Company at investor.tsil@banggroup.com and to evoting@nsdl.co.in
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 24, 2022, to Friday, September 30, 2022 (both days inclusive).

Electronic dispatch of annual report and process for registration of e-mail id and for obtaining copy of Annual Report:

6. In accordance with the circulars issued by MCA and SEBI, the Notice of the 12th AGM along with the Annual Report 2021-22 is being sent by electronic mode to Members whose e-mail id is registered with the Company or the Depository Participants (DPs). Physical copy of the Notice of the 12th AGM along with Annual Report for the financial year 2021-22 shall be sent to those Members who request for the same.
7. Members holding shares in physical form and who have not updated their e-mail address with the Company are requested to update their e-mail address for receiving all communication including Annual Report, Notices, and Circulars etc., by writing to the Company at www.thomasscott.org along with the

copy of the signed request letter mentioning the name and address of the Member, self-attested copy of the PAN card, and self-attested copy of any document (eg.: Driving License, Voter Identity Card, Passport) in support of the address of the Member. Members holding shares in dematerialized (demat) mode are requested to register/update their e-mail addresses with the relevant DPs. In case of any queries/difficulties in registering the e-mail address, Members may write to investor.tsil@banggroup.com

8. The Notice of 12th AGM along with the Annual Report for the financial year 2021-22, is available on the website of the Company at www.thomasscott.org, on the website of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited and on the website of NSDL at www.evoting.nsdl.com.

General instructions for accessing and participating in the 12th AGM through VC/OAVM facility and voting through electronic means including remote e-voting

9. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of Listing Regulations (as amended) and applicable Circulars, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL), as the authorized agency for facilitating voting through electronic means. The facility of casting votes by members using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL. The instructions for e-voting are given in this Notice. Please note that Remote E-Voting is an alternate mode to cast votes and is optional.
10. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Friday, September 23, 2022, i.e. a day prior to commencement of book closure date, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
11. Members may cast their votes through electronic voting system from any place (remote e-voting). The remote e-voting period will commence at 9.00 a.m. (IST) on Tuesday, September 27, 2022, and will end at 5.00 p.m. (IST) on Thursday, September 29, 2022. In addition, the facility for voting through e-voting system shall also be made available during the AGM. Members attending the AGM who have not cast their vote by remote e-voting shall be eligible to cast their vote through e-voting during the AGM. Members who have voted through remote e-voting shall be eligible to attend the AGM; however, they shall not be eligible to vote at the meeting. Members holding shares in physical form are requested to access the remote e-voting facility provided by the Company through NSDL e-voting system at <https://www.evoting.nsdl.com/>.
12. The detailed instructions and the process for accessing and participating in the 12th AGM through VC/OAVM facility and voting through electronic means including remote e-voting are explained herein below:

Step 1: Access to NSDL e-Voting system

Pursuant to SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9th December 2020 on 'e-voting

facility provided by Listed Companies', e-voting process has been enabled for all the individual demat account holders, through their demat account maintained with DPs. Members are advised to update their mobile number and e-mail id in their demat accounts to access e-voting facility. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process.

A) Login method for e-Voting and joining virtual AGM for individual shareholders holding securities in demat mode is given below:

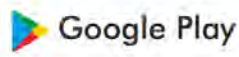
| Type of Individual shareholders | Login Method |
|--|--|
| Securities held in demat mode with NSDL. | <p>A. Users registered for NSDL IDeAS facility:</p> <ol style="list-style-type: none"> 1. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on 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. 2. A new screen will open. Enter your existing 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. 3. Click on options available against Company name or e-voting service provider - NSDL and you will be re-directed to NSDL e-voting website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. <p>B. Users not registered for IDeAS e-Services:</p> <p>Option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>C. Visit the e-voting website of NSDL:</p> <ol style="list-style-type: none"> 1. After successfully registering on IDeAS, visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section. 2. A new screen will open. Enter your User ID (i. e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as |

shown on the screen. After successful authentication, you will be redirected to NSDL e-voting website wherein you can see e-voting page.

3. Click on options available against Company name or e-voting service provider - NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

4. Shareholders/Members can also download NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Securities held in demat mode with CDSL

A. Users who have opted for Easi/Easiest:

1. Shareholders can login through their existing User id and Password. Option will be made available to reach e-voting website without any further authentication. The URL for users to login to Easi/Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.

2. After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of ESP i.e. NSDL. Click on NSDL to cast your vote.

B. Users who have not opted for Easi/Easiest:

Option to register for Easi/Easiest is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>

C. Visit the e-voting website of NSDL

1. Alternatively, the users can directly access e-voting page by providing their demat account number and PAN at <https://evoting.cdslindia.com/Evoting/EvotingLogin>. The system will authenticate the user by sending OTP on registered mobile number and e-mail id as recorded in their demat account.

2. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress.

| | |
|---|--|
| Securities held in demat mode - login through depository participants | <p>1. Shareholders can also login using the login credentials of their demat account through their DP registered with NSDL/CDSL for e-voting facility. After logging, you will be able to see e-voting option.</p> <p>2. 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.</p> <p>3. Click on options available against Company name or ESP and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.</p> |
|---|--|

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

For Technical Assistance:

Members facing any technical issues related to login may reach out the respective depositories helpdesk by sending a request on the e-mail id's or contact on the phone nos. provided below:

| | |
|------|--|
| NSDL | Email: evoting@nsdl.co.in or Toll free no.: 1800 1020 990 and 1800 22 44 30 |
| CDSL | Email: helpdesk.evoting@cDSLindia.com or contact at Phone No.: 022- 23058738 or 022-23058542-43 |

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID |

| | |
|--|---|
| | <p>For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.</p> |
| b) For Members who hold shares in demat account with CDSL. | <p>16 Digit Beneficiary ID</p> <p>For example if your Beneficiary ID is 12***** then your user ID is 12*****</p> |
| c) For Members holding shares in Physical Form. | <p>EVEN Number followed by Folio Number registered with the company</p> <p>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***</p> |

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

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

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

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

system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

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

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

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

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

1. Members whose shares are held in physical form are requested to provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor.tsil@banggroup.com
2. Members whose shares are held in demat mode are requested to provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to investor.tsil@banggroup.com . If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

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

C) The instructions for members for e-voting on the day of the AGM are as under: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Megha at evoting@nsdl.co.in

PROCEDURE FOR JOINING THE AGM THROUGH VC/OAVM:

13. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for access to NSDL e-voting system. After successful login, Members may click on VC/OAVM link available under the 'Join General Meeting' menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice.
14. Members are encouraged to join the Meeting through laptops for better experience.
15. Members joining the AGM from their mobile devices or tablets or through laptops 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.
16. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, 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.

17. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
18. The E-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently. Members are requested to carefully read the instructions for E-Voting before casting their vote.
19. Members, who need assistance before or during the AGM, may Send a request at evoting@nsdl.co.in or use toll free no.: 1800 1020 990 or 1800 224 430; or

PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:

20. Members who would like to express their views or ask questions may register themselves as a speaker by sending the request along with their queries in advance mentioning their name, demat account number / folio number, PAN, email id and mobile number at investor.tsil@banggroup.com. Only those speaker registration requests received till 5.00 pm (IST) on Friday, September 23, 2022, will be considered and responded to during the AGM.
21. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

GENERAL INFORMATION:

22. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, Members are advised to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
23. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any members as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
24. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send share certificates to the Company for consolidation into a single folio. Members who hold shares in physical form are advised to convert their shareholding in dematerialized form with any Depository Participant.
25. In all correspondences with the Company, members are requested to quote their account/folio numbers and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID No(s).

26. Pursuant to Section 72 of the Act, members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic / Demat form, the nomination form may be filed with the respective Depository Participant.
27. At the AGM, the Chairman of the meeting shall after discussion on all the resolutions on which voting is to be held, allow voting by electronic means to all those members who are present at the meeting but have not casted their votes by availing the remote E-Voting facility.
28. The Company has appointed M/s. Kothari H. & Associates, Practicing Company Secretaries, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner.
29. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first download the votes cast at the meeting and thereafter unblock the votes cast through remote E-Voting in the presence of at least 2 (two) witnesses not in the employment of the Company and not more than forty eight (48) hours of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman, or a person authorized by him in writing who shall countersign the same and declare the result of voting forthwith.
30. The results of the e-voting shall be declared to the Stock Exchanges after the conclusion of AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company at www.thomasscott.org. The Resolutions, if approved, shall be deemed to be passed, on the date of AGM.

PROCEDURE FOR INSPECTION OF DOCUMENTS:

31. All the documents referred to in the accompanying Notice and Explanatory Statement shall be available for inspection through electronic mode, basis requests received on investor.tsil@banggroup.com.
32. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Act and other statutory registers shall be available for inspection upon at the registered office of the Company.

OTHER INFORMATION:

33. Details as required in Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India in respect of the Directors seeking re-appointment at the AGM forms part of the Notice. Requisite declarations have been received from the Directors seeking appointment/re-appointment. Their detailed profile also forms part of the Corporate Governance Report.
34. SEBI vide its Circular dated 3rd November 2021 has mandated registration of PAN, KYC details and Nomination, by holders of physical securities. Members holding shares in physical form are requested to submit their PAN, KYC details and Nomination details by sending a duly filled and signed Form ISR-1 to

KFin Technologies Limited at Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India - 500 032 or by email to einward.ris@kfintech.com from their registered email id.

35. Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“the Listing Regulations”) as amended, mandates that transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular dated 25th January 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division/ consolidation of share certificates, etc. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to demat mode. Members can contact the Company or Company’s Registrars and Transfer Agents, for assistance in this regard i.e. KFin Technologies Limited.

Registered Office:

By Order of the Board of Directors

**50, Kewal Industrial Estate,
Senapati Bapat Marg, Lower Parel (W)
Mumbai City MH 400013 IN**

**Sd/-
Rashi Bang
Company Secretary & Compliance Officer**

Place: Mumbai

Date: September 01, 2022

EXPLANATORY STATEMENT

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

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3, Item No. 4 & Item No. 5.

Item No. 3: Approval for appointment of Statutory Auditors of the Company

M/s Bhattar & Company, Chartered Accountants has been serving as Statutory Auditors since the year 2017-18. As per the provisions of Section 139(2) of the Companies Act, 2013, the Company can appoint a Proprietorship firm as Statutory Auditor only for one term of five consecutive years. Since the existing term of appointment of Statutory Auditors is expiring this year, there is a requirement to appoint a new Auditor in place of existing Auditors subject of the approval of the shareholders in the ensuing Annual General Meeting. Based on recommendation of the Audit Committee and Board of Directors of the Company M/s. Bharat Gupta & Co., Chartered Accountants, having registration No. 131010W are proposed to be appointed as Statutory Auditors of the Company at this 12th Annual General Meeting ('AGM') for a period of 5 years, up to the conclusion of 17th AGM.

M/s. Bharat Gupta & Co., Chartered Accountants have given their consent for their appointment as Statutory Auditors of the Company and has issued certificate confirming that their appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder. M/s. Bharat Gupta & Co., Chartered Accountants have confirmed that they are eligible for the proposed appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. The Auditors have reported their independence from the Company and its subsidiary according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit.

The Board of Directors has approved a remuneration of Rs. 60,000 (Rupees Sixty Thousand Only) per annum for conducting the audit & other statutory certifications for the financial year 2022-23, excluding applicable taxes and reimbursement of out-of-pocket expenses on actual. The remuneration proposed to be paid to the Statutory Auditors during subsequent years would be in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure. The firm holds the 'Peer Review' certificate as issued by 'ICAI'.

None of the Directors or Key Managerial Personnel of the Company or their relatives is interested or concerned, financially or otherwise, in the resolution.

In light of the above, your Board recommends to pass necessary resolution as set out in Item No. 3 of the notice as an Ordinary Resolution.

Item No. 4: Approval for appointment Mr. Vedant Bang as Whole Time Director of the Company

The Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on February 14, 2022, approved the appointment of Mr. Vedant Bang (DIN: 09506327) as Additional Director of the Company with effect from February 14, 2022. As per the provisions of Section 161(1) of the Act, Mr. Vedant Bang holds office of Director up to the date of ensuing Annual General Meeting of the Company and being eligible, has offered himself for appointment as Director.

Further, the Board at its meeting held on August 13, 2022 has, subject to the approval of members, designated

Mr. Vedant Bang as Whole-time Director for a period of 3 (three) years on the terms and Conditions including remuneration as recommended by the Nomination and Remuneration Committee of the Board and approved by the Board.

Pursuant to Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013, (the Act) the Companies (Appointment and Qualification of Directors), Rules, 2014, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force, the appointment of Mr. Vedant Bang, requires approval of the Members by way of special resolution.

The terms and conditions of the re-appointment and remuneration payable to Mr. Vedant Bang are provided in the resolution referred in Item No. 4.

Both the Nomination and Remuneration Committee and the Board were of the opinion, after evaluation of his qualifications, experience and other attributes, that his induction on the Board would be of immense benefit to the Company and it is desirable to avail his services as a Whole-time director to strengthen the management of the Company.

The Company has received from Mr. Vednat Bang, consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Act.

In terms of Section 160 of the Companies Act, 2013, the Company has received notice in writing from a member, proposing the candidature of Mr. Vedant Bang for appointment.

The information to be given pursuant to the requirement of sub clause (iv) of the section II of the part II of the Schedule V of the Companies Act, 2013 are as under -

| I | General Information | |
|---|---|--|
| 1 | Nature of Industry: | Manufacturing and Trading of Garments & fabrics |
| 2 | Date or expected date of commencement of commercial production : | Commercial operations commenced in the year 2010 |
| 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 |
| 4 | Financial performance based on given indicators: | Financial Performance for F.Y. 2021-22: 1. Gross Revenue: Rs. 3232.19 Lakhs 2. Profit after Tax: Rs. 62.86 Lakhs 3. EPS: 1.14 |
| 5 | Foreign investments or collaborators, if any : | Not applicable |

| II. | | Information about the appointee: |
|------|---|--|
| 1 | Background Details | Mr. Vedant Bang aged 26 years carries nearly seven years of experience as a senior management consultant in Deloitte in the Banking, Financial, Investment Services and Insurance domain. He is is a Graduate from Mumbai University, he is also a Fellow Member of the Institute of Actuaries, Chartered Enterprise Risk Actuary, UK and CFA Charter holder, USA. He is a promoter of the Company and joined as a director on 15.02.2022. He is also looking after the Company and its other group concern. |
| 2 | Past Remuneration: | Not Applicable |
| 3 | Recognition and rewards | None |
| 4 | Job profile and his suitability | <p>Mr. Bang handles day to day affairs of the Company and assist in developing and preparing company's business strategies and comprehensive business plans along with other board members and works for their execution. His focus is dedicated towards the business of the Company. He analyzes problematic situations and occurrences and provides solutions to ensure company survival and growth.</p> <p>Board is of the opinion that his vast experience of Banking, Financial, Investment Services and Insurance domain will be suitable for the designated of Whole Time Director.</p> |
| 5 | Remuneration Proposed | Rs. 3,50,000 per month. Further details of proposed remuneration are presented in the resolution. |
| 6 | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of origin) | Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses. |
| 7 | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any. | Besides the remuneration proposed for being whole-Time Director in the Company, Mr. Bang is also promoter of the Company and holds 1,70,084 (3.08%) equity shares of Rs. 10/- each. |
| III. | | Other Information: |
| 1 | Reasons of loss or inadequate profits: | Slight decrease in turnover and low volume in Business and therefore fixed cost could not be consumed. Company's finance cost has also increased and profit margin has gone low. More particularly described in Management Discussion & Analysis Report which forms |

| | | |
|------------|--|---|
| | | part of Annual Report. |
| 2 | Steps taken or proposed to be taken for Improvement: | The Company has initiated certain steps such as better innovative designs, product mix, cost control, borrowing at cheaper rates, and improving efficiency etc. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins. |
| 3 | Expected increase in productivity and profits in measurable terms: | The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms. |
| IV. | Disclosures: | |
| 1 | The remuneration package proposed to be given to Mr. Vedant Bang is as per the details given in the resolution & explanatory statement. The Annexure -2 in Board Report in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel. The respective tenure of the aforesaid managerial personnel shall be governed by the resolutions passed by the Shareholders in General Meetings with a notice period of 6 (six) month by either side. | |

The terms of remuneration, as set out in the resolution no. 4 are just, fair and reasonable by the Nomination and Remuneration Committee and are in accordance with the remuneration policy of the Company as well as in the industry.

Except Mr. Brijgopal Bang, Managing Director, being relative of appointee, none of the Directors or Key Managerial Personnel of the Company or their relatives is interested or concerned, financially or otherwise, in the resolution.

In light of the above, your Board recommends to pass necessary resolution as set out in Item No. 4 of the notice as a Special Resolution

Item No. 5: Approval for reappointment of Mr. Brijgopal Bang, Managing Director of the Company and revision of his remuneration

In accordance with the provisions of Section 196, 197 and 203 read with Schedule V of the Act, to re-appoint and pay remuneration, more than the limit specified, requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its meeting held on August 13, 2022, approved the re-appointment of Mr. Brijgopal Bang (DIN: 00112203) as Managing Director of the Company for a further period of 3 (three) years from the expiry of his present term, that is, with effect from December 01, 2022, on a remuneration of Rs. 4,00,000/- per month (inclusive of perquisites and allowances), subject to the approval of the shareholders through special resolution in the General Meeting of the Company.

Mr. Brijgopal Bang is the Promoter and Managing Director of the Company. He has vast experience of the textile industry for over 17 years. He is effectively taking care of all the business and financial responsibilities. Based on his vast experience and efforts, the Board of Directors considered it to be desirable to revise remuneration payable to him. The payment of remuneration was approved by the Board based on industry standards and the responsibilities handled by the Managing Director of the Company.

The information to be given pursuant to the requirement of sub clause (iv) of the section II of the part II of the Schedule V of the Companies Act, 2013 are as under -

| I General Information | | |
|---|---|--|
| 1 | Nature of Industry: | Manufacturing and Trading of Garments & fabrics |
| 2 | Date or expected date of commencement of commercial production : | Commercial operations commenced in the year 2010 |
| 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 |
| 4 | Financial performance based on given indicators: | Financial Performance for F.Y. 2021-22: 1. Gross Revenue: Rs. 3232.19 Lakhs 2. Profit after Tax: Rs. 62.86 Lakhs 3. EPS: 1.14 |
| 5 | Foreign investments or collaborators, if any : | Not applicable |
| II. Information about the appointee: | | |
| 1 | Background Details | Mr. Brijgopal Bang aged 55 years carries a vast experience of the textile industry for over 17 years. He is a Commerce Graduate and also completed Master of Management Studies (MMS) from Bombay University in the year 1992. He is a promoter of the Company and joined as a director on 22.10.2010 and continuously working for the Company since then. He is also looking after the Company and its other group concern. The Company is expanding tremendously under his guidance. |
| 2 | Past Remuneration: | upto Rs. 2,00,000/- per month excluding all perquisites and allowances |
| 3 | Recognition and rewards | None |
| 4 | Job profile and his suitability | Mr. Bang develops and prepares company's business strategies and comprehensive business plans along with other board members and works for their execution. His focus is dedicated towards the business of the Company and supervises the general conduct and management of the affairs of the Company. He analyzes problematic situations and occurrences and provides solutions to ensure company survival and growth. Mr. Bang has been part of the group for the last 17 years and has led successful growth of the business. |

| | | |
|-------------|---|---|
| 5 | Remuneration Proposed | Rs. 4,00,000 per month including all perquisites and allowances. Further details of proposed remuneration are presented in the resolution. |
| 6 | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of origin) | Considering the responsibility shouldered by him of the enhanced business activities of the Company, proposed remuneration is commensurate with Industry standards and Board level positions held in similar sized and similarly positioned businesses. |
| 7 | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any. | Besides the remuneration proposed for being Managing director in the Company, Mr. Bang is also promoter of the Company and holds 18,06,900 (32.77%) equity shares of Rs. 10/- each. |
| III. | Other Information: | |
| 1 | Reasons of loss or inadequate profits: | Slight decrease in turnover and low volume in Business and therefore fixed cost could not be consumed. Company's finance cost has also increased and profit margin has gone low. More particularly described in Management Discussion & Analysis Report which forms part of Annual Report. |
| 2 | Steps taken or proposed to be taken for Improvement: | The Company has initiated certain steps such as better innovative designs, product mix, cost control, borrowing at cheaper rates, and improving efficiency etc. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins. |
| 3 | Expected increase in productivity and profits in measurable terms: | The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profits in measurable terms. |
| IV. | Disclosures: | |
| 1 | The remuneration package proposed to be given to Mr. Brijgopal Bang is as per the details given in the resolution & explanatory statement. The Annexure -2 in Board Report in the Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of the aforesaid managerial personnel. The respective tenure of the aforesaid managerial personnel shall be governed by the resolutions passed by the Shareholders in General Meetings with a notice period of 6 (six) month by either side. | |

The terms of remuneration, as set out in the resolution no. 5 are just, fair and reasonable by the Nomination and Remuneration Committee and are in accordance with the remuneration policy of the Company as well as in the industry.

Mr. Bang and his relatives shall be deemed to be concerned or financial interested in the resolution to the extent of remuneration payable to him as stated in the resolution. Further that and Mr. Vedant Bang, the

Whole-time Director being his relative may be deemed to be concerned or interested otherwise. Except them, none of the Directors or key managerial personnel of the Company or their relatives are directly or indirectly concerned or interested, financially or otherwise, in this resolution.

Considering the above, your Board recommends passing necessary resolution as set out in Item No. 5 of the notice as a Special Resolution.

Registered Office:

By Order of the Board of Directors

**50, Kewal Industrial Estate,
Senapati Bapat Marg, Lower Parel (W)
Mumbai City MH 400013 IN**

**Sd/-
Rashi Bang
Company Secretary & Compliance Officer**

Place: Mumbai

Date: September 01, 2022

Information as required pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of Directors seeking appointment / re-appointment at the Annual General Meeting.

| S. No. | Particulars | | |
|--------|--|--|--|
| 1. | Brief resume of the directors | | |
| | Name of Director | Mr. Vedant Bang | Mr. Brijgopal Bang |
| | Designation | Whole-Time Director | Managing Director |
| | Age | 26 Years | 55 Years |
| | Qualification | Chartered Enterprise Risk Actuary, UK & CFA Charter holder, USA | Master in Science, Diploma in Business Management |
| | Date of appointment | 15.02.2022 | 22.10.2010 |
| 2. | Nature of expertise in specific functional areas | He has experience in Banking, Financial, Investment and Insurance Services | He has more than 17 year of experience in textile industry. |
| 3. | Disclosure of relationship between directors inter-se | He is son of Mr. Brijgopal Bang, Managing Director of the Company. | He is father of Mr. Vedant Bang, Whole-time Director of 6th Company. |
| 4. | Shareholding of Directors in the Company including shareholding as a beneficial owner, if any. | 1,70,084 Equity shares (3.08%) | 18,06,900 Equity shares (32.77 %) |
| 5. | Names of listed entities in which the person also holds the directorship | - | Bang Overseas Limited |
| 6. | Names of listed entities from which the person has resigned in the past three years | Nil | Nil |
| 7. | Chairmanships/Memberships of the Committees of other Listed companies as on March 31, 2022 | | |
| | Membership/Chairmanship in to the Thomas Scott (India) Limited | | |
| | Audit Committee | - | Member |
| | Nomination and Remuneration Committee | - | - |
| | Stakeholder Relationship Committee | - | Member |
| | Corporate Social Responsibility Committee | - | Chairperson |

Registered Office:

By Order of the Board of Directors

50, Kewal Industrial Estate,
Senapati Bapat Marg, Lower Parel (W)
Mumbai City MH 400013 IN
Place: Mumbai
Date: September 01, 2022

Sd/-
Rashi Bang
Company Secretary & Compliance Officer

DIRECTORS' REPORT

To
The Members of
THOMAS SCOTT (INDIA) LIMITED

The Board of Directors of your Company, with extensive gratification presenting the 12th Annual Report of your Company along with the Audited Balance Sheet, Statement of Profit and Loss, Statement of changes in equity and Cash Flow Statement, Schedules and Notes to Accounts and the Auditors Report thereon for the year ended March 31, 2022.

FINANCIAL HIGHLIGHTS

The financial performance based on Standalone Financial Statements for the year ended March 31, 2022, is summarized as below:

(In Lakhs)

| Description | Year ended 31.03.2022 | Year ended 31.03.2021 |
|--|--------------------------|--------------------------|
| Revenue | 3,232.19 | 2,145.99 |
| Other Income | 14.11 | 9.36 |
| Expenditure before Interest, Depreciation and Tax | 3,104.61 | 2,066.23 |
| Earnings before Interest, Depreciation and Tax (EBIDT) | 141.69 | 89.13 |
| Less: Interest | 43.05 | 69.02 |
| Earnings Before Depreciation And Tax (EBDT) | 98.64 | 20.11 |
| Less: Depreciation | 29.03 | 28.18 |
| Profit before Tax (PBT) | 69.61 | (8.06) |
| Less: Tax Provision (Current, Deferred, FBT and Earlier Year adjustment) | 6.75 | 3.39 |
| Profit after Tax (PAT) | 62.86 | (11.45) |
| Total Net Comprehensive Income | - | - |
| Total Profit after Tax (including Comprehensive Income) | 62.86 | (11.45) |

PERFORMANCE REVIEW:

During the financial year, your Company recorded revenue of Rs. 3,232.19 lakhs as against Rs 2,145.99 lakhs in previous year. The Company has incurred a Net profit after tax of Rs. 62.86 lakhs as against Loss of Rs. 11.45 lakhs for the previous financial year. Your directors are hopeful for better sales realization and profit in the next year.

Your Company is trying to reduce the overall cost by way of using various efforts like optimum utilization of Human Resource, and to increase its sustainability by planning for better prospects for the Company using various new avenues to avail the low-cost raw

material and by trying for better price gains for its products in the market and by continuing efforts for its growth as well.

DIVIDEND AND TRANSFER TO RESERVES:

In order to conserve the resources for increasing business operations, Your Director do not recommend any dividend for the year under review.

During the year under review, the Company has proposed to carry an amount of Rs. 62.86 Lakhs under the head reserves and surplus in the financial statements. [Previous year Rs. (11.45) Lakhs]

CAPITAL STRUCTURE

Authorized Share Capital

The authorized share capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crores) divided into 90,00,000 (Ninety Lakhs) Equity Shares of Rs.10/- each and 10,00,000 (Ten Lakhs) Redeemable preference shares of Rs. 10/- each.

Paid Up Share Capital

The Paid-up equity share capital is Rs. 5,51,44,020 (Rupees Five Crores Fifty-One Lakhs Forty-Four Thousand and Twenty) divided into 55,14,402 (Fifty-Five Lakhs Fourteen Thousand Four Hundred and Two) Equity shares of 10/- each.

During the year under review, the Company has not issued shares with differential voting right neither granted stock option nor sweat equity. Further the Company not issued any debenture bonds and any non-convertible securities.

However, the Company has allotted 21,24,402 Equity Shares pursuant to conversion of one convertible Warrant on preferential basis, due to which the authorized share capital increased to Rs. 10,00,00,000 (Rupees Ten Crores) from Rs. 5,00,00,000 (Rupees Five Crores) and Paid-up share capital of the Company become Rs. 5,51,44,020 (Rupees Five Crores Fifty-One Lakhs Forty-Four Thousand and Twenty) from Rs. 3,39,00,000 (Rupees Three Crores Thirty-Nine Lakhs Forty-Four Thousand and Twenty).

The Company's equity shares are listed with the BSE Ltd. and National Stock Exchange of India Ltd. and available for trading at the both the platforms.

LOAN FROM DIRECTORS

During the year under review the Company has received unsecured loans of Rs. 243.80 Lakhs from Mr. Brijgopal Bang, Managing director of the Company which is in compliance of Rule 2(C) (viii) of the Companies (Acceptance of Deposit) Rules, 2014 and the said transaction is exempted from the deposit Rules as such.

REVISION IN FINANCIAL STATEMENTS OR BOARDS' REPORT

In terms of Section 131 of the Act, the Financial Statements and Board's Report are in compliance with the provisions of Section 129 or Section 134 of the Act and that no revision has been made during any of the three preceding financial years.

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of the business during the year.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION

There are no material changes and commitments occurred which affecting the financial position of the Company between the end of the financial year 2021-22 and as on the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, there are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

SUBSIDIARY COMPANIES:

As on March 31, 2022, your Company has not acquired any subsidiaries, joint venture or associates.

DEPOSITS:

During the year under review, your Company did not accept any deposits as provided under Chapter V of the Companies Act, 2013 ("Act") read with the rules made thereunder as such and no amount on account of principal or interest on public deposits was outstanding as on the date of the Balance Sheet.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

During the year under review, the Company does not fall under the eligibility criteria of Section-135 of the Companies Act, 2013, hence there is no liability on the Company to incur expenditure on CSR activities as prescribed u/s 135 and Schedule VII of the Companies Act, 2013. However, the Company has constituted a CSR Committee, composition of which is given in this Annual Report.

PROHIBITION OF INSIDER TRADING

The Company had in place a mechanism to avoid Insider Trading and abusive self-dealing in the securities of the Company by the Directors of the Company and other designated persons.

For the above mentioned purpose, the Company has established systems & procedures to prohibit insider trading activity & has framed a Code of Conduct to Regulate, Monitor & Report trading by insiders and Code of Fair Practices & Procedures for disclosure of Unpublished Price Sensitive Information (UPSI) as per the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations), which prohibits the Directors and other designated persons to deal in the securities of the Company on the basis

of any UPSI, available to them by virtue of their position in the Company. The objective of this Code of Conduct is to prevent misuse of any UPSI and prohibit any insider trading activity, in order to protect the interest of the shareholders at large.

A report on compliance of Minimum Standards for Code of Conduct and details of violation are placed before the Board on annual basis. The Code of conduct is available on the website of the Company at https://www.thomasscott.org/financial-results/Code%20of%20Conduct%20for%20Prevention%20of%20Insider%20Trading_TSIL.pdf and <https://www.thomasscott.org/financial-results/code-of-conduct/TSIL%20-%20Code%20of%20Practice%20&%20Procedure.pdf>

BOARD OF DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

As at 31st March, 2022, the composition of the Board of Directors was in accordance with the provisions of Section 149 of the Act and Regulation 17 of the LODR Regulations, 2015, with an optimum combination of Executive, Non-Executive and Independent Directors.

As on the date of this Annual Report, the Board of Directors of the Company consists of 5 members. The Board consists of Managing Director, Additional Director and 3 Independent Directors and Key Managerial personnel as under;

| S. No. | Name | Date of Appointment | Designation |
|--------|--------------------------------|---------------------|-------------------------|
| 1. | Mr. Brijgopal Balaram Bang | 01/12/2006 | Managing Director |
| 2. | Mrs. Anuradha Shirish Paraskar | 15/02/2018 | Independent Director |
| 3. | Mr. Subrata Kumar Dey | 14/02/2013 | Independent Director |
| 4. | Ms. Swati Sahukara | 02/02/2015 | Independent Director |
| 5. | Mr. Vedant Bang | 15/02/2022 | Whole Time Director |
| 6. | Mr. Samir Kumar Samaddar | 15/09/2017 | Chief Financial Officer |
| 7. | Ms. Rashi Bang | 16/03/2021 | Company Secretary |

CHANGES IN THE COMPOSITION OF BOARD OF DIRECTORS

During the year Mr. Raghavendra Bang resigned from the directorship of the Company with effect from February 14, 2022, and Mr. Vedant Bang is been appointed as an Additional Director of the Company with effect from February 15, 2022. He was also appointed as Whole time Director of the Company as on August 13, 2022, subject to the approval of the members in the ensuing AGM.

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act, all the Independent Directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the LODR Regulations, 2015.

In terms of Regulation 25(8) of LODR Regulations, 2015, they have confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. Also pursuant to Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014. They declared that the provisions of Sub-Rule (1) and Sub-Rule (2) of Rule 6 of the said rules has been complied with.

The Board of Directors, after considering due assessment of the veracity of the declaration submitted by the Independent Directors under sub section (6) of Section 149 of the Act read with sub-regulation (9) of Regulation 25 of the listing regulations, was of the opinion that all the Independent Directors meet the criteria of independence and both the independent directors, appointed during the year, have adequate expertise, integrity, proficiency and experience for discharging their duties.

FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR

We believe that a Board which is well familiarized with the Company and its affairs, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholders' aspirations and societal expectations. In pursuit of this, the Directors of the Company are updated on changes/developments in the domestic/global corporate and industry scenario including those pertaining to statutes/legislations & economic environment and on matters significantly affecting the Company, to understand their roles and responsibilities, nature of the industry in which the Company operates, business model of the Company which enable them to take well informed and timely decisions.

All new Independent Directors are taken through a detailed induction and familiarization Programme

when they join the Board of your Company and are provided with induction kits which, inter alia, include the Company's Memorandum and Articles of Association, Code of Conduct of Board of Directors, Code of Conduct for Prevention of Insider Trading and other relevant documents. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

Apart from the above, the Directors are also given an update on the environmental and social impact of the business, corporate governance, regulatory developments and investor relations matters.

Further, during the year, presentations were also made from time to time at the Board and its committee meetings, on regular intervals, covering the business and financial performance of the Company, business outlook and budget, expansion plans, succession plans etc.

SEPARATE MEETING OF INDEPENDENT DIRECTORS AND PERFORMANCE EVALUATION

During the year under review, a separate meeting of Independent Directors was held on 14th February, 2022 without the presence of non-independent directors and members of the management pursuant to Schedule V of the Act.

RETIREMENT BY ROTATION

Mr. Brijgopal Bang will retire by rotation at the ensuing Annual General Meeting ('AGM') of your Company and being eligible, offers himself for re-appointment in accordance with the provisions of Section 152 (6) of the Act read with Articles of Association of the Company. The Board of Directors of your company has recommended name of Mr. Brijgopal Bang for the same.

The disclosure pertaining to the director being re-appointed as required pursuant to the LODR

Regulations, 2015 and secretarial standards - 2 is given in the explanatory statement to the Notice convening the AGM, forming part of this Annual Report.

MEETINGS OF THE BOARD, COMMITTEES AND ITS EFFECTIVENESS:

During the financial year under review, your Board has met 5 times on 30th June 2021, 14th August 2021, 04th September, 2021, 13th November 2021 and 14th February 2022 and details of the composition of the Board and its Committees and of the meetings held and attendance of the Directors at such meetings are provided below. The Company has convened Board Meetings within the period prescribed under the Companies Act, 2013 and MCA Circular.

During the year under review, the Company has 5 (Five) Committees as mentioned below and details with respect to the composition, charters and meeting held are given in detail in the below:

- Audit Committee**

The audit committee of the Company is constituted in line with the provisions of Section 177 of the Act. All the recommendation made by the Audit Committee on various matters has been accepted by the Board. The Committee met four times during the year on 30th June 2021, 14th August 2021, 13th November

2021 and 14th February 2022.

- Nomination and Remuneration Committee**

The Board has framed Nomination and Remuneration Committee in accordance with the provisions of subsection (3) of Section 178 of the Companies Act, 2013. The Committee met once during the financial year on 14th February, 2022.

- Stakeholders' Relationship Committee**

The stakeholders' relationship committee is constituted in line with the provisions of section 178 of the Act. Four meetings of the stakeholder's relationship committee held during the year on 30th June 2021, 14th August 2021, 13th November 2021 and 14th February 2022.

- Corporate Social Responsibility Committee**

The Corporate Social Responsibility committee is constituted in line with the provisions of section 135 of the Act. However, no meeting has been held during the year under review.

- Management & Finance Committee**

The Management & Finance committee is constituted in line with the provisions of section 179 of the Act. The Committee met once during the financial year on 01st October, 2021.

Attendance at the meeting of Board, Committee and AGM for the F. Y. 2021-22

| Name of the Directors | Board | ACM | NRCM | SRCM | IDM | MFC | AGM [27.09.2021] |
|--|----------|----------|----------|----------|----------|----------|---------------------|
| No. of meetings held in F. Y. 2021-22 | 5 | 4 | 1 | 4 | 1 | 1 | 1 |
| Non-Executive Non-Independent Directors | | | | | | | |
| Raghvendra Venugopal Bang* | 2 | - | - | 2 | - | 1 | Yes |
| Non-Executive Independent Directors | | | | | | | |
| Subrata Kumar Dey | 5 | 4 | 1 | - | 1 | - | Yes |
| Swati Sahukara | 5 | 4 | 1 | 4 | 1 | 0 | Yes |
| Anuradha Paraskar | 4 | - | 1 | - | 1 | - | Yes |
| Executive Directors | | | | | | | |
| Brijgopal Balaram Bang | 5 | 4 | - | 4 | - | 1 | Yes |
| Vedant Bang* | 1 | - | - | - | - | - | NA |

*Mr. Raghvendra Bang has been resigned from the Directorship of the Company w.e.f. February 14, 2022 and Mr. Vedant Bang was appointed as Additional Director as on February 14, 2022.

ACM – Audit Committee Meeting, NRCM – Nomination & Remuneration Committee Meeting, SRCM – Stakeholder Relationship Committee Meeting, IDM – Independent Directors Meeting, MFCM – Management & Finance Committee and AGM – Annual General Meeting

Further, the Company for effectiveness of Board process has adopted the Governance Guidelines which inter alia, cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, definition of independence, Director’s term, retirement age and Committees of the Board. It also covers aspects relating to nomination, appointment, induction and development of Directors, Director’s remuneration, Code of Conduct, Board Effectiveness Review and mandates of Board Committees.

The details of Composition of the above-mentioned Committees are given below and also available on the website of the company.

| Name of the Directors | AC | NRC | SRC | CSRC | MFC |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Non-Executive Independent Directors | | | | | |
| Subrata Kumar Dey | <i>Chairman</i> | <i>Chairman</i> | <i>Member</i> | - | - |
| Swati Sahukara | <i>Member</i> | <i>Member</i> | - | <i>Member</i> | <i>Member</i> |
| Anuradha Paraskar | - | <i>Member</i> | <i>Chairman</i> | <i>Member</i> | - |
| Executive Directors | | | | | |
| Brijgopal Balaram Bang | <i>Member</i> | - | <i>Member</i> | <i>Chairman</i> | <i>Chairman</i> |
| Vedant Bang | - | - | - | - | <i>Member</i> |

*Mr. Raghvendra Bang has resigned from the Board, SRC and MFC w.e.f. 14.02.2022 and Mr. Subrata Kumar Dey has been appointed as member of SRC w.e.f. 14.02.2022 and Vedant Bang appointed as member of MFC w.e.f. 14.02.2022.

POLICY ON DIRECTOR’S APPOINTMENT AND REMUNERATION

In accordance with Section 178 of the Act with Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014, the Company has constituted a Nomination and Remuneration Committee (“NRC”), details of which has been disclosed above and your Company has also formulated a Nomination and Remuneration Policy (“NRC Policy”) in accordance with Section 178(3) of the Companies Act, 2013 for appointment and remuneration of Directors, Key Managerial Personnel (KMP) and senior management personnel, salient features of which are hereunder:

- NRC shall identify potential candidates who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down in the NRC Policy and to recommend the Board for their appointment and removal.

- NRC shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a NRC Policy, relating to the remuneration for the directors, key managerial personnel and other senior management person.
- NRC shall carry out an annual evaluation process of the Board performance and its Committees;
- NRC Policy contains provisions regarding retirement and the Board shall have the discretion in retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, upon the recommendation of the NRC for the benefit of the Company.
- NRC policy ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain, motivate and promote

talent to run the Company successfully and ensures long term sustainability of talented managerial persons and create competitive advantage.

- NRC policy ensures relationship of remuneration to performance is clear and shall directly linked to their effort, performance, dedication and achievement relating to the Company's operations.
- NRC shall recommend remuneration for KMP (except WTD/MD) and Senior Management Personnel on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and market conditions

As per Section 134(3) and 178(4) of the Act, the web link of Nomination and Remuneration Policy of the Company is https://www.thomasscott.org/financial-results/TSIL_Nomination%20&%20Remuneration%20Policy.pdf

ANNUAL EVALUATION OF THE BOARD

Pursuant to the provisions of the Companies Act, 2013 the Board of Directors of your Company has carried out a formal annual evaluation of the performance of the Board as a whole, its Committees and of individual directors through a structured questionnaire, prepared after taking into consideration the guidance note issued by SEBI and ICSI, on Board evaluation, covering various aspects of the Board's functioning, Committee effectiveness, director's efficiency on individual basis etc.

The feedback and suggestions received from the directors and the Board as a whole has been discussed at the immediate next meeting of Board held on 14th February, 2022 in which directors expressed their satisfaction towards the process and criteria for the annual evaluation.

PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS UNDER SECTION 186:

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS MADE WITH RELATED PARTIES:

During the year under review, all the contracts, arrangements or transactions entered into/by the Company with related parties were in ordinary course of business and on an arm's length basis. Prior omnibus approval is obtained for related party transactions (RPT's) which are of a repetitive nature and entered in the Ordinary Course of Business and are at Arm's Length. A statement on RPTs specifying the details of the transactions, pursuant to each omnibus approval granted, has been placed on quarterly basis for review by the Audit Committee.

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has framed a Policy on dealing with Related Party Transactions which can be accessed on Company's website of the company.

The policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and its Related Parties.

Accordingly, Particulars of contracts or arrangements with related parties referred to in section 188(1) and (2) of the Companies Act, 2013, are provided in the prescribed **Form AOC-2** is appended as **Annexure 1** to this Annual Report.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCE AND REMUNERATION OF

EMPLOYEES:

Your Company firmly believes that a well-planned HRM program that is tailored to your organization and staff can actually improve your business's bottom line. Our teams are integral to our business. We have embraced a culture of excellence and meritocracy to nurture our people. We focus on developing the most superior workforce so that the organization and individual employees can accomplish their work goals in service to customers. We aim also at achieving advance flexibility, innovation, competitive advantage and improved business performance.

We follow a performance measuring tool like Balance Score Card (BSC) and Key Performance Indicators (KPI), applicable depending on their position in the organization, by which periodical evaluation of the employees' performance is done based on their area of working. This also encourages them to work hard and efficiently at all levels of work.

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is furnished in the **Annexure 2** to this Annual report.

Further, none of the employee in the Company falls under the provision of Section 197 (12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has adopted a Whistle Blower Policy, as part of vigil mechanism in confirmation with Section 177(9) of the Act to provide Directors and employees an avenue to lodge Complaints, in line with the commitment of Company to the highest possible standards of ethical, moral and legal business

conduct and its commitment to open communication and to provide necessary safeguards for protection of employees from reprisals or victimization, for whistleblowing in good faith.

The purpose of this policy is to provide a framework to protect employees wishing to raise a concern about serious irregularities within the Company. It is affirmed that no personnel of the Company have been denied to access to the Chairman of Audit Committee.

The details of the policy may be accessed on https://www.thomasscott.org/financial-results/policies/TSIL_Vigil%20Mechanism.pdf

PAYMENT OF LISTING FEE AND CUSTODIAL FEE:

Your Company has paid both Annual Listing Fee and Annual Custodial Fee for the Financial Year 2022-23 to the BSE Limited, National Stock Exchange of India Limited and to the depository's i.e National Securities and Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) respectively.

MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to the provisions of Regulation 34(2)(e) read with Para B Schedule V of LODR Regulations, 2015, the Management's Discussion and Analysis Report on Company's performance - industry trends and other material changes with respect to the Company and its subsidiaries, wherever applicable, forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT:

Pursuant to the Regulation 15 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Compliance related to the Corporate Governance is not mandatory to the Company.

In view of the above, Company has not provided

report on corporate governance and auditor's certificate thereon for the year ended March 31, 2022. However, whenever the provision will become applicable to the company later, the company shall comply with the requirements of the same within six months from the date on which the provisions became applicable to the company.

CEO & CFO CERTIFICATION:

In terms of Regulation 17(8) read with Part B of Schedule II of the LODR Regulations, 2015, the Managing Director and Chief Financial Officer of the Company have issued a certificate authenticating Financial Statements for the Financial Year 2021-22 which provides a true and fair view of the affairs of the Company and the said certificate dated 30th May, 2022 was placed before the Board in its meeting held on 30th May, 2022 and was reviewed and taken on record by the Board. The said Certificate is attached as 'Annexure - 3' to this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(C) read with Section 134 (5) of the Companies Act, 2013 the Directors of your Company, to the best of their knowledge and ability and based upon representations from the Management, hereby confirm that:

- a. In preparation of the Annual Accounts for the year ended March 31, 2022, the applicable accounting standards read with requirements set out under Schedule III to the Act have been followed there are no material departures from the same;
- b. They have selected such Accounting Policies in consultation with Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs and

profit of the company at the end of the financial year 2021-22

- c. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. They have prepared the Annual financial statements for year ended 31st March, 2022 on a going concern basis;
- e. They have laid down internal financial controls for your company, which are adequate and operating effectively.
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

A statement to the effect is annexed here to as 'Annexure-4' forming part of this Annual Report.

RISK MANAGEMENT:

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of rating risks and incorporates risk treatment plans in strategy, business and operational plans.

The Company has an effective system in place for identification of elements of risk which are associated with the accomplishment of objectives, operations, development, revenue and regulations in relation to the Company and appropriate measures are taken, wherever required, to mitigate such risks beforehand.

After Covid-19 pandemic, the Company has specifically identified following risks and also preparing mitigation plans for each risk identified:

- Risk of business slowdown, inadequate growth and negative returns;
- Risk related to cyber security;
- Risk of deterioration of financial health and business interruption;
- Risk of inadequate compliance;
- Risk of impact on reputation and fraud.

Along with this Statutory as well as Internal Auditors report to the Audit Committee during their audit and highlight risks, if any, associated with organization and also suggest the appropriate measures, in consultation with the management and the Audit Committee, which can be taken by the Company in this regard.

The Statutory Auditors also report to the Audit Committee of any instance of non-adherence to the procedures and manual which may increase the risk of frauds in the organization.

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

The Company has a policy and framework for employees to report sexual harassment cases at workplace and our process ensures complete anonymity and confidentiality of information.

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. All employees (permanent, contractual, temporary, trainees) are

covered under the said policy. Internal Complaints Committees has also been set up to redress complaints received on sexual harassment.

During the year under review, the Company has not received any complaint of sexual harassment from the women employees of the Company and no complaint was pending at the end of the year.

AUDITORS AND THEIR REPORTS:

The matters related to Auditors and their Reports are as under:

Statutory Auditors:

M/s. Bhattar & Co. Chartered Accountants, Mumbai (Registration No:131092W) who has been appointed as Statutory Auditor of the company for a period of five years at the 7th Annual General Meeting and their term of office will come to an end in the ensuing Annual General Meeting.

Accordingly the Board of the Company in its meeting held on August 13, 2022, with the consent of the Audit Committee has recommended appointment of M/s. Bharat Gupta & Co., Chartered Accountants, (having ICAI Registration No: 131010W) to act as Statutory Auditor of the company for a period of 5 years commencing from the conclusion of 12th Annual General Meeting up to the conclusion of 17th Annual General Meeting to be held in the calendar year 2027, subject to approval of members of the company.

M/s. Bharat Gupta & Co., Chartered Accountants, stated that their appointment is well within the prescribed limits under section 141 of the Companies Act 2013 and also consented to act as Statutory Auditor of the Company, in accordance with section 139(1) of the Companies Act 2013, read with the Companies (Audit and Auditors) Rules, 2014 and hold a valid Peer Review Certificate issued by the Peer Review Board of the ICAI.

M/s. Bhattar & Co., Statutory Auditor of the Company has audited books of account of the Company for the financial years ended March 31, 2022 and has issued the Auditor's Report thereon. There are no qualifications or reservation on adverse remarks or disclaimers in the said report. The Report given by the Auditors on the financial statement of the Company is part of this Annual Report. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Companies Act, 2013

Secretarial Auditor and Secretarial Audit Report:

The Board of Directors of the Company has, in compliance with the provisions of section 204 of the companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, appointed M/s. Kothari H. & Associates, Practicing Company Secretaries to carry out secretarial audit of the company for the financial year 2021-22.

Secretarial Audit Report as per Section 204 of Companies Act 2013 is annexed as **Annexure 5** to this report. There are adverse remarks in the said report. The Secretarial Audit Report of the Company contains following qualification, reservation or adverse remark which are herein below and the comments of directors upon the same:

| S. No | Adverse remarks | Director's comment |
|-------|--|--|
| 1 | Regulation 31 (2) & (3) of SEBI (LODR) Regulations, 2015 i.e. the listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form. | Directors state that the management is continuously making necessary efforts to maintain hundred percent of shareholding of promoter(s) and promoter group in dematerialized form. |

The Management hereby states that it will take all the all due care in future to avoid any kind of non-compliances and in progress to rectify all the above non-compliance as soon as possible.

Cost Auditor:

The Company is not required to maintain cost records and conduct cost audit in accordance with Section 148(1) of the Act read with Rule 3 of the Companies (Cost Record and Audit) Rules, 2014 as the business of the Company is not covered under the said rules and limits.

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

Your Company is continuously striving towards conservation of energy across all its units and has also earned foreign currency in Financial Year 2021-22, complete details with regard to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo in accordance with the provisions of Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 has been disclosed in **Annexure 6** to this Annual Report.

WEB ADDRESS OF ANNUAL RETURN:

The Annual Return in Form MGT-7 for the financial year ended, 31st March, 2022, is available on the website of the Company at <https://www.thomasscott.org/>

ADEQUACY OF INTERNAL FINANCIAL CONTROLS SYSTEMS:

The Company has established an adequate system of internal controls, with documented procedures covering all corporate functions and warehousing units. Internal controls provide:

- reasonable assurance regarding the effectiveness and efficiency of operations,
- the adequacy of safeguards for assets,
- assurance regarding reliability of financial statements,
- the reliability of financial controls and compliance with applicable laws and regulations.

The internal audit process provides a positive assurance to the Company about the internal financial control, it converges process framework, risk and control matrix and a scoring matrix, covering all critical and important functions inter-alia revenue management, warehouse operations, purchase, finance, human resources and safety. It ensures that all the transactions are authorized, recorded and reported correctly and assets are safeguarded and protected against loss from unauthorized use or disposition.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the Internal, Statutory, Secretarial Auditors and external consultants and the reviews performed by management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company’s internal financial controls were adequate and effective during Financial Year 2021-22.

POLICIES:

The Company has adopted various policies under the Companies Act, 2013, PIT Regulations, LODR Regulations, 2015 and other applicable laws, which are given here below:

- Whistle Blower & Vigil Mechanism Policy
- Nomination and Remuneration Policy
- Related Party Transaction Policy

- Archival Policy
- Policy for determining material events
- Policy for Preservation of the Documents
- Policy for Procedure of Inquiry in Case of Leak of UPSI
- Policy for prevention of Sexual Harassment at Workplace

All the policies are amended as required from time to time and are available at the website of the Company at <https://www.thomasscott.org/investor-relations.htm>

COMPLIANCE WITH SECRETARIAL STANDARDS:

During the year under review, the Company has complied with Secretarial Standards on Board meeting and General Meetings, as applicable on the Company, issued by Institute of Company Secretaries of India

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

The Company’s shares are compulsorily traded in dematerialized form on BSE and NSE. The Company have connectivity with the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited, as prescribed by the Securities and Exchange Board of India. Equity shares of the Company representing 98.95% of the Company’s equity share capital are dematerialized as on March 31, 2022.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company’s shares is **INE480M01011**.

CERTIFICATE FROM PRACTISING COMPANY SECRETARY OF NON-DISQUALIFICATION OF DIRECTORS:

The Company has obtained a certificate dated

September 01, 2022 from M/s Kothari H. & Associates, Practicing Company Secretaries, under Regulation 34(3) and Schedule V Para C Clause (10) (i) of LODR Regulations, 2015 confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) or any such statutory authority and the same is annexed hereto as 'Annexure -7'

ACKNOWLEDGEMENT:

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain a fighter during this unfavorable time.

The Board places on record its appreciation for the support and co-operation your Company has been receiving from its suppliers, distributors, retailers, vendors and others associates. Your Company looks upon them as partners in its progress, it will be your Company's endeavor to build and nurture strong links with them based on mutuality of benefits, respect for and co-operation with each other, consistent with consumer interests.

Your directors also take this opportunity to thank all Shareholders, Clients, Vendors, Banks, Government and Regulatory Authorities and Stock Exchanges, for their continued support.

For and on behalf of the board of directors

**Sd/-
Brijgopal Bang
Chairman & Managing Director
DIN: 00112203**

**Place: Mumbai
Date: 01.09.2022**

FORM NO. AOC -2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013]

1. Details of contracts or arrangements or transactions not at arm's length basis:

During the financial year 2021-22, there were no contracts or arrangements entered into by the Company with related party which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

(Amount in Lacs)

| Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 |
|--|---|---|--|--|---------------------------------|---|
| Name(s) of the related party: M/s. Bang Overseas Limited Nature of relationship: Enterprise owned or significantly influenced by KMP or their relatives | Sale of fixed assets | Continuous Transaction | Rs. 13.17 | 30.06. 2021 | None | Not applicable |
| Name(s) of the related party: M/s. Bang Overseas Limited Nature of relationship: Enterprise owned or significantly influenced by KMP or their relatives | Transportation & Testing Receipts | Continuous Transaction | Rs. 15.03 | 30.06. 2021 | None | Not applicable |

For and on behalf of the Thomas Scott (India) Limited

Date: 01/09/2022
Place: Mumbai

Brijgopal Bang
Managing Director
DIN: 00112203

ANNEXURE "2" TO THE BOARD REPORT

[Disclosure pursuant to Section 197(12) of the Companies Act, 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2021-22:

(In Lakhs)

| S. No. | Name of Director | Designation | Remuneration paid to Director in FY 22 | Median Remuneration in FY22 | Ratio |
|--------|--------------------|---------------------|--|-----------------------------|-------|
| i. | Mr. Vedant Bang | Additional Director | 3.00 | 1.47 | 2.05 |
| ii. | Mr. Brijgopal Bang | Managing Director | 14.40 | 1.47 | 10.1 |

ii. The remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year:

(In Lakhs.)

| S. No. | Name | Gross Salary | Commission | Stock option/ Sweat equity | Others | Total Remuneration Paid in FY 22 |
|--------|--------------------|--------------|------------|----------------------------|--------|----------------------------------|
| i | Mr. Vedant Bang | 3.00 | 0 | 0 | 0 | 3.00 |
| ii | Mr. Brijgopal Bang | 14.40 | 0 | 0 | 0 | 14.40 |
| iii | Mr. Samir Samaddar | 6.49 | 0 | 0 | 0 | 6.49 |
| iv | Mrs. Rashi Bang | 1.67 | 0 | 0 | 0 | 1.67 |

iii. The percentage increase in the median remuneration of employees in the financial year:

(In Lakhs.)

| Remuneration FY 21 | Remuneration FY 22 | Increase | % |
|--------------------|--------------------|----------|----|
| 103.13 | 312.45 | 209.32 | 67 |

iv. The number of permanent employees on the rolls of company:

| Name of the Company | No. of Employees on payroll (As on 31.03.2022) | Remuneration paid to managerial personal for FY 2022 (In Lakhs) |
|------------------------------|--|---|
| Thomas Scott (India) Limited | 212 | 312.45 |

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

| Remuneration paid to employees excluding managerial personal for FY 2021 (In Lakhs) | Remuneration paid to employees excluding managerial personal for FY 2022 (In Lakhs) | % change in remuneration paid to employees excluding managerial personal (In Lakhs) | Remuneration paid to managerial personal for FY 2021 In Lakhs) | Remuneration paid to managerial personal for FY 2022 In Lakhs) | % change in remuneration paid to managerial personal |
|---|---|---|--|--|--|
| 86.86 | 286.88 | 0.70 | 16.27 | 25.57 | 36 |

vi. Names of the top ten employees in terms of remuneration drawn and the name of every employee, who-

- a. If employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rs. 1,02,00,000/- (Rupees One crore and two lakh): **None**
- b. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- per month (Rupees Eight lakh and fifty thousand rupees): **None**
- c. If employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than 2% (two percent) of the equity shares of the company: **None**

vii. The statement under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the top ten employees in terms of remuneration drawing remuneration of Rs. 8,50,000/- or more per month or Rs. 1,02,00,000/- or more per annum:

| S. No. | Name | Designation of the employee | Remuneration received | Nature of employment, whether contractual or otherwise | Qualifications and experience of the employee | Date of commencement of employment | Age of employee | the last employment held by such employee before joining the company | the percentage of equity shares | whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager |
|--------|------|-----------------------------|-----------------------|--|---|------------------------------------|-----------------|--|---------------------------------|---|
| NIL | | | | | | | | | | |

CEO & CFO CERTIFICATE
[Under Regulation 17(8) of Listing Regulations]

To,
The Board of Directors
Thomas Scott (India) Limited

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Thmas Scott (India) Limited ("the Company") to the best of our knowledge and belief certify that:

(A) We have reviewed the Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2021-22 and that to the best of our knowledge and belief, we state that:

these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(B) No transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.

(C) We hereby declare that all the members of the Board of Directors and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.

(D) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(E) We have indicated to the auditors and the Audit committee

Significant changes in internal control over financial reporting during the Financial Year 2021-22.

Significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and

Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Thomas Scott (India Limited)

Date: 30.05.2022

Place: Mumbai

Samir Samaddar
Chief Financial Officer

Brijgopal Bang
Managing Director
DIN: 00112203

MANAGEMENT RESPONSIBILITY STATEMENT

The Company's management is responsible for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 ('Act') for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. This responsibility includes matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

The Company's 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.

These financial statements have been audited by M/s Bhattar & Company, Chartered Accountants, the Statutory Auditors of the Company.

For and on behalf of the Board of Director

Date: 01.09.2022
Place: Mumbai

Vedant Bang
Additional Director
DIN: 09506327

Brijgopal Bang
Managing Director
DIN: 00112203

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st MARCH, 2022

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

To,
The Members,
Thomas Scott (India) Limited

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

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Thomas Scott (India) Limited** for the financial year ended on March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- i. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- iv. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment made thereunder;
 - a. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation

- b. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation 2014; **(Not applicable to the company during the Audit Period)**
- c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the company during the Audit Period)**
- 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;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the company during the Audit Period)** and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the company during the Audit Period)**
- g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the Company during the Audit Period)

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations as applicable specifically to the company. The list of major head/ groups of Acts, Laws and Regulations as applicable specifically to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment made thereunder;

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

1. The Company has not complied with the Regulation 31 (2) & (3) of SEBI (LODR) Regulations, 2015 i.e. the listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form as the 100% promoters shareholding is not in dematerialized form.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

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

We further report that Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / Company Secretary / CFO / KMP taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and the operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances have been subject to review by statutory financial audit and other designated professionals.

We further report that, during the Audit Period, the following events occurred which had a bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations and guidelines:

1. During the year under review, the Company on March 31, 2022, has issued & allotted 21,24,402 Equity Shares upon the Conversion of 1 Convertible Warrants into Equity Shares of face value of Rs. 10/- each at a premium of Rs. 9/- per Equity Share to Promoter & Promoter Group and other than promoter and promoter group on preferential basis of the Company.

We further report that during the audit period the Company has not passed any resolution for:

- i. Redemption / buy-back of securities
- ii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iii. Merger / amalgamation / reconstruction, etc.
- iv. Foreign technical collaborations.

For KOTHARI H. & ASSOCIATES

Company Secretaries

Sonam Jain

Membership No.9871

Certificate of Practice No. 12402

Place: Mumbai

Date: 01/09/2022

UDIN: F009871D000892808

This report is to be read with our letter of even date which is annexed as **Annexure-1** and forms an integral part of this report.

Annexure- 1

To,
The Members
Thomas Scott (India) Limited

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

For **KOTHARI H. & ASSOCIATES**
Company Secretaries

Sonam Jain
Membership No.9871
Certificate of Practice No. 12402
UDIN: F009871D000892808

Place: Mumbai
Date: 01/09/2022

ANNEXURE "6" TO THE BOARD REPORT

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

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

| S. No. | Particulars | Comments |
|---|---|--|
| 1. Conservation of Energy | | |
| i. | The steps taken or impact on conservation of energy | During the year under review, a strict usages of DG sets where planned in order to reduce its uses. Electric load of the factory was reworked and relined in such way between two DG sets that during OT working only one DG set can generate required electricity |
| ii. | The steps taken by the Company for utilizing alternate sources of energy | Nil |
| iii. | The capital investment on energy conservation equipment | Nil |
| 2. Technology Absorption | | |
| i. | The efforts made towards technology absorption | As compared to previous years where by company had implemented ERP and CAD system in order to work efficiently, in current financial year we implemented process for better usage of technology in order increase efficiency |
| ii. | The benefit derived like product improvement, cost reduction, product development or import substitution | In the current year we had implemented lean system for manufacturing whereby we were able to reduce man to machine ratio and better efficiency |
| iii. | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | Not applicable |
| | a. The details of technology imported | |
| | b. The year of import | |
| | c. Whether the technology been fully absorbed | |
| | d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof | |
| | e. The expenditure incurred on Research and Development | The Company's product is on buyer based requirement; thus there is a development team which works on the same. Annually Company spent approx. INR.1-2 million plus on the same |
| 3. Foreign Exchange Earnings and Outgo | | (Rs. Lakhs) |
| i. | Foreign Exchange Earning | - |
| ii. | Foreign Exchange Outgo | 69.43 |

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
THOMAS SCOTT (INDIA) LIMITED

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of THOMAS SCOTT (INDIA) LIMITED having CIN L18109MH2010PLC209302 and having registered office at 50, Kewal Industrial Estate, Senapati Bapat Marg, Lower Parel (W), Mumbai - 400 013 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

| Sr. No. | Name of Director | DIN | Date of appointment in Company |
|---------|--------------------------------|----------|--------------------------------|
| 1. | Mr. Brijgopal Balaram Bang | 00112203 | 22/10/2010 |
| 2. | Mr. Vedant Brijgopal Bang | 00356811 | 14/02/2022 |
| 3. | Mrs. Anuradha Shirish Paraskar | 02331564 | 15/02/2018 |
| 4. | Mr. Subrata Kumar Dev | 03533584 | 14/02/2013 |
| 5. | Ms. Swati Sahukara | 06801137 | 02/02/2015 |
| 6. | Mr. Raghavendra Venugopal Bang | 00356811 | 30/05/2014 |

* Mr. Raghavendra Venugopal Bang resigned as a director w.e.f. 14th February, 2022.

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

For KOTHARI H. & ASSOCIATES
Company Secretaries

Sonam Jain (Partner)
Membership No.9871
Certificate of Practice No. 12402

Place: Mumbai
Date: 01/09/2022

UDIN: F009871D000892797

Management Discussion and Analysis



ECONOMIC AND INDUSTRY OVERVIEW

GLOBAL ECONOMY:

As the world enters the third year of the COVID-19 crisis, economic developments have been both encouraging and troubling, clouded by many risks and considerable uncertainty. The last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times for policy making. The "second wave's" economic effect was significantly less than the full lockdown in 2020-21, but the health consequences were far more severe. These have been difficult times for the world economy. It is not just about the immediate disruptions and uncertainty caused by repeated waves of the pandemic, but also the longer-term uncertainty about the post Covid world due to accelerated shifts in technology, consumer behavior, supply-chains, geo-politics, climate change and a host of other factors.

Global growth is expected to moderate from 5.9 in 2021 to 4.4 per cent in 2022 – half a percentage point lower for 2022 than in the October World Economic Outlook (WEO), largely reflecting forecast markdowns in the two largest economies. A revised assumption removing the Build Back Better fiscal policy package from the baseline, earlier withdrawal of monetary accommodation, and continued supply shortages produced a downward 1.2 percentage-points revision for the United States. In China, pandemic-induced disruptions related to the zero-tolerance COVID-19 policy and protracted financial stress among property developers have induced a 0.8 percentage- point downgrade. Global growth is expected to slow to 3.8 per cent in 2023.

The war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-

income countries hardest. Global growth is projected to slow from an estimated 6.1 per cent in 2021 to 3.6 per cent in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Beyond 2023, global growth is forecast to decline to about 3.3 per cent over the medium term. War induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7 per cent in advanced economies and 8.7 per cent in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

ECONOMIC SURVEY: 2021-2022: TEXTILE SECTOR

Close to Rs.203000 Cr. have been invested in textile industry with direct and indirect employment of about 105 Million people in the last decade

Production-Linked Incentive (PLI) Scheme for Man Made Fiber (MMF) segment and technical textiles, notified in September 2021, for enhancing India's manufacturing capabilities and enhancing exports will focus on promotion of 40 MMF apparel and 10 Technical textiles lines. It is estimated that over the period of five years, the PLI Scheme for Textiles will lead to fresh investment of more than Rs.19,000 Crore, cumulative turnover of over Rs. 3 Lakhs Crore will be achieved under this scheme and, will create additional employment opportunities of more than 7.5 Lakhs jobs in this sector.

The government notified the setting up of 7 PM MEGA INTEGRATED TEXTILES REGION AND APPAREL PARK (MITRA) in October 2021 with a total outlay of Rs. 4,445 crores. The scheme is expected to strengthen the vision of *AtmaNirbhar* Bharat and to position India strongly on the global textiles map.

PM MITRA inspired from 5F's -farm to fiber; fiber to factory; factory to fashion; fashion to foreign -will strengthen the textile sector by developing integrated large scale and modern industrial infrastructure facility for entire value-chain of the textile industry. It is expected to reduce the logistics cost and will help India in attracting investments, and boosting employment generation. Competitiveness Incentive Support (CIS) of Rs.300 Crore will also be provided to each PM MITRA Park for early establishment of textiles manufacturing units in PM MITRA Park

Amongst the manufacturing sector, textiles and wearing apparel staged strong recovery and reverted to positive growth trajectory from April 2021 onwards.

Source: <https://www.icidirect.com/research/equity/trending-news/economic-survey-2021-2022-textile-sector>

TEXTILE INDUSTRY:

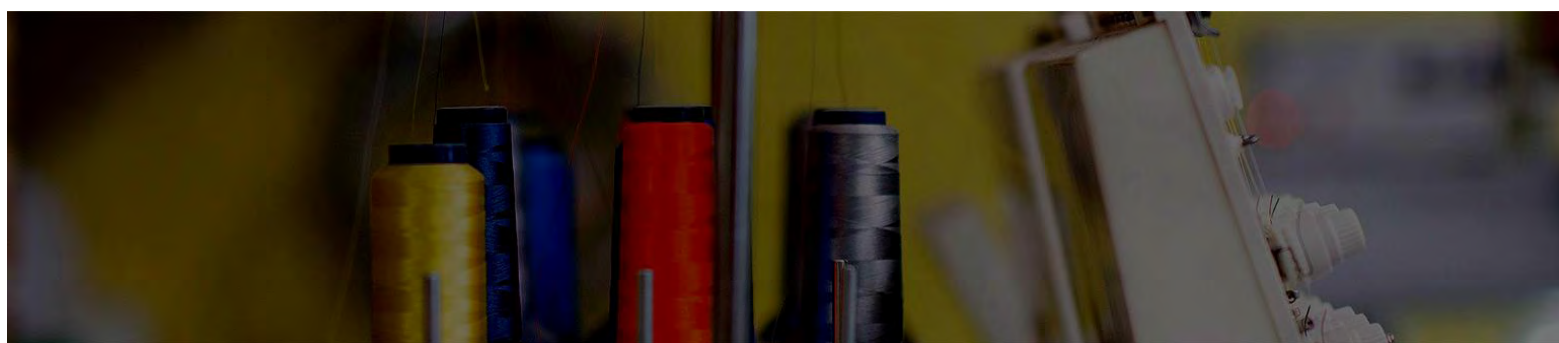
India is one of the largest producers of textiles. It provides direct employment to 51 million people and indirectly 68 million. Due to changing government policies at the state and central government levels because of which major challenges are arising in the textile industry. The tax structure GST (Goods and Service Tax) makes the garments expensive. Another important threat is raising interest rates and labour wages and workers' salaries at the hubs of textile garment industries all over India at places such as Bangalore, Mumbai, Tirupur, and New Delhi. These manufacturers have the ability to produce the entire range of woven wear and knitwear at a low cost with reasonably good quality. The Indian textile industry has its own limitations such as access to the latest technology and failures to meet global standards in the highly competitive export market. Countries like China, Bangladesh and Sri Lanka give fierce competition in low price garment market. The

formulation of policy, planning, development, export promotion and regulation of the textile industry in India is administered under the Ministry of Textile, Government of India.

INDIAN APPAREL INDUSTRY:

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, with the capital-intensive sophisticated mills sector at the other end. The decentralised power looms/ hosiery and knitting sector form the largest component of the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce a wide variety of products suitable for different market segments, both within India and across the world.



CHALLENGES OF TEXTILE INDUSTRY:

| | |
|---|---|
| Shortage in supply of raw materials: | Because of pollution issues some unit of china and Europe has been shut down due to which rise in the prices of basic raw material has resulted and there are many other factors like weather, crop quality etc. which are influencing the raw material supply. |
| Increase in cost of raw material: | Unpredictable market conditions, weather, policies etc. have resulted in an increase in raw material costs. |
| Environmental problems: | Environmental compliance often isn't at the top of textile and garment importers' concerns. |
| Infrastructure bottlenecks: | The low quality of India's infrastructure continues to lag behind that of many other Asian countries. |
| Other: | Impact of GST; Shortage of labourer's due to a mass return and the decline in Apparel export. |

THE KEY ADVANTAGES OF THE INDIAN TEXTILE INDUSTRY ARE:

- India is among the world's largest producers of Textiles and Apparel. The domestic apparel & textile industry in India contributes 5% to the country's GDP, 7% of industry output in value terms, and 12% of the country's export earnings;

- It is the industry in the country which is self-reliant and complete in the value chain i.e. from raw material to highest value added products;
- India is the largest producer of cotton with the largest area under cotton cultivation in the world. It has an edge in low cost cotton sourcing compared to other countries;
- Average wage rates in India are 50-60 per cent lower than that in developed countries, thus enabling India to benefit from global outsourcing trends in labour intensive businesses such as garments and home textiles;
- Design and fashion capabilities are key strengths that will enable Indian players to strengthen their relationships with global retailers and score over their Chinese competitors. Production facilities are available across the textile value chain, from spinning to garments manufacturing. The industry is investing in technology and increasing its capacities which should prove a major asset in the years to come;
- Large Indian players such as Arvind Mills, Welspun India, Vardhman textiles, Raymond, Trident to name a few have established themselves as 'quality producers' in the global market. This recognition would further enable India to leverage its position among global retailers. India has gathered experience in terms of working with global brands and this should benefit Indian vendors;
- Robust demand: Cotton production in India is projected to reach 7.2 million tonnes (~43 million bales of 170 kg each) by 2030, driven by increasing demand from consumers. Exports of cotton yarns/ fabs./made-ups/handloom products stood at US\$ 8.6 billion between April 2021 and October 2021;
- Competitive advantage: Abundant availability of raw materials such as cotton, wool, silk and jute;
- Policy support: In October 2021, the government approved a scheme worth Rs. 4,445 crore (US\$ 594.26 million) to establish seven integrated mega textile parks and boost textile manufacturing in the country;
- Increasing Investments: Huge funds in schemes such as Integrated Textile Parks (SITP) (US\$ 184.98 million) and Technology upgradation Fund Scheme (US\$ 961.11 million) released by Government during 2015-16 to 2019-20 to encourage more private equity and provide employment.

OUTLOOK:

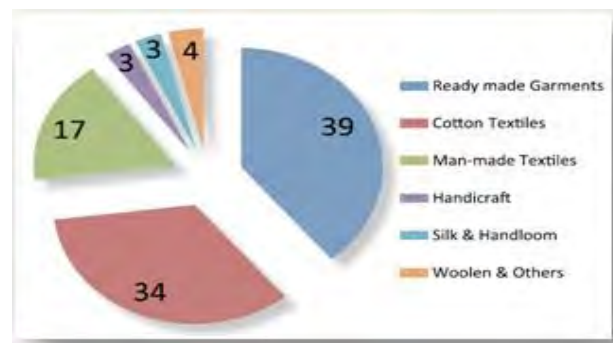
The revenue generated by the global apparel market is steadily increasing over the course of the observed time period. The global apparel market size is expected to grow from \$551.36 billion in 2021 to \$605.4 billion in 2022 at a compound annual growth rate (CAGR) of 9.8%. The apparel market is expected to grow to \$843.13 billion in 2026 at a CAGR of 8.6%.

The Indian textiles market is expected to be worth more than US\$ 209 billion by 2029:

The apparel market encompasses every kind of clothing, from sportswear to business wear, from value clothing to statement luxury pieces. After difficulties in 2020, during the coronavirus pandemic, when sales across the apparel industry took a hit, the global demand for clothing and shoes is set to rise again.

The countries that account for the majority of this apparel demand are the United States and China, both generating substantially higher revenues than any other country. It is perhaps no surprise that the same two countries play a significant role in international trade. China leads the rankings for the highest value of apparel exports. The U.S. is second only to the EU in the value of apparel imports.

Increasing demand for online shopping is expected to help the apparel manufacturing market grow. Manufacturers can now sell their products on a larger platform than before, which will increase their customer base geographically driving the growth of the apparel manufacturing market. In countries, such as India, for instance, e-commerce portals have boosted the sales of traditional garments by giving larger exposure to producers who were confined to one geography where the weaving community was located.



Along with digitalization, another key apparel industry trend is sustainability. More consumers are concerned about the future of the planet and are putting pressure on fashion brands that do not have eco-friendly practices.

GOVERNMENT INITIATIVES

The Indian government has come up with several export promotion policies for the textiles sector. It has also allowed 100% FDI in the sector under the automatic route.

Other Initiatives taken by the Government of India are:

In May 2022, Minister of Micro, Small and Medium Enterprises, Mr. Narayan Rane, inaugurated the Center of Excellence for Khadi (CoEK) at NIFT, Delhi. In order to produce innovative fabrics and apparel that will meet the needs of both domestic and foreign consumers, the CoEK will seek to introduce the newest designs and adopt procedures that adhere to international standards.

In March 2022, the Ministry of Textiles, in collaboration with the Confederation of Indian Industries (CII), organized a day-long International Conference on Technical Textiles with the theme: Creating the Winning Leap in Technical Textiles.

The Government of India has earmarked a corpus of Rs. 1,000 crore (US\$ 127.72 million) dedicated for research and development of the technical textiles sector.

Under the Union Budget 2022-23, the total allocation for the textile sector was Rs. 12,382 crore (US\$ 1.62 billion). Out of this, Rs.133.83 crore (US\$ 17.5 million) is for the Textile Cluster Development Scheme, Rs. 100 crore (US\$ 13.07 million) for the National Technical Textiles Mission, and Rs. 15 crore (US\$ 1.96 million) each for PM Mega Integrated Textile Region and Apparel parks scheme and the PLI Scheme.

For export of handloom products globally, the Handloom Export Promotion Council (HEPC) is participating in various international fairs/events with handloom exporters/weavers to sell their handloom products in the international markets under NHDP.

The Ministry of Textiles has also been implementing the Handloom Marketing Assistance (HMA), a component of National Handloom Development Programme (NHDP) all across India. HMA provides a marketing platform to the handloom weavers/agencies to sell their products directly to the consumers and

develop and promote the marketing channel through organizing expos/events in domestic as well as export markets.

In November 2021, Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, stated the desire to target a 3-5x time increase in the export of technical textiles worth US\$ 10 billion over the next three years.

The Indian government has notified uniform goods and services tax rate at 12% on man-made fabrics (MMF), MMF yarns, MMF fabrics and apparel, which came into effect from January 1, 2022.

Minister of Textiles, Commerce and Industry, Consumer Affairs & Food and Public Distribution, Mr. Piyush Goyal, announced a mega handloom cluster in Manipur and a handloom and handicraft village at Moirang in Bishnupur. The mega cluster will be set up at an estimated cost of Rs. 30 crore (US\$ 4.03 million) under the National Handloom Development Programme (NHDP).

In October 2021, Minister for Commerce and Industry, Textiles, Consumer Affairs, Food & Public Distribution, Mr. Piyush Goyal, announced the creation of 100 textile machinery champions in the country, and to promote them in the global market. Through this, the government aims to make India a global player in textiles machinery.



Source: <https://www.ibef.org/industry/textiles>

In October 2021, the Ministry of Textiles approved the continuation of the comprehensive handicrafts cluster development scheme with a total outlay of Rs. 160 crore (US\$ 21.39 million). Through this scheme, the government aims to support domestic SMEs and local artisans.

In October 2021, the government introduced SAMARTH training at 75 training centers across the country, to accelerate the scheme's coverage among artisans.

The government allocated funds worth Rs. 17,822 crore (US\$ 2.38 billion) between FY16-22 for the 'Amended Technology Up-gradation Fund Scheme' (A-TUFS), to boost the Indian textile industry and enable ease of doing business.

ACHIEVEMENTS

Following are the achievements of the Government in the past four years:

In April 2022, Minister of Commerce and Industry, Consumer Affairs, Food and Public Distribution and Textiles, Mr. Piyush Goyal, said that new Economic Cooperation and Trade Agreements with Australia and the UAE would open infinite opportunities for textiles and handloom. Indian textile exports to Australia and the UAE would now face zero duties, and he expressed confidence that soon Europe, Canada, the UK and GCC countries would also welcome Indian textile exports at zero duty.

The Khadi and Village Industries Commission (KVIC) achieved turnover of Rs. 1.15 lakh crore (US\$ 14.68 billion) in FY22, a growth of 20.54% YoY, and more than any Indian FMCG company managed in FY22. In CY20, the Cotton Corporation of India made a record procurement of 151 lakh bales under MSP operations, which is 290% higher than the 38.43 lakh bales procured during the corresponding period last year.

Under the Scheme for Integrated Textile Parks (SITP), 59 textile parks were sanctioned, out of which, 22 have been completed. Employment increased to 45 million in FY19 from 8.03 in FY15.

Sangam India Ltd, one of the foremost producers in PV dyed yarn, cotton and OE yarn and also ready to stitch fabric, has installed two solar power plants of 5 MW that on average helps them to bring down their carbon footprint by at least 20% per annum. SIL also plans to increase the use of recycled fibre, leading to lesser consumption of plastic waste by using it as a raw material.

MARKET SIZE

Textiles industry has around 4.5 crore employed workers including 35.22 lakh handloom workers across the country. The Indian textile and apparel industry is expected to grow at 10% CAGR from 2019-20 to reach US\$ 190 billion by 2025-26. India is the world's largest producer of cotton. Estimated production stood at 362.18 lakh bales during cotton season.

Domestic consumption for the 2021-22 cotton season is estimated to be at 338 lakh bales. Production of fibre in India reached 2.40 MT in FY21 (till January 2021), while for yarn, the production stood at 4,762 million kgs during same period. India's textile and apparel exports (including handicrafts) stood at US\$ 44.4 billion in FY22, a 41% increase YoY. Exports of readymade garments including cotton accessories stood at US\$ 6.19 billion in FY22.

Source: <https://www.ibef.org/industry/textiles>



OPPORTUNITIES

The Indian textile industry is in a much stronger place than it was at any point of time in the last half a dozen decades. The raise in productivity, increase in exports, replication of investment during few years under Technology Upgradation Fund Scheme (TUFSS), clearly put forward that the Indian textile manufacturing industry has capability in facing the challenges of modern economic system. It's the time, to strengthen the Company through fuller exploiting of available opportunities in both the domestic and worldwide markets which are summarized here below:

I. Growth in Domestic Market: The domestic textiles and apparel market in India is one of the emerging markets in the world. Rising income levels of consumers and rapid urbanization are key factors for the increase in demand in the domestic market. The Indian domestic trade is going to touch heights and the same will help the Company to expand its business. At current, the domestic T&A market is worth USD 59 billion (INR 3, 25,460 crore), and is expected to grow at 9% per year to hit USD 142 billion (INR 7, 82,080 crore), by 2023.

II. Increased retail industry and malls provide huge opportunities: The growth in organized retailing is expected due to economic growth, changing lifestyle of the people and globalization. Apart this, metropolises and small towns are perceiving a major move in consumer preferences and life style, and have subsequently developed as eye-catching markets for the Company.

III. Increased disposal income and purchasing power of Indian consumers: It is interesting to remark that the disposable income of the home has been increasing and it is perceived more than doubled since 1985. With the advance in income, the patterns of consumer choices have changed and a new middle class has originated, which is developing at a fast rate. Several studies have estimated that in the next decade, middle class would be the predominant part of the Indian population. This class covers major customer of the product of the Company.

IV. Great investment and FDI opportunities: As the Indian textile industry appearances for faster development, many companies across the world showing interest in investing their funds in India.

THREATS

I. Competition from other companies: The Company faces a lot of competition from other companies (domestic as well as international) which have established their USP in the market in India as well as globally.

II. Rising input costs: Monetary value of inputs indicating the huge cost increase, which in yield would be a problem of increased production cost. It requires immediate attention by the regime. The business is affecting due to faster hike in raw material costs.

III. Low cost imported fabrics: Indian textile manufacturers face the force per unit area of cheap import of synthetic yarn from other states.

IV. Other threats faced by the Company: Apart then mentioned above there are many other threats which are faced by the Company. Following is the list of other threats:

1. High Transportation Cost
2. Increase in labour
3. Cost Risk of cyber attack
4. Frequent changes in consumer sentiments

RISK AND CONCERNS:

Risks are inherent in all businesses. The challenge for the Company is to effectively and responsibly manage and control the risks on a sustained basis to enhance returns.

| Industry Risk: | Raw Material Risk: | Product Substitution Risk: |
|---|---|---|
| The demand for textiles is perennial and major fluctuations occur largely due to changes in overall economic growth and manufacturing competitiveness. However, the business is cyclical on the supply side considering the quantum of capital investment involved in capacity expansion. This makes it necessary for the Company to incur large capital expenditure at the right time. | The Company is exposed to the vagaries of nature, with cotton being the principal raw material for fabric manufacturing. | Man Made Fibers are a direct substitute for cotton textiles. |
| Risk Mitigation: | Risk Mitigation: | Risk Mitigation: |
| The Company has consistently invested funds in its manufacturing plant to bring them in line with the latest technology. This prudence is reflected in the enhanced market presence due to higher production and improved quality at a lower cost of production. | Procurement of raw cotton at right price remains crucial. The Company covers its cotton requirements from time to time through the domestic and international markets. The Company also seeks out alternative cotton varieties and blends to increase its raw material basket. Thus, this enables an in built risk mitigation for cotton price fluctuation. | The Company specializes in producing the best quality cotton fabrics, which are at par with the highest global quality standards and has created a niche positioning with products which cater to high-end customers. The company also makes cotton shirts. |

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

On Standalone basis:

The Company's Total Revenue was Rs. 3232.19 Lakhs in 2021-22 as compared to Rs. 2145.99 Lakhs in the previous year, an increase of about 33.60%

Earnings Before Interest, Depreciation, Taxes, Amortizations and Exceptional Items (EBIDTA) was Rs. 141.69 Lakhs as compared to Rs. 89.13 Lakhs, an increase of about 37.10 %.

Profit before Tax was Rs. 69.61 Lakhs as compared to Rs. (8.06) Lakhs in the previous year, an increase of about 111.57%.

The Net Profit for the year was Rs. 62.86 Lakhs as compared to Rs. (11.45) Lakhs in the previous year, an increase of about 118.21%.

The detailed Financial and Operational Performance present in notes to accounts for the financial year 2021-22 which forms a part of this Annual Report.

DETAILS OF CHANGES IN KEY FINANCIAL RATIO & RETURN ON NET WORTH

The key financial ratios of the Company where there has been significant change and change in Return on Net Worth are summarized below along with detailed explanation:

| Particulars | 2022 (%) | 2021 (%) | % of Change | Detailed Explanation for significant change |
|-----------------------------|----------|----------|-------------|---|
| Debtors Turnover | 0.53 | 0.99 | -46.69 | Due to COVID 19 pandemic, the holding of booked debt for FY 2020-21 was more than average |
| Inventory Turnover | 1.35 | 2.26 | -40.11 | The ratio is better in current year due to better management of inventory level for future the expected sales |
| Current Ratio | 1.23 | 1.08 | 159.54 | Ratio in current year is better due to better management of balancing of current assets against its liabilities |
| Debt Equity Ratio | 0.30 | 104.58 | 14.21 | Because of higher of profit margin in current year (21-22) in comparison to loss on last year (2021) the ratio is healthy |
| Interest Coverage Ratio | 3.40 | 1.31 | -99.71 | Because of better EBIDT the interest coverage ratio been upgraded |
| Operating Profit Margin (%) | 63.00 | (200.00) | -131.50 | Because of higher of profit margin in current year (21-22) in comparison to loss on last year (2021) the ratio is healthy |
| Net Profit Margin (%) | 1.94 | (0.47) | -512.77 | |
| Return on Net Worth* | 0.06 | (0.03) | -300.00 | |

HUMAN RESOURCE

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. The company's belief is that its people are the primary source of its competitive advantage and consistently puts emphasis on Human Resources Development, which remains vital and strategic to the

company. The Company is committed to nurturing, enhancing and retaining talent through Learning & Organizational Development to support the organization's growth and its sustainability in the long run. Cordial employee relations, in keeping with tradition, are being pursued vigorously. Industrial relations have continued to be harmonious throughout the year. This has been possible by creating a performance driven culture against the backdrop of care and concern for all employees. Objective appraisal systems based on Key Result Areas (KRAs) are in place.

The total numbers of employees of the Company as on March 31, 2022 was 212.

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:

Sound internal control systems are a prerequisite for building and enhancing shareholder value in the long run. The Company has a sound system of internal controls commensurate with the size of the Company and the nature of its business to ensure that all assets are safe guarded and protected against loss from unauthorized use or disposition and that transactions are authorised and recorded reported correctly and adequately.



The Company's internal control are supplemented by internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of internal controls systems and suggests improvement for strengthening them.

CAUTIONARY STATEMENT

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions maybe forward-looking statements within the meaning of applicable laws or regulations. These statements are based on certain assumptions and reasonable expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials cost & availability, changes in Government regulations and tax structure, economic developments within India and the Countries with which the Company has business contacts and other factors such as litigation and industrial relations. The Company assumes no responsibility in respect of the forward-looking statements herein which may undergo changes in future on the on the basis of subsequent developments, information or events.

Independent Auditors' Report

TO THE MEMBERS OF

THOMAS SCOTT (INDIA)N LTD

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of Thomas Scott (India) Ltd (“the Company”), which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, the Profit and total comprehensive profit, changes in equity and its cash flow 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 provisions of the Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI’s Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

Other Information

The Company’s Board of Directors is responsible for preparation of the other information. Other information comprises the information included in the Company’s Annual Report, but does not include the financial statements and our auditor’s report thereon.

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

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

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for 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 auditors' 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 override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate appropriateness of accounting policies used and reasonableness of accounting estimates and related disclosures made by management.
- Conclude on 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A a statement on the matters specified in paragraph 3 of the Order.
2. (A) As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books of accounts;
 - c) The Balance Sheet, Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Ind AS financial statements comply with the accounting standards specified under section 133 of the Act;
 - e) On the basis of written representations received from the directors as on 31st March 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022, from being appointed as a director in terms of sub section (2) of Section 164 of the Act;
 - f) With respect to adequacy of the internal financial control over financial reporting of the Company and operating effectiveness of such control, refer to our separate Report in Annexure 'B'; and

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

- (a) The Company does not have pending litigations as at March 31, 2022.
- (b) The Company did not have any long term contracts including derivative contracts for which there were material foreseeable losses:
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company. during the year ended March 31, 2022.
- (d) (i) As per the information and explanation given to us by the management, 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) As per the information and explanation given to us by the management, 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;
- (e) The Company has neither declared nor paid any dividend during the year.

(C) As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

For BHATTER & COMPANY

Chartered Accountants
Firm Regd. No. 131092W

DAULAL H BHATTER
Proprietor
Membership No: 016937.
Place: Mumbai
Dated: 30th May 2022
UDIN: 22016937AJXVWW3204

ANNEXURE ‘A’ TO INDEPENDENT AUDITOR’S REPORT

Annexure ‘A’ referred to in Paragraph 1 of Report on Other Legal and Regulatory Requirements in our report to members of **THOMAS SCOTT (INDIA) LTD** (“the Company”) for the year ended 31st March, 2022.

We report that:

- i. In respect of its Property, Plant & Equipment:
 - (a) (A) The Company is maintaining proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment;
 - (B) The Company is maintaining proper records showing full particulars of Intangible Asset.;
 - (b) The Company has a regular programme of physical verification of Property, Plant & Equipment which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain Property, Plant & Equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification;
 - (c) According to the information and explanations received by us, as the Company owns no immovable properties, the requirement on reporting whether title deeds of immovable properties held in the name of the Company is not applicable.
 - (d) As per the information and explanation given to us by the management, the Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year and hence provisions of Clause 3(i)(d) of the Order are not applicable to the Company;
 - (e) As per the information and explanation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder and hence provisions of Clause 3(i)(e) of the Order are not applicable to the Company.
- ii. In respect of its inventories:
 - (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory;
 - (b) The Company has not been sanctioned any working capital limits in excess of Rs 5 Crores in aggregate from banks or financial institutions on the basis of security of current assets. In our opinion, the filling of quarterly statements with banks or financial institutions not applicable.
- iii. According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not provided any security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in or granted any loan, secured or unsecured, to firms and limited liability partnerships. The Company has not made investments in companies.
 - (a) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment. Hence the requirement to report loans granted

to promoters, related parties as defined in clause 76 of section 2 of the Act or to any other parties on clause 3(iii) (f) of the Order is not applicable.

- iv. The Company has not granted any loans, made any investment or provided any guarantee or security hence the provision for compliance of Section 185 and 186 of the Companies Act is not required. The Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year. Accordingly, paragraph 3(v) of the Order is not applicable to the Company\
- v. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.
- vi. (a). In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing any undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2022, for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, there are no disputed amounts dues to be deposited in respect of goods and services tax, provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax and cess as at March 31, 2022.
- vii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no instances of any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- viii. (a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan. Accordingly, paragraph 3(ix) (c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have, prima facie not been utilized for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- ix. (a) According to the information and explanations provided to us and the records of the Company examined by us, the Company has not raised monies by way of initial public offer or further public offer.

- (b) According to the information and explanations given to us, the Company has made preferential allotment of shares during the year, to the best of our knowledge the requirements of Section 42 and Section 62 of the Companies Act have been complied with and the funds raised have been used for the purpose of which the funds were raised.
- x. (a) To the best of our knowledge and according to the information and explanations given to us, we report that no fraud by the Company or on the Company has been noticed or reported during the course of audit.
- (b) No report under sub-section (12) of section 143 of the 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 by the Statutory Auditors and up to the date of this Report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xi. The Company is not a Nidhi company as prescribed under Section 406 of the Companies Act. Accordingly, the reporting requirement under clause 3 (xii) of the Order is not applicable.
- xii. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiii. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit is performed as per a planned program approved by the management and those charged with governance of the Company. We have considered, during the course of our audit, the reports of the branch internal audits for the year under audit in accordance with the guidance provided in SA 610 'Using the Work of Internal Auditors' issued by the Institute of Chartered Accountants of India.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3 (xvi)(c) of the Order is not applicable.
- (d) As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group. Accordingly, clause 3 (xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses in the financial year and incurred cash losses in the immediately preceding financial year.

- xviii. There has been no resignation of the statutory auditors during the year, and hence provisions of Clause 3(xviii) of the Order are not applicable to the Company;
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that 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. The requirements as stipulated by the provisions of Section 135 are not applicable to the Company, Accordingly, clauses 3(xx)(a) and (b) of the Order are not applicable.

For BHATTER & COMPANY

Chartered Accountants
Firm Regd. No. 131092W

DAULAL H BHATTER
Proprietor
Membership No: 016937.
Place: Mumbai
Dated: 30th May 2022
UDIN: 22016937AJXVWW3204

ANNEXURE ‘B’ TO INDEPENDENT AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of Thomas Scott (India) Ltd (‘the Company’) as of 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, 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 control over financial reporting was established and maintained and if such control operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, 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 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For BHATTER & COMPANY

Chartered Accountants
Firm Regd. No. 131092W

DAULAL H BHATTER

Proprietor

Membership No: 016937.

Place: Mumbai

Dated: 30th May 2022

UDIN: 22016937AJXVWW3204

THOMAS SCOTT (INDIA) LIMITED
BALANCE SHEET AS AT 31ST MARCH 2022

(Rs in lacs)

| Particulars | Note No. | As at 31st March 2022 | As at 31st March 2021 |
|--|----------|-----------------------|-----------------------|
| ASSETS | | | |
| 1. Non-current assets | | | |
| (a) Property, Plant and Equipment | 2 | 226.97 | 142.94 |
| (b) Intangible assets | 2A | 1.92 | 2.05 |
| (c) Deferred tax assets (net) | 3 | 20.25 | 26.99 |
| (d) Other non-current assets | 4 | 3.05 | 9.99 |
| 2. Current assets | | | |
| (a) Inventories | 5 | 1,809.79 | 960.22 |
| (b) Financial Assets | | | |
| (i) Trade receivable | 6 | 1,699.28 | 2,116.23 |
| (ii) Cash and cash equivalents | 7 | 316.94 | 16.81 |
| (c) Other current assets | 8 | 466.60 | 368.39 |
| TOTAL ASSETS | | 4,544.79 | 3,643.64 |
| EQUITY AND LIABILITIES | | | |
| 1. Equity | | | |
| (a) Equity Share Capital | 9 | 551.44 | 339.00 |
| (d) Other Equity | 10 | 473.82 | 62.98 |
| 2. Liabilities | | | |
| Non-current liabilities | | | |
| (a) Provisions | 11 | 17.72 | 9.82 |
| 3. Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 12 | 3.12 | 420.38 |
| (ii) Trade payable | 13 | | |
| Total outstanding dues of micro enterprises and small enterprises | | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 3,481.27 | 2,800.84 |
| (b) Provisions | 14 | 2.67 | 1.32 |
| (c) Other current liabilities | 15 | 14.75 | 9.29 |
| | | - | |
| TOTAL EQUITY AND LIABILITIES | | 4,544.79 | 3,643.64 |

Significant Accounting Policies 1
The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Bhatler & Co.
Chartered Accountants
Firm Registration No:131092W

For and on behalf of Board of Director
Thomas Scott (India) Limited

Sd/-
Daulal H. Bhatler
Proprietor
Membership No. 016937

Sd/-
Brijgopal Bang
Managing Director
(DIN: 00112203)

Sd/
Vedant Bang
Director
(DIN 09506327)

Sd/-
Rashi Bang
Company Secretary

Place : Mumbai
Date : 30th May 2022
UDIN : 22016937AJXVWW3204

Place : Mumbai
Date: 30th May 2022

Sd/-
Samir Samaddar
Chief Financial Officer

THOMAS SCOTT (INDIA) LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2022

(Rs in lacs)

| Particulars | Note | For the year ended 31st March 2022 | For the year ended 31st March 2021 |
|--|------|------------------------------------|------------------------------------|
| INCOME | | | |
| Revenue from Operations | 16 | 3,232.19 | 2,145.99 |
| Other Income | 17 | 14.11 | 9.36 |
| Total Income | | 3,246.30 | 2,155.36 |
| EXPENSES | | | |
| Cost of material consumed | 18 | 1,870.35 | 1,131.79 |
| Purchase of Stock-in-Trade | 19 | 412.66 | 636.86 |
| Changes in inventories of Stock-in-Trade | 20 | (405.65) | 6.46 |
| Employee benefit expense | 21 | 331.35 | 114.58 |
| Finance costs | 22 | 43.05 | 69.02 |
| Depreciation and amortization expense | 2 | 29.03 | 28.18 |
| Other expenses | 23 | 895.90 | 176.53 |
| Total Expenses | | 3,176.69 | 2,163.42 |
| Profit/(Loss) before tax | | 69.61 | (8.06) |
| Tax Expenses | | | |
| Deferred tax | | 6.75 | 3.39 |
| Profit/(Loss) for the year after tax | | 62.86 | (11.45) |
| Other Comprehensive Income | | | |
| Items that will not be reclassified to profit or loss | | | |
| (a) (i) Remeasurement of net defined benefit obligations | | - | 1.27 |
| (ii) Income tax expenses on Remeasurement of net defined benefit obligations | | - | - |
| Total other Comprehensive Income for the year, net of tax | | - | 1.27 |
| Total Comprehensive Income for the Year (Comprising Profit and other Comprehensive Income for the Year) | | 62.86 | (10.19) |
| Earning per equity share: (Refer Note 29) | | | |
| (1) Basic | | 1.14 | (0.34) |
| (2) Diluted | | 1.14 | (0.34) |

Significant Accounting Policies 1
The accompanying notes are an integral part of the financial statements

As per our report of even date attached

For Bhatler & Co.
Chartered Accountants
Firm Registration No:131092W

For and on behalf of Board of Director

Thomas Scott (India) Limited

Sd/-
Daulal H. Bhatler
Proprietor
Membership No. 016937

Sd/-
Brijgopal Bang
Managing Director
(DIN: 00112203)

Sd/-
Vedant Bang
Director
(DIN 09506327)

Sd/-
Rashi Bang
Company Secretary

Place : Mumbai
Date : 30th May 2022
UDIN : 22016937AJXVWW3204

Place : Mumbai
Date: 30th May 2022

Sd/-
Samir Samaddar
Chief Financial Officer

THOMAS SCOTT (INDIA) LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022
(Rs in lacs)

| Particulars | As at 31st March 2022 | As at 31st March 2021 |
|--|-----------------------|-----------------------|
| A. Cash flow from Operating Activities | | |
| Net profit/(loss) before tax and extraordinary items | 69.61 | (8.06) |
| Adjustments for | | |
| Depreciation and amortisation expenses | 29.03 | 28.18 |
| Interest income | (0.09) | - |
| Interest expense | 42.96 | 68.71 |
| Operating profit before Working Capital changes | 141.51 | 88.83 |
| Adjustments for | | |
| Decrease / (Increase) in trade receivables | 416.96 | (680.54) |
| Decrease / (Increase) in inventories | (849.57) | (349.26) |
| Decrease/(Increase) other non-current assets | 6.95 | (4.45) |
| Decrease/(Increase) other current assets | (98.22) | (31.74) |
| Increase / (Decrease) in non-current provisions | 7.90 | 1.10 |
| Increase / (Decrease) in trade payables | 680.43 | 1,312.01 |
| Increase / (Decrease) in current provisions | 1.35 | 1.24 |
| Increase / (Decrease) in other current liabilities | 5.45 | (0.69) |
| Cash generated from operations | 312.76 | 336.50 |
| Direct taxes paid | - | - |
| Net Cash from Operating Activities | 312.76 | 336.50 |
| B. Cash flows from Investing activities | | |
| Purchase of Fixed Assets | (122.20) | (43.34) |
| Receipt from sale of assets | 9.28 | - |
| Interest Received | 0.09 | - |
| Net Cash from Investing Activities | (112.83) | (43.34) |
| C. Cash flows from Financing Activities | | |
| cash proceeds from issuing share warrent | 560.42 | - |
| Short term borrowings | (417.26) | (212.71) |
| Interest expense | (42.96) | (68.71) |
| Net cash from Financing Activities | 100.20 | (281.42) |
| Net increase in cash and cash equivalents (A + B + C) | 300.13 | 11.73 |
| Cash and cash equivalents at the beginning of the | 16.81 | 5.08 |
| Cash and cash equivalents at the end of the year | 316.94 | 16.81 |

As per our report of even date attached

For Bhatler & Co.

Chartered Accountants

Firm Registration No:131092W

For and on behalf of Board of Directors

Thomas Scott (India) Limited

Sd/-

Daulal H. Bhatler
Proprietor

Membership No. 016937

Sd/-

Brijgopal Bang
Managing Director

(DIN: 00112203)

Sd/-

Vedant Bang
Director

(DIN 09506327)

Sd/-

Rashi Bang
Company Secretary

Sd/-

Samir Samaddar
Chief Financial Officer

Place : Mumbai

Date : 30th May 2022

UDIN : 22016937AJXVWW3204

Place : Mumbai

Date: 30th May 2022

Note 1

SIGNIFICANT ACCOUNTING POLICIES:

1. Background

Thomas Scott (India) Ltd (TSIL or the Company) incorporated in India with its registered office in Mumbai, is involved in business of manufacturing and trading of Textile and Textile products.

2. Basis of preparation of Financial Statements

i) Compliance with Ind AS

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

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except defined benefit plan measured at fair value of plan assets less present value of defined benefit plan.

iii) Current & non current classification

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

iv) Rounding of amounts

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

3. Use of Estimate

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in accordance with the requirements of the respective accounting standard.

4. Property, plant and equipment

Tangible assets

All items of property, plant and equipment are stated at cost less depreciation and impairment, if any. Historical cost includes expenditure i.e. directly attributable to the acquisition of the items.

Subsequent costs are included in the assets carrying amount or recognised as separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation

Depreciation on the property, plant and equipment is provided on written down value method at the rates prescribed and in the manner specified in Schedule II to the Companies Act, 2013. The gain and loss on disposal are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss.

5. Intangible Assets

Computer software

Computer software are stated at cost, less accumulated amortization and impairments, if any.

Amortization method and useful life

The company amortizes computer software using straight-line method over the period of 6 years.

Gain & Losses on disposal are determined by comparing proceeds with carrying amount. These are included in the statement of Profit and Loss.

6. Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value.

7. Leases

Operating lease

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to

the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

8. Inventories

Inventories are valued at lower of cost or net realisable value. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

9. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods is transferred to the customer which usually is on delivery of goods to the transporter at an amount that

reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue are measured at the fair value of the consideration received or receivable and net of indirect taxes.

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

A contract asset is the right to consideration in exchange for goods transferred to the customer. If the company performs by transferring the goods to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. The Company does not have any contract assets as performance under right to consideration occurs within a short period of time and all rights to consideration are unconditional.

A contract liability is the obligation to transfer goods to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the company performs under the contract.

10. Impairment of non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

11. Foreign Exchange Transaction

(a) Functional and presentation currency

The financial statements are presented in Indian rupees (INR), which is the Company's functional and presentation currency.

(b) Transaction and balances

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

12. Employee benefits

Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Post –employment Benefits

The Company operates the following post-employment schemes:

- a. defined benefit plans such as gratuity; and
- b. defined contribution plans such as provident fund.

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Defined Contribution plans

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are charged to Statement of Profit and Loss as incurred.

Other employee benefits

The liabilities for earned leave is determined on the basis of accumulated leave to the credit of the employees as at the year-end charged to the statement of profit and loss as per the Company's rules being the short term benefits.

13. Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used for taxation purpose.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period. Deferred tax is not provided for an unabsorbed losses.

14. Earning per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year,

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

15. Cash Flow Statement

Cash flows are reported using the indirect method whereby the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

16. Provision and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

17. Borrowing Costs

Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

18. Segment Reporting

Operating segments are reported in manner consistent with the internal reporting provided to the chief operating decision maker. The management assesses the financial performance and position of the Company and makes strategic decisions. The chief operating decision maker consists of the Directors of the Company.

THOMAS SCOTT (INDIA) LIMITED
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022
Note 2 : Property, Plant and Equipment

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|---------------------------------|---------------------|---------------|--------------|---------------------|---------------------|-----------------|----------------------------|---------------------|---------------------|---------------------|
| | as at 01/04/2021 | Addition | Deduction | as on 31-03-2022 | up to 01/04/2021 | for the Year | Depreciation Adjustment | up to 31-03-2022 | as on 31-03-2022 | as on 31/03/2021 |
| Tangible Assets (Owned): | | | | | | | | | | |
| Plant & Machinery | 156.05 | 85.19 | 14.20 | 227.04 | 40.25 | 22.18 | 4.93 | 57.50 | 169.54 | 115.80 |
| Office Equipments | 12.76 | 0.93 | - | 13.68 | 11.24 | 0.61 | - | 11.85 | 1.84 | 1.52 |
| Computer System | 5.17 | 2.02 | - | 7.20 | 4.25 | 0.72 | - | 4.96 | 2.23 | 0.93 |
| Vehicles | 0.83 | - | - | 0.83 | 0.34 | 0.13 | - | 0.47 | 0.36 | 0.48 |
| Leasehold Improvements | 45.27 | - | - | 45.27 | 21.06 | 4.78 | - | 25.84 | 19.43 | 24.21 |
| Total | 220.08 | 88.14 | 14.20 | 294.01 | 77.13 | 28.40 | 4.93 | 100.61 | 193.40 | 142.94 |
| Capital Work in Progress : | - | 33.57 | - | 33.57 | - | - | - | - | 33.57 | - |
| Total | 220.08 | 121.71 | 14.20 | 327.58 | 77.13 | 28.40 | 4.93 | 100.61 | 226.97 | 142.94 |
| Previous Year | 176.73 | 43.34 | - | 220.08 | 49.68 | 27.46 | - | 77.13 | 142.94 | |

THOMAS SCOTT (INDIA) LIMITED
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022
Note 2A : Intangible assets

| Particulars | Gross Block | | | | Depreciation | | | | Net Block | |
|-----------------------------------|---------------------|-------------|-----------|---------------------|---------------------|-----------------|----------------------------|---------------------|---------------------|---------------------|
| | as at 01/04/2021 | Addition | Deduction | as on 31-03-2022 | up to 01/04/2021 | for the Year | Depreciation Adjustment | up to 31-03-2022 | as on 31-03-2022 | as on 31/03/2021 |
| Intangible Assets (Owned): | | | | | | | | | | |
| Computer software | 24.71 | 0.49 | - | 25.20 | 22.66 | 0.63 | - | 23.29 | 1.92 | 2.05 |
| Total | 24.71 | 0.49 | - | 25.20 | 22.66 | 0.63 | - | 23.29 | 1.92 | 2.05 |
| Previous Year | 24.71 | - | - | 24.71 | 21.94 | 0.72 | - | 22.66 | 2.05 | - |

| | | (Rs in lacs) | | | | |
|---|-------------------------------|------------------------------|------------------|------------------|------------------------------|--------------|
| Particulars | As at 31st Mar 2022 | As at 31st Mar 2021 | | | | |
| Note 3 : Deferred tax assets | | | | | | |
| Deferred tax assets on account of | | | | | | |
| Disallowances u/s 43B of the Income Tax Act | (4.85) | (2.85) | | | | |
| Property, Plant and Equipment | 25.10 | 29.84 | | | | |
| | 20.25 | 26.99 | | | | |
| Note 4 : Other non-current assets | | | | | | |
| Unsecured, considered good unless otherwise stated | | | | | | |
| Income Tax (Tax deducted at source) | 2.80 | 1.35 | | | | |
| Security deposits | 0.25 | 8.64 | | | | |
| | 3.05 | 9.99 | | | | |
| Note 5 : Inventories | | | | | | |
| - Raw materials and components | 928.29 | 484.38 | | | | |
| - Work-in-progress | 0.50 | 5.76 | | | | |
| - Finished goods | 595.54 | 134.34 | | | | |
| - Trade Goods | 285.44 | 335.74 | | | | |
| | 1,809.79 | 960.22 | | | | |
| Note 6 : Trade Receivables | | | | | | |
| Considered good | | | | | | |
| Unsecured | | | | | | |
| Related Parties | 154.76 | 4.05 | | | | |
| Other Parties | 1,544.52 | 2,112.18 | | | | |
| Considered doubtful | | | | | | |
| Related Parties | - | - | | | | |
| Other Parties | 10.49 | 10.49 | | | | |
| Less : Allowance for doubtful debts | (10.49) | (10.49) | | | | |
| Trade receivables which have significant increase in credit risk | - | - | | | | |
| Trade receivables - credit impaired | - | - | | | | |
| | 1,699.28 | 2,116.23 | | | | |
| Particulars | Less than 6 months | 6 months - 1 year | 1-2 Years | 2-3 Years | More Than 3 years | Total |
| Undisputed Trade | | | | | | |
| Receivables - Considered good - Current year | 912.92 | 242.98 | 233.74 | 119.17 | 190.47 | 1,699.28 |
| Receivables - Considered good - (Previous year) | (1,505.67) | (134.69) | (232.42) | (107.88) | (135.58) | (2,116.23) |
| Receivables - Considered doubtful | - | - | - | - | - | - |
| Disputed Trade | - | - | - | - | - | - |
| Receivables - Considered good | - | - | - | - | - | - |
| Receivables - Considered doubtful | - | - | - | - | - | - |
| Note 7 : Cash and Cash equivalents | | | | | | |
| Balances with Banks in | | | | | | |
| - Current Accounts | | | | | 312.03 | 13.09 |
| - Cash on Hand | | | | | 4.92 | 3.72 |
| | | | | | 317 | 16.81 |
| Note 8 : Other current assets | | | | | | |
| Unsecured, considered good unless otherwise stated | | | | | | |
| Advances to employees | | | | | 6.97 | 11.40 |
| Advances paid to suppliers | | | | | 285.38 | 285.38 |
| Prepaid Expenses | | | | | 6.34 | 1.62 |
| Security Deposits | | | | | 15.80 | - |
| Balance with statutory/government authorities | | | | | 152.10 | 69.99 |
| | | | | | 466.60 | 368.39 |

THOMAS SCOTT (INDIA) LIMITED
NOTES TO FINANCIAL STATEMENT FOR YEAR ENDED 31st MARCH , 2022
(Rs in lacs)

| Particulars | As at 31st Mar 2022 | As at 31st Mar 2021 |
|---|--|--|
| Note 9 : Equity Share Capital | | |
| 100,00,000 Equity Shares of Rs. 10/- each (Previous year 40,00,000 equity shares of Rs. 10/- each)) | 1,000.00 | 400.00 |
| 10,00,000 Redemable Preference Shares of Rs. 10/- each (Prevoius year 10,00,000 preference shares of Rs. 10/- each) | - | 100.00 |
| | 1,000.00 | 500.00 |
| Issued, Subscribed & Fully Paid up shares capital at beginning of year | 339.00 | 339.00 |
| Add : Issued during the year | 212.44 | - |
| Less: Brought back during the year | - | - |
| shares capital at the end of the year | 551.44 | 339.00 |
| 55,14,402 Equity Shares of Rs. 10/- each (Previous year 33,90,000 equity shares of Rs. 10/- each fully paid up) | | |
| a) Terms/rights attached to Equity Shares The company has only one class of equity shares having a par value of Rs.10/- per share. Each holder of equity shares is entitled to one vote per share. | | |
| b) Terms/rights attached to Preference Shares The company has only one class of preference shares having a par value of Rs. 10 per share. | | |
| c) Reconciliation of Issued Share Capital | | |
| Equity shares outstanding at beginning of year | No. of shares Amount 33,90,000 33,900,000 | No. of shares Amount 33,90,000 33,900,000 |
| Add : Issued during the year | 21,24,402 21,244,020 | - - |
| Less: Brought back during the year | - - | - - |
| Equity shares outstanding at end of year | 55,14,402 55,144,020 | 33,90,000 33,900,000 |
| d) Shareholders holding more than 5% of shares in the company | No. of shares % of shares | No. of shares % of shares |
| Mr. Brijgopal Bang | 18,06,900 32.77% | 3,80,250 11.22% |
| Mr. Krishnakumar Bang | 3,25,425 5.90% | 3,25,425 9.60% |
| Mr. Ramanujdas Bang | 2,80,800 5.09% | 2,80,800 8.28% |
| Mr. Venugopal Bang | - - | 6,76,650 19.96% |

e) Shares held by Promoter's Group as at 31st March 2022

| Name of Promoter Group | No of Share at the beginning of the year | Change dueing the year | No of Share at the end of the year | % of total Share Holding | % of Change during the year |
|--|--|------------------------|------------------------------------|--------------------------|-----------------------------|
| Laxminiwas Bang | 13,650 | - | 13,650 | 0.25% | 0 |
| Shobha Bang | 1,875 | - | 1,875 | 0.03% | 0 |
| Madhu Sudan Bang | 9,900 | - | 9,900 | 0.18% | 0 |
| Kamal Nayan Bang | 9,900 | - | 9,900 | 0.18% | 0 |
| Girdhar Gopal Bang | 11,775 | - | 11,775 | 0.21% | 0 |
| Rajgopal Bang | 11,775 | - | 11,775 | 0.21% | 0 |
| Krishna Kumar Bang | 3,25,425 | - | 3,25,425 | 5.9% | 0 |
| Nandgopal Bang | 9,900 | - | 9,900 | 0.18% | 0 |
| Parwati Devi Bang | 1,875 | - | 1,875 | 0.03% | 0 |
| Ramanuj Das Bang | 2,80,800 | - | 2,80,800 | 5.09% | 0 |
| Arvind Kumar Bang | 9,900 | - | 9,900 | 0.18% | 0 |
| Pushpadevi Laxminiwas Bang | 375 | - | 375 | 0.01% | 0 |
| Purushotham Bang | 9,900 | - | 9,900 | 0.18% | 0 |
| Sharad Kumar Bang | 9,900 | - | 9,900 | 0.18% | 0 |
| Taradevi Bang | 1,875 | - | 1,875 | 0.03% | 0 |
| Rangnath Shivnarayan Bang | 1,63,650 | - | 1,63,650 | 2.97% | 0 |
| Varadraj Rangnath Bang | 84,900 | - | 84,900 | 1.54% | 0 |
| Kantadevi Bang | 1,875 | - | 1,875 | 0.03% | 0 |
| Vasudev Rangnath Bang | 75,000 | - | 75,000 | 1.36% | 0 |
| Pushpadevi Rangnath Bang | 1,875 | - | 1,875 | 0.03% | 0 |
| Narayan Das Bang | 1,61,775 | - | 1,61,775 | 2.93% | 0 |
| Brijgopal Bang | 10,56,900 | 7,50,000 | 18,06,900 | 32.77% | 1.59% |
| Balaram Bang | 13,650 | - | 13,650 | 0.25% | 0 |
| Sampatkumar Bang | 13,650 | - | 13,650 | 0.25% | 0 |
| Radhadevi Bang | 1,875 | - | 1,875 | 0.03% | 0 |
| Rekha Bang | 1,875 | - | 1,875 | 0.03% | 0 |
| Raghavendra Bang | 9,900 | - | 9,900 | 0.18% | 0 |
| Vedant Bang | - | 1,69,094 | 1,69,094 | 3.07% | 3.07% |
| Akshita Bang | - | 1,34,000 | 1,34,000 | 2.43% | 2.43% |
| Bodywave Fashions(India) Private Limited | 10,445 | - | 10,445 | 0.19% | 0 |

e) Shares held by Promoter's Group as at 31st March 2021

| Name of Promoter Group | No of Share at the beginning of the year | Change dueing the year | No of Share at the end of the year | % of total Share Holding | % of Change during the year |
|--|--|------------------------|------------------------------------|--------------------------|-----------------------------|
| Laxminiwas Bang | 13,650 | - | 13,650 | 0.4% | 0 |
| Shobha Bang | 1,875 | - | 1,875 | 0.06% | 0 |
| Madhu Sudan Bang | 9,900 | - | 9,900 | 0.29% | 0 |
| Kamal Nayan Bang | 9,900 | - | 9,900 | 0.29% | 0 |
| Girdhar Gopal Bang | 11,775 | - | 11,775 | 0.35% | 0 |
| Rajgopal Bang | 11,775 | - | 11,775 | 0.35% | 0 |
| Krishna Kumar Bang | 3,25,425 | - | 3,25,425 | 9.6% | 0 |
| Nandgopal Bang | 9,900 | - | 9,900 | 0.29% | 0 |
| Parwati Devi Bang | 1,875 | - | 1,875 | 0.06% | 0 |
| Ramanuj Das Bang | 2,80,800 | - | 2,80,800 | 8.28% | 0 |
| Arvind Kumar Bang | 9,900 | - | 9,900 | 0.29% | 0 |
| Pushpadevi Laxminiwas Bang | 375 | - | 375 | 0.01% | 0 |
| Purushotham Bang | 9,900 | - | 9,900 | 0.29% | 0 |
| Sharad Kumar Bang | 9,900 | - | 9,900 | 0.29% | 0 |
| Taradevi Bang | 1,875 | - | 1,875 | 0.06% | 0 |
| Rangnath Shivnarayan Bang | 1,63,650 | - | 1,63,650 | 4.83% | 0 |
| Varadraj Rangnath Bang | 84,900 | - | 84,900 | 2.5% | 0 |
| Kantadevi Bang | 1,875 | - | 1,875 | 0.06% | 0 |
| Vasudev Rangnath Bang | 75,000 | - | 75,000 | 2.21% | 0 |
| Pushpadevi Rangnath Bang | 1,875 | - | 1,875 | 0.06% | 0 |
| Narayan Das Bang | 1,61,775 | - | 1,61,775 | 4.77% | 0 |
| Brijgopal Bang | 3,80,250 | 6,76,650 | 10,56,900 | 31.18% | 19.96% |
| Balaram Bang | 13,650 | - | 13,650 | 0.4% | 0 |
| Sampatkumar Bang | 13,650 | - | 13,650 | 0.4% | 0 |
| Radhadevi Bang | 1,875 | - | 1,875 | 0.06% | 0 |
| Rekha Bang | 1,875 | - | 1,875 | 0.06% | 0 |
| Raghavendra Bang | 9,900 | - | 9,900 | 0.29% | 0 |
| Venugopal Bang | 6,76,650 | (6,76,650) | - | 0% | -19.96% |
| Bodywave Fashions(India) Private Limited | 10,445 | - | 10,445 | 0.31% | 0 |

| Particulars | Reserves and Surplus | | | | |
|---|----------------------|------------------------|------------------|-------------------|---------------|
| | Share Premium | Warrant Money Received | General Reserves | Retained Earnings | Total |
| Note 10 : Other Equity | | | | | |
| As at 1st April 2020 | - | - | 2,234.22 | (2,161.06) | 73.17 |
| Profit for the year | - | - | - | (10.19) | (10.19) |
| As at 31st March 2021 | - | - | 2,234.22 | (2,171.24) | 62.98 |
| As at 1st April 2021 | - | - | 2,234.22 | (2,171) | 62.98 |
| Receied during the year | 191.20 | 156.78 | - | 62.86 | 347.98 |
| Profit for the year | - | - | - | 62.86 | 62.86 |
| Remeasurment of net defined benefit Obligations, net of taxes | - | - | - | - | - |
| Total comprehensive income for the year | - | - | - | - | - |
| As at 31st March 2022 | 191.20 | 156.78 | 2,234.22 | (2,108.38) | 473.82 |

| Particulars | Year ended | | Year ended | | Total |
|---|-------------------------|------------------------|------------------------|--------------------------|------------------------|
| | 31st March, 2022 | 31st March, 2021 | 31st March, 2022 | 31st March, 2021 | |
| Note 11 : Provisions | | | | | |
| Provision for Gratuity | 17.72 | 9.82 | 17.72 | 9.82 | |
| Note 12 : Borrowings | | | | | |
| Unsecured (Loans repayable on demand) | | | | | |
| From Managing Director | 0.10 | 420.38 | | | |
| From Others | 3.01 | | | | |
| | 3.12 | 420.38 | | | |
| Note 13 : Trade Payables | | | | | |
| For goods and services | 288.81 | 201.85 | | | |
| Payable to related parties | 3,192.46 | 2,598.99 | | | |
| | 3,481.27 | 2,800.84 | | | |
| Particulars | Less than 1 year | 1-2 Years | 2-3 Years | More Than 3 years | Total |
| Undisputed Dues | | | | | |
| Micro Enterprises and Small Enterprises (MSN) | - | - | - | - | - |
| Others - current year | 1,974.91 | 1,435.18 | 65.97 | 5.20 | 3,481.27 |
| Others - previous year | (2,138.81) | (627.78) | (29.92) | (4.34) | (2,800.84) |
| Disputed Dues | | | | | |
| Micro Enterprises and Small Enterprises (MSN) | - | - | - | - | - |
| Others - current year | - | - | - | - | - |
| Others - previous year | - | - | - | - | - |
| Unbilled Dues | - | - | - | - | - |
| Particulars | As at | As at | As at | As at | As at |
| | 31st March 2022 | 31st March 2021 | 31st March 2022 | 31st March 2021 | 31st March 2021 |
| Note 14 : Provisions | | | | | |
| Provision for employee benefits | 2.47 | 1.12 | | | |
| Provision for others | 0.20 | 0.20 | | | |
| | 2.67 | 1.32 | | | |
| Note 15 : Other Current Liabilities | | | | | |
| Advance from Customer | 4.87 | - | | | |
| Statutory liabilities | 9.87 | 9.29 | | | |
| | 14.75 | 9.29 | | | |

| Particulars | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|--|--------------------------------|--------------------------------|
| Note 16 : Revenue from Operations | | |
| Sale of products | | |
| - Trade Goods | 674.09 | 802.75 |
| - Manufactured Goods (Garments) | 2,558.10 | 1,343.24 |
| - Less Inter Departmental Transfer | (2.93) | - |
| | 3,232.19 | 2,145.99 |
| Note 17 : Other Income | | |
| Interest income | 0.09 | - |
| Sale of Services | 11.30 | - |
| Profit on Sale of Fixed Assets | 2.44 | - |
| Balance written back | 0.27 | 9.36 |
| Provision for doubtful debts reversed | - | - |
| | 14.11 | 9.36 |
| Note 18 : Cost of material consumed | | |
| Opening stock of Raw Material | 484.38 | 128.66 |
| Add : Purchase of Raw Material | 2,314.26 | 1,487.51 |
| | | |
| Less : Closing stock of Raw Material | 928.29 | 484.38 |
| | 1,870.35 | 1,131.79 |
| Note 19 : Purchase of stock-in-trade | | |
| Trade Purchases | 412.66 | 636.86 |
| Less: Inter Departmental Transfer | (2.93) | - |
| | 412.66 | 636.86 |
| Note 20 : Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | | |
| Opening Stock | | |
| - Trade Goods | 335.74 | 429.81 |
| - Work-in-progress | 5.76 | 2.19 |
| - Finished goods | 134.34 | 50.29 |
| | (A) 475.84 | 482.30 |
| Closing Stock | | |
| - Trade Goods | 285.44 | 335.74 |
| - Work-in-progress | 0.50 | 5.76 |
| - Finished goods | 595.54 | 134.34 |
| | (B) 881.49 | 475.84 |
| | (A) - (B) (405.65) | 6.46 |
| Note 21 : Employee benefit expense | | |
| Salaries, Wages, and Bonus | 297.95 | 98.60 |
| Contribution to Provident Fund and other funds | 15.01 | 4.53 |
| Gratuity Expenses | 6.70 | 3.32 |
| Workmen and staff welfare expenses | 11.70 | 8.14 |
| | 331.35 | 114.58 |
| Note 22 : Finance Cost | | |
| Interest to others | 42.96 | 68.71 |
| Bank Charges | 0.09 | 0.30 |
| | 43.05 | 69.02 |
| Note 23 : Other Expenses | | |
| Power & Fuel | 15.07 | 10.30 |
| Freight and forwarding charges | 74.81 | 31.67 |
| Rent | 13.40 | 9.39 |
| Rates & Taxes | 6.14 | 18.75 |
| Insurance Charges | 2.31 | 1.42 |
| Repairs & Maintenance: | 13.66 | |
| - Other | - | 10.65 |
| Advertisement & Sales Promotion Expenses | 38.39 | 8.27 |
| Discount & Rebate on sales | 28.51 | 9.12 |
| Director's Remuneration | 14.40 | 12.00 |
| Brokerage & Comission | 19.77 | 7.42 |
| Director's Sitting fees | 0.85 | 0.58 |
| Travelling & Conveyance expenses | 20.65 | 12.72 |
| Communication Cost | 0.62 | 0.69 |
| Printing & Stationary | 2.59 | 1.38 |
| Legal, Professional and Consultancy fees | 27.06 | 13.67 |
| Auditor's remuneration: | | |
| - Audit fee | 0.35 | 0.35 |
| - Tax Audit fee | 0.30 | 0.25 |
| Courier & Postage | 5.55 | 1.59 |
| Packing expenses | 7.51 | 11.87 |
| Security & service charges | 3.34 | 2.49 |
| Jobwork/Pattern /dieMaking & QC Charges | 595.35 | 8.61 |
| Other expenses | 3.60 | 3.33 |
| Prior Period expenses | 1.67 | - |
| | 895.90 | 176.53 |

NOTES ON ACCOUNTS

24. Contingent Liabilities:

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|-------------|------------------|------------------|
| Nil | Nil | Nil |

25. Post Retirement Benefit Plan:

Defined Contribution Plan

Contribution to Defined Contribution Plan, recognized as expenses for the year are as under:

(Rs in lacs)

| Particulars | 2021-22 | 2020-21 |
|---|---------|---------|
| Employer's Contribution to Provident Fund Rs.) | 5.22 | 3.,54 |

Defined Benefits Plan

Gratuity Plan

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

The Company has recognized Rs. 6.69 lacs (P.Y. Rs 3.31 lacs) in the profit & Loss Account during the year ended 31 March 2022 under defined contribution plan.

(a) Change in the Fair Value of Plan Assets

(Rs in lacs)

| Particulars | For the period ending | |
|--|-----------------------|-----------|
| | 31-Mar-22 | 31-Mar-21 |
| Fair Value of Plan Assets as at the beginning | - | - |
| Investment Income | - | - |
| Employer's Contribution | - | - |
| Employee's Contribution | - | - |
| Benefits Paid | - | - |
| Return on plan assets, excluding amount Recognized in net interest expense | - | - |
| Acquisition Adjustment | - | - |
| Fair Value of Plan Assets as at the end | - | - |

(b) Expenses Recognised in the Income Statement

(Rs in lacs)

| Particulars | For the period ending | |
|---|-----------------------|-------------|
| | 31-Mar-22 | 31-Mar-21 |
| Current Service Cost | 6.00 | 2.70 |
| Past Service Cost | - | - |
| Loss / (Gain) on settlement | - | - |
| Net Interest Cost / (Income) on the Net Defined Benefit Liability / (Asset) | 0.70 | 0.62 |
| Expenses Recognised in the Income Statement | 6.70 | 3.32 |

(c) Changes in the Present Value of Obligation

(Rs in lacs)

| Particulars | For the period ending | |
|---|-----------------------|--------------|
| | 31-Mar-22 | 31-Mar-21 |
| Present Value of Obligation as at the beginning | 10.31 | 9.24 |
| Current Service Cost | 6.00 | 2.70 |
| Interest Expense or cost | 0.70 | 0.62 |
| Re-measurement (or Actuarial)(gain)/loss arising from: | | |
| - change in demographic assumptions | - | - |
| - change in financial assumptions | (0.75) | (0.05) |
| - experience variance (i.e. Actual experience vs assumptions) | 3.36 | (1.22) |
| - others | - | - |
| Past Service Cost | - | - |
| Effect of change in foreign exchange rates | - | - |
| Benefits Paid | (1.13) | (0.97) |
| Acquisition Adjustment | - | - |
| Effect of Business combinations or disposals | - | - |
| Present Value of Obligation as at the end | 18.48 | 10.31 |

(d) Bifurcation of Net Liability

(Rs in lacs)

| Particulars | As on | |
|-----------------------------------|--------------|--------------|
| | 31-Mar-22 | 31-Mar-21 |
| Current Liability (Short term) | 0.77 | 0.49 |
| Non-Current Liability (Long term) | 17.71 | 9.82 |
| Net Liability | 18.48 | 10.31 |

(e) Financial Assumptions

The principal financial assumptions used in the valuation are shown in the table below:

| Particulars | For the period ending | |
|--|-----------------------|-----------|
| | 31-Mar-22 | 31-Mar-21 |
| Discount rate (per annum) | 7.20% | 6.75% |
| Salary growth rate (per annum) | 4.50% | 4.50% |
| Attrition /Withdrawal rate (per annum) | 5.00% | 5.00% |
| Mortality rate (% of IALM 06-08) | 100% | 100% |

The discount rate indicated above reflects the estimated timing and currency of benefit payments. It is based on the yields / rates available on applicable bonds as on the current valuation date.

The salary growth rate indicated above is the Company's best estimate of an increase in salary of the employees in future years, determined considering the general trend in inflation, sonority, promotions, past experience and other relevant factors such as demand and supply in employment market, etc.

(f) Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes of assumptions occurring at the end of the

reporting period, while holding all other assumptions constant. The results of sensitivity analysis are given below:

| Particulars | 31-Mar-22 | 31-Mar-21 |
|-----------------------------------|-----------|-----------|
| Defined Benefit Obligation (Base) | 18.48 | 10.31 |

| Particulars | 31-Mar-22 | | 31-Mar-21 | |
|---|-----------------|----------------|-----------------|----------------|
| | Decrease | Increase | Decrease | Increase |
| Discount Rate (- / + 1%) (% change compared to base due to sensitivity) | 20.22 9.40% | 17.01 -8.0% | 11.30 9.50% | 9.47 -8.20% |
| Salary Growth Rate (- / + 1%) (% change compared to base due to sensitivity) | 16.96 -8.30% | 20.25 9.60% | 9.45 -8.40% | 11.31 9.60% |
| Attrition Rate (- / + 50% of attrition rates) (% change compared to base due to sensitivity) | 17.87 - 3.3% | 18.76 1.5% | 10.04 -2.6% | 10.45 1.3% |
| Mortality Rate (- / + 10% of mortality rates) (% change compared to base due to sensitivity) | 18.48 -0.10% | 18.50 0.10% | 10.30 -0.10% | 10.32 0.10% |

Please note that the sensitivity analysis presented above may not be representative of actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior period. For change in assumptions please refer to section 5 above, where assumptions for prior period, if applicable, are given.

26. Segment Reporting:

Based on the “management approach” as defined in Ind AS 108 Operating Segments, the Director of the Company has been identified as Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker evaluates the Company’s performance and allocate resources on the analysis of various performance indicator by business segment.

The company has only one geographical segment as it caters the need of domestic market only.

27. Financial Risk Management:

Financial risk management objectives and policies

The Company’s financial risk management is an integral part of how to plan and execute its business strategies. The Company’s financial risk management policy is set by the Managing Board.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments.

Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

Market Risk- Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

| Particulars | As at 31 st March 2022 | As at 31 st March 2021 |
|--|-----------------------------------|-----------------------------------|
| Borrowing Bearing Fixed rate of interest | 3.12 | 420.38 |

Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- iv) Significant increase in credit risk on other financial instruments of the same counterparty

Ageing of Account Receivables

| Particulars | As at 31 st March 2022 | As at 31 st March 2021 |
|-----------------|-----------------------------------|-----------------------------------|
| 0-6 months | 1038.72 | 1419.67 |
| Beyond 6 months | 660.55 | 696.56 |
| Total | 1699.27 | 2116.23 |

Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below analyses the financial liability of the company into relevant maturity groupings based on the remaining period from reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flow.

| Particulars | Less than 1 year | 1-5 Years | Beyond 5 Years | Total |
|---|------------------|-----------|----------------|---------|
| As at 31st March 2022 | | | | |
| Short term borrowing | 3.12 | - | - | 3.12 |
| Trade payable | 1974.91 | 1506.36 | - | 3481.27 |
| Other financial liability including other payable | - | - | - | - |
| As at 31st March 2021 | | | | |
| Short term borrowing | 420.38 | - | - | 420.38 |
| Trade payable | 2138.81 | 663.03 | - | 2800.84 |
| Other financial liability including other payable | - | - | - | - |

28. Capital Risk Management

Risk Management

The Company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders
- maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital on the basis of the following debt equity ratio:

| Particulars | As at 31 st March 2022 | As at 31 st March 2021 |
|--------------------------|-----------------------------------|-----------------------------------|
| Net debt | 3.12 | 420.38 |
| Total Equity | 1025.26 | 401.98 |
| Net debt to Total Equity | 0.003 | 1.04 |

29. Earning per Share (EPS)

(Rs.)

| Particulars | 31.03.2022 | 31.03.2021 |
|---|-------------|---------------|
| Net Profit/(Loss) including exceptional item | 62.86 | (11.45) |
| Exceptional item | - | - |
| Net Profit/(Loss) excluding exceptional item | 62.86 | (11.45) |
| Nominal Value per share | 10 | 10 |
| Weighted Average no. of shares outstanding at the end of the year | 55.142 | 33.90 |
| E.P.S. Excluding exceptional item | 1.14 | (0.34) |
| E.P.S. Including exceptional item | 1.14 | (0.34) |

30. Fair Value Measurement

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans repayable on demand approximate their carrying amounts largely due to short term maturities of these instruments.

Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The carrying amounts and fair values of financial instruments by category are as follows:

| Particulars | As at 31 st March 2022 | | As at 31 st March 21 | |
|---|-----------------------------------|------------------------|---------------------------------|------------------------|
| | Carrying Amount | Level of input used in | Carrying Amount | Level of input used in |
| | | L1 L2 | | L1 L2 |
| Financial Assets at amortised cost | | | | |
| Trade Receivable | 1699.27 | - - | 2116.23 | - - |
| Cash & Cash Equivalent | 316.94 | - - | 16.81 | - - |
| Financial Liabilities | | | | |
| Borrowings | 3.12 | - - | 420.38 | - - |
| Trade Payable | 3481.27 | - - | 2800.84 | - - |

The Financial Instruments are categorised in two level based on the inputs used to arrive at fair value measurement as described below

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

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Unhedged foreign currency exposures as at the reporting date:

| Particulars | Foreign currency in Lakhs | |
|---------------------------------------|-----------------------------------|-----------------------------------|
| | As at 31 st March 2022 | As at 31 st March 2021 |
| Trade Receivable | Nil | Nil |
| Trade Payable | USD 0.92 | Nil |
| Advances paid against supply of goods | Nil | Nil |

31. Additional information pursuant to the provisions of Part II of the Schedule III of the Companies Act, 2013.

- i) Value of imported and indigenous Raw Material consumed during the year in NIL.
- ii) CIF value of imports, expenditure and earning in foreign exchange is NIL.

32. Previous year figure has been regrouped, rearranged and restated whenever necessary.

33. Information on Related Party Disclosure

| | | | |
|----|--|--|--|
| A. | Key Managerial Persons (KMP) | Mr. Brijgopal Bang Mr. Vedant Bang | (Managing Director) (Director) |
| B. | Independent Director | Mr. Subrata Kumar Dey Mrs. Swati Sahukara Mrs. Anuradha Paraskar | (Independent Director) (Independent Director) (Independent Director) |
| C. | Enterprises owned or significantly influenced by key management personnel or their relatives | Bang Overseas Limited Venugopal Bang (HUF) | |

Disclosure of transaction between the Company and related Parties and status of outstanding balances as on 31st March, 2022

| Particulars | 31.03.2022 | 31.03.2021 |
|---|------------|------------|
| (Rs in lacs) | | |
| Key Managerial Persons | | |
| Brijgopal Bang | | |
| Remuneration to Director | 14.40 | 12.00 |
| Loans taken | 278.87 | 177.10 |
| Loans repaid | 699.15 | 389.80 |
| Interest paid | 38.97 | 68.21 |
| Sale of Fabrics/Garments | 0.15 | 0.08 |
| Outstanding Payable as on 31st March 2022 | 0.10 | 420.38 |
| Relatives of Key Managerial Persons | | |
| Harshvardhan Bang | | |
| Sale of Fabrics | - | - |
| Outstanding Receivable as on 31st March 2022 | 0.11 | 0.11 |
| Enterprises owned or significantly influenced by key management personnel or their relatives | | |
| Bang Overseas Limited | | |
| Sale of finished goods / raw materials etc. | 1,169.51 | 96.36 |
| Purchase of finished goods / raw materials etc. | 2,380.32 | 1,724.12 |
| Sale of fixed assets | 13.17 | - |
| Purchase of fixed assets | - | 30.03 |
| Rent Paid | 6.66 | 6.66 |
| Outstanding payable as on 31st March 2022 | 3,103.28 | 2,594.33 |
| Vedant Bang | | |
| Profession fees paid | 3.00 | - |
| Sale of Fabrics | - | - |
| Outstanding payable as on 31st March 2022 | - | - |
| Venugopal Bang (HUF) | | |
| Sale of Fabrics | - | - |
| Outstanding payable as on 31st March 2022 | - | 0.15 |

The accompanying notes are an integral part of the financial statements

For Bhatner & Co.
Chartered Accountants
Firm Registration No:131092W
UDIN : 22016937AJXVWW3204

For and on behalf of Board of Directors
Thomas Scott (India) Limited

Daulal H. Bhatner
Proprietor
Membership No. 016937

Sd/-
Brijgopal Bang
Managing Director
(DIN: 00112203)

Vedant Bang
Director
(DIN: 09506237)

Rashi Bang
Company Secretary

Place : Mumbai
Date : 30th May 2022

Place : Mumbai
Date : 30th May 2022

Samir Samaddar
Chief Financial Officer

THOMAS SCOTT (INDIA) LTD

Notes to financial statement for the year ended 31st March 2022

34. Additional regulatory Information

- 1) The company does not have any proceedings initiated or are pending against it, for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) The company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.
- 3) The company does not have relation with any Stuck off Companies.
- 4) The company does not have any charges to be registered or satisfy with Registrar of Companies (ROC).
- 5) The Company has complied with the number of layers prescribed under the Companies Act, 2013

6) Ratios analysis and its elements

| Sr. No. | Particulars | Basis | Year ended 31 st March 2022 | Year ended 31 st March 2021 | Variance % | |
|---------|----------------------------------|-------|---|--|------------|-----------|
| 1 | Current ratio | Times | Current assets / Current liabilities | 1.77 | 1.07 | 39.49 |
| 2 | Debt-Equity ratio | Times | Total Debt / Equity | 0.0030 | 1.05 | -34303.23 |
| 3 | Debt Service coverage ratio | Times | Earnings for debt service*/ Debt Service | 3.45 | 1.31 | 62.01 |
| 4 | Return of Equity | % | Profit after tax / Shareholders' Equity | 0.06 | (0.03) | 141.33 |
| 5 | Inventory Turnover ratio | Times | Cost of Goods Sold** / Average inventory | 1.35 | 2.26 | (66.96) |
| 6 | Trade Receivables turnover ratio | Times | Revenue from operations / Average trade receivable | 3.80 | 2.99 | 21.39 |
| 7 | Trade Payables Turnover ratio | Times | Cost of Goods Sold** / Average trade payables | 0.60 | 0.83 | (38.69) |
| 8 | Net Capital Turnover ratio | Times | Revenue from operations / Working capital\$ | 4.40 | 9.34 | (112.42) |
| 9 | Net Profit ratio | % | Net Profit/(Loss) after tax / Revenue from operation | 0.02 | (0.0047) | 124.41 |
| 10 | Return on Capital employed | % | Earnings Before Interest and tax# / Capital Employed @ | 0.24 | 0.07 | 69.60 |
| 11 | Return on Investment | % | Net gain/(loss) on sale/fair value changes of current Investment / Average Current investment | - | - | - |

* Earnings for Debt Service = Earnings before finance costs, depreciation and amortisation, exceptional items and tax (EBIDTA)/ (Finance cost for the year + Principal repayment of long-term debt liabilities within one year)

** Cost of Good sold = Cost of materials consumed + Purchases of stock-in-trade + Changes in inventories of finished goods, stock-in-trade, work-in-progress + Manufacturing and operating expenses

\$ Working Capital = Current Assets - Current Liabilities

Earnings before Interest and Tax = Profit after exceptional item and before tax + Finance costs (recognised)

@ Capital Employed = Average of equity and total borrowings

The variations more than 25% is on account of improvement in Company's performance in FY2021-22 compare to FY2020-21.

7) There are no transactions to report against the disclosure requirement as notified by MCA pursuant to amended Schedule III with regards to utilisation of borrowed fund and discrepancies in utilisation of borrowed fund.

8) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

9) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

10) The company does not have any undisclosed income during the current or previous year.

11) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

As per our report of even date
For Bhattar & Co.
 Chartered Accountants
 Firm Registration No:131092W

For and on behalf of Board of Directors
Thomas Scott (India) Limited

Sd/-
Daulal H. Bhattar
 Proprietor
 Membership No. 016937
 Place : Mumbai

Sd/-
Brijgopal Bang
 Chairman & Managing Director
 (DIN: 00112203)

Sd/-
Vedant Bang
 Director
 (DIN: 090506237)

Sd/-
Rashi Bang
 Company Secretary

Date : 30th May 2022
 UDIN : 22016937AJXVWW3204

Place : Mumbai
 Date : 30th May 2022

Sd/-
Samir Samaddar
 Chief Financial Officer

35 INFORMATION PURSUANT TO SCHEDULE III OF THE COMPANIES ACT, 2013.

| | | | |
|----------|---|-------------------------|-------------------------|
| 1 | Value of imports calculated on CIF basis | <u>2021-2022</u> | <u>2020-2021</u> |
| | Raw Materials | 87.61 | - |

| | |
|--------------|----------|
| 87.61 | - |
|--------------|----------|

2 Imported and indigenous raw materials

(Rs in lacs)

| Particulars | 2021-22 | | | % of total Consumption | 2020-2021 | | % of total Consumption |
|----------------|------------------|-----------------|---------------|------------------------|---------------|---------------|------------------------|
| | Qty (Mtrs) | Value | | | Qty (Mtrs) | Value | |
| Cotton Fabrics | | | | | | | |
| Imported | - | - | - | - | - | - | - |
| Indigenous | 14,44,640 | 1,548.82 | 100.00 | 7,10,645 | 689.49 | 100.00 | 100.00 |
| | 14,44,640 | 1,548.82 | 100.00 | 7,10,645 | 689.49 | 100.00 | 100.00 |

| Fabrics P U | 2021-22 | | | % of total Consumption | 2020-2021 | | % of total Consumption |
|-------------|--------------|-------------|---------------|------------------------|------------|----------|------------------------|
| | Qty (Mtrs) | Value | | | Qty (Mtrs) | Value | |
| Imported | 986 | 1.11 | 11.89 | - | - | - | - |
| Indigenous | 5,516 | 8.20 | 88.11 | - | - | - | - |
| | 6,502 | 9.31 | 100.00 | - | - | - | - |

| Accessories | 2021-22 | | | % of total Consumption | 2020-2021 | | % of total Consumption |
|-------------|------------|---------------|---------------|------------------------|--------------------|---------------|------------------------|
| | Qty (Mtrs) | Value | | | Qty (Mtrs) | Value | |
| Imported | - | - | - | - | - | - | - |
| Indigenous | - | 312.22 | 100.00 | - | 3,95,50,804 | 100.00 | 100.00 |
| | - | 312.22 | 100.00 | - | 3,95,50,804 | 100.00 | 100.00 |

The accompanying notes are an integral part of the financial statements

For Bhatler & Co.

Chartered Accountants

Firm Registration No:131092W

UDIN : 22016937AJXVWW3204

For and on behalf of Board of Directors

Thomas Scott (India) Limited

Sd/-

Daulal H. Bhatler

Proprietor

Membership No. 016937

Sd/-

Brijgopal Bang

Managing Direct

(DIN: 00112203)

Sd/-

Vedant Bang

Director

(DIN 090506237)

Sd/-

Rashi Bang

Company Secretary

Place : Mumbai

Date : 30th May 2022

Place : Mumbai

Date : 30th May 2022

Sd/-

Samir Samaddar

Chief Financial Officer



REGISTERED OFFICE :

50, Kewal Industrial Estate, Ground Floor,
Senapati Bapat Marg,
Lower Parel (West), Mumbai - 400013, India

CORPORATE OFFICE :

405-406, Kewal Industrial Estate,
4th Floor, Senapati Bapat Marg,
Lower Parel (West), Mumbai - 400 013, India