

Commercial Engineers & Body Builders Co Limited



CIN-L28100MP1979PLC049375

Regd. Office: 48, Vandana Vihaar, Narmada Road, Gorakhpur, Jabalpur (M.P.) INDIA
Email Id – cs@cebbco.com, Website – www.cebbco.com, Tel – 0761-2661336

September 05, 2021

To,

The Secretary,
Bombay Stock Exchange Limited,
25th Floor, P J Towers,
Dalal Street,
MUMBAI - 400 001
Fax No.022 2272 2061/022 2272 2041

The Secretary
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No C/1 G
Block, Bandra Kurla Complex, Bandra
(East) **Mumbai 400051**
Fax No. 022-2659 8237/38,
66418124/25/26

Dear Sir,

Sub: Submission of Annual Report of the Company for the F.Y. 2020-2021
Submission of Notice convening 41st Annual General Meeting for the F.Y. 2020-2021

Pursuant to Regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, please find enclosed herewith Annual Report of the Company for the FY 2020-2021 including Notice convening the 41st Annual General Meeting (AGM) to be held on Tuesday 28th September, 2021.

The Annual Report and the Notice of 41st AGM is also placed on the website of the Company i.e. www.cebbco.com and can be accessed as per the details given below:

Annual Report for the FY 2020-21: http://www.cebbco.com/docs/profile_for_investors.html

For Commercial Engineers & Body Builders Co Limited



Deepesh Kedia
Company Secretary

Factory (Unit I) : 21,22,33,34, Industrial Area Richhai, Jabalpur - 482010 M.P.,
Factory (Unit II) : NH12-A, Village Udaipura, Teh. Niwas, Distt. Mandla - 481661 M.P.,
Factory (Unit III) : Plot No. 690 to 693 & 751 to 756, Sector III, Industrial Area, Pithampur, Distt. Dhar,
Factory (Unit IV) : Industrial Area Richhai, Jabalpur - 482010 M.P.
Factory (Unit V) : Plot No. 742, Asangi Phase Area, Saraikela, Jharkhand – 932109,
Factory (Unit VI) : 118, Village Imlai, Near Deori Railway Station, P.O. Panagar, Jabalpur - 483220



Forward Looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to understand our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in making the assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumption prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update and forward-looking statements, whether as a result of new information, future events or otherwise

CORPORATE INFORMATION

<p>Board of Directors Mr. Abhishek Jaiswal Whole Time Director & C.E.O.</p> <p>Mr. Prakash Yashwant Gurav Independent and Non-Executive Director</p> <p>Mr. Manchi Venkat Rajarao Independent and Non-Executive Director</p> <p>Prof. Ganesan Raghuram Independent and Non-Executive Director</p> <p>Ms. Vineeta Shriwani Independent and Non-Executive Director</p> <p>Mrs. Madhuchandha Chatterjee Non-Independent and Non-Executive Director</p> <p>Mr. Vivek Lohia Non-Independent and Non-Executive Director</p> <p>Key Managerial Personnel</p> <p>Mr. Sanjiv Keshri Chief Financial Officer</p> <p>Mr. Deepesh Kedia Company Secretary</p>	<p>Statutory Auditors Walker Chandiook & Co LLP 7th Floor, Block III, White House, Kundan Bagh, Begumpet, Hyderabad 500 016, India</p> <p>Secretarial Auditors Deepeak Khaitan & Co. LLP Gem House, 5B, Russell Street, Unit-& 7B, 7th Floor, Kolkata 700071</p> <p>Registered Office 48, Vandana Vihar, Narmada Road, Gorakhpur, Jabalpur (M.P.) 482001</p> <p>CIN L28100MP1979PLC049375</p> <p>Registrar and Transfer Agent Kfin Technologies Private Limited Selenium Tower B, Plot Nos. 31 & 32 Financial District Nanakramguda Serilingampally Mandal Hyderabad - 500032 India Toll Free No: 1800-309-4001</p> <p>Bankers and Financial Institutions Axis Bank Ltd. Aditya Birla Financial Services Limited Indusind Bank Ltd. State Bank of India Kotak Mahindra Bank Limited Yes Bank Limited</p>
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IMPORTANT COMMUNICATION TO MEMBERS

In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated 12 May 2020 and 15 January 2021, Notice of Forty First e-AGM along with the Annual Report for FY-2021 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice of the AGM and Annual Report for FY2021 will also be available on the Company's website at <https://www.cebbco.com/investor>, website of the stock exchanges i.e., BSE Ltd. ('BSE') at www.bseindia.com and National Stock Exchange of India Ltd. ('NSE') at www.nseindia.com and on the website of KFin at <https://evoting.kfintech.com>.



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MESSAGE FROM BOARD OF DIRECTORS

Dear Stakeholders,

It gives us great pleasure to share an update on the overall performance of your company for 2020-21 along with the strategic roadmap for the group going forward. As we write to you, we are still experiencing unprecedented times caused by the pandemic. Unfortunately, it was a challenging year for most industries owing to the impact the pandemic had on the macro-economic scenario in the world. India's growth projection also changed to 9.6 % for 2021 calendar year from its earlier estimate of 13.9 %, nevertheless, we were still optimistic about the economy bouncing back.

As a company, we have worked cohesively to maintain an unwavering focus on our R&D that enabled us to enrich our capabilities, strengthen our abilities, and enhance our product portfolio. These efforts have resulted in positioning our group as a highly trusted partner for leading companies across the globe. Moreover, the interest of our various stakeholders remains of paramount importance to us and we endeavour to consistently deliver value to them.

Nevertheless, as the uncertainty continues, we hope to see the return of normalcy. The show must carry on and we are already adapting and finding growth opportunities. Our company has six strategically located manufacturing facilities spread across Jabalpur (4 facilities), Indore, and Jamshedpur and a broad range of product offerings in the commercial vehicle and wagon space.

To further align our business growth with the infrastructure development of the country, we have recently added general fabrication prospects from port and Concor for ISO containers. Additionally, owing to the new promoters, we have expanded our operating bandwidth and fetched BACCMB wagon orders and BOXNHL orders from private operators. We are also among the large players that undertake manufacturing of various load body applications on the commercial vehicle (CV) chassis.

We are simultaneously keeping a close watch on the power market as there is a spike in requirement on fabrication items for FGD owing to the pollution norms. We will look to re-enter the market subject to the prevailing market dynamics.

As we settle into this new normal, we have continued to focus on the safety and health of our employees who are the backbone of our company.

To conclude, I take this opportunity to express my gratitude to the government bodies, financial institutions, business partners, and various stakeholders for their sustained support and contribution to our success. We remain committed in our efforts to keep delivering better value. We look forward to having many more positive updates in the current financial year.

On Behalf of Board of Directors

P. Y. Gurav
Director
DIN - 02004317

Abhishek Jaiswal
Director
DIN - 07936627

Financial Highlights

Profit & Loss Statement

Rs. in Lakhs

Particulars	As per Indian GAAP Accounting			As per Ind AS				
	F.Y. 2015	F.Y. 2016	F.Y. 2017	F.Y. 2017	F.Y. 2018	F.Y. 2019	F.Y. 2020	F.Y. 2021
Income								
Net Sales	11,076.02	10,118.09	10,456.75	10,393.02	9,587.29	21,272.74	12,356.20	36,000.49
Other Operational Income	768.36	697.91	140.68	140.68	129.21	307.22	218.19	345.90
Other Income	239.98	112.72	44.38	44.38	116.43	75.91	329.35	108.01
Total Revenues	12,084.36	10,928.72	10,641.81	10,578.08	9,832.93	21,655.87	12,903.74	36,454.40
Expenditure								
Manufacturing Expenses	11,353.51	9,272.76	9,331.71	8,463.54	7,784.30	17,794.13	9,982.31	29,436.13
Personnel Cost	852.62	720.69	584.22	584.04	495.34	679.10	901.98	1,247.56
Selling & Admin Cost	1,730.63	2,107.96	592.18	1,324.64	1,431.37	1,916.37	1,481.41	2,974.30
EBIDTA	(2,092.38)	(1,285.41)	89.32	161.48	5.49	1,190.36	208.69	2,688.40
EBIDTA Margin (%)	(18.89)	(12.70)	0.85	1.55	0.06	5.60	1.69	7.47
Depreciation	2,026.29	1,451.26	1,046.44	1,035.80	1,035.23	1,037.91	831.74	862.82
EBIT	(3,878.69)	(2,623.95)	(912.74)	(829.94)	(913.31)	228.36	(293.70)	1,933.59
Interest Expenses	2,157.39	2,095.39	2,392.38	2,730.34	2,777.96	2,214.45	617.17	690.54
Profit/(Loss) Before Exceptional Items & Tax (PBT)	(6,036.08)	(4,719.34)	(3,305.12)	(3,560.28)	(3,691.27)	(1,986.09)	(910.87)	1,243.05
Exceptional Items- (Gain)/Loss, net	6,300.00	5,367.00	-	-	-	(10,853.47)	(655.12)	-
Tax and MAT	-	389.87	-	-	-	-	(241.78)	12.70
Deferred Tax	(2,081.47)	-	-	-	-	-	-	-
Profit/(Loss) After Tax (PAT)	(10,254.61)	(10,476.21)	(3,305.12)	(3,560.28)	(3,691.27)	8,867.38	(13.97)	1,230.35
Other Comprehensive Income (IndAS)	-	-	-	(0.18)	5.32	(1.20)	(27.37)	(35.86)
Profit/(Loss) After Tax (PAT)	(10,254.61)	(10,476.21)	(3,305.12)	(3,560.46)	(3,685.95)	8,866.18	(41.34)	1,194.49

Balance Sheet
Rs. in Lakhs

Particulars	As per Indian GAAP Accounting					As per Ind AS				
	FY. 2013	FY. 2014	FY. 2015	FY. 2016	FY. 2017	FY. 2017	FY. 2018	FY. 2019	FY. 2020	FY. 2021
Fixed assets	32,118.80	30,356.17	22,877.82	16,052.38	14,967.73	14,667.13	13,651.55	11,310.29	11,680.02	12,095.80
Financial assets	60.03	0.10	0.10	0.10	0.10	93.41	44.10	57.78	56.10	398.02
Other assets (Current and Non Current)	30,197.93	11,989.40	9,395.20	7,498.67	7,926.33	7,752.48	7,157.08	9,489.84	8,253.04	13,431.94
Total Application of Funds	62,376.76	42,345.67	32,273.12	23,551.15	22,894.16	22,513.02	20,852.73	20,857.90	19,989.16	25,925.76
Equity share capital	5,494.30	5,494.30	5,494.30	5,494.30	5,494.30	5,494.30	5,494.30	8,948.27	8,948.27	8,948.27
Other equity (inclusive of Reserves and Surplus)	21,908.89	15,122.93	5,768.32	-4,307.89	-7,613.01	-8,526.07	-12,212.02	637.27	595.93	1,790.42
Other Liabilities (Current and Non Current)	34,973.57	21,728.44	21,010.50	22,364.74	25,012.87	25,544.79	27,570.45	11,272.37	10,444.96	15,187.07
Total Sources of Funds	62,376.76	42,345.67	32,273.12	23,551.15	22,894.16	22,513.02	20,852.73	20,857.90	19,989.16	25,925.76

Key Facts

Product Verticals

The Company is one of the leading manufacturers in India of load bodies for commercial vehicles with an extensive portfolio of product offerings. Further, the Company has a facility for making freight wagons, which is now fully equipped with facilities of wagon production. The company carries out refurbishment of freight wagons and manufacturing of components for wagons and locomotives.

With a broad range of product offerings in the commercial vehicle and wagon categories and recent addition of some general fabrication prospects from port and Concor for ISO containers, the Company business is intertwined with the infrastructure development of the country.

Commercial Vehicle / Fully Built Vehicle (FBV)

One of the largest players manufacturing various load body applications on the commercial vehicle (CV) chassis with a major share of business with major CV manufacturers - Tata Motors, Volvo Eicher Commercial Vehicles Limited and Vehicle Factory, Jabalpur (Ministry of Defense). The Company also manufactures certain types of load bodies for dealers of the major commercial vehicle OEMs.

Freight Wagon

The Company has a manufacturing facility renewal RDSO (G-105) registration which has been done by Railway Authorities. The railway siding registration was done in February 2020. With new promoters coming in, the company was able to expand its operating bandwidth and fetch BACCBM wagon orders and BOXNHL orders from private operators. The company is pursuing this opportunity with full force in this high demand segment.

General fabrication

With strong pollution norms being implemented in power sectors, there is a surge of requirement on fabrication items for FGD. The Company is keeping a close look in the market and will re-enter if the situation in the segment improves.

The Company sees a potential opportunity in this segment which could support the 'Atmanirbhar' drive by the Government. The Company has recently received an order in the segment from a renowned player engaged in port infrastructure.

Strengths

- Economies of scale in its FBV business due to strong track record and long-standing relationships with all major OEMs.
- Wide range of product offerings in commercial vehicles for applications across diversified industries.
- Manufacturing facilities located close to some of key customers for commercial vehicle bodies, giving competitive advantage over other manufacturers of commercial vehicle bodies.
- Industrial relations climate quite conducive in Central India which also makes available cost-competitive work force.
- Design support capability.
- Expertise in Railways segment with new Promoters coming in.

- Central location of Railway plant makes our reach economical to our customers.

Manufacturing Plants

The company has six manufacturing facilities strategically located in Central India at Jabalpur (4 facilities), Indore and Jamshedpur. The strategic location provides an advantage to the company in terms of:

- Proximity to customers as Jabalpur is a central location to all major OEMs.
- Indore and Jamshedpur units are near their key customers namely VE Commercial Vehicles, and Tata Motors respectively.
- Manufacturing units located close to steel suppliers manufacturing locations or their key distribution hubs.

Key Customers

Business	Customers
Commercial Vehicles / FBV	Tata Motors Ltd. VE Commercial Vehicles Ltd. (VECV) Ministry of Defense (Vehicle Factory Jabalpur) Mahindra & Mahindra Limited Reliance Industries Limited
Railways	Ministry of Indian Railways Joshi Konoike Transport & Infrastructure Pvt. Ltd GATX India Private Limited Adani IVC logistics

Well Diversified Product Portfolio

Mining & Road Construction

1. Tipper Bodies
2. Tanker Bodies
3. Tip Trailers

Goods Transportation

1. Cargo load Bodies
2. Refrigerated and insulated containers
3. Trailer Bodies - Box Trailers, , Skeletal Trailers and Flat Bed Trailers
4. Explosive Vans
5. Petroleum Tankers
6. Water Tankers
7. Dry boxes

Solid Waste Management

1. Skip - Loaders
2. Garbage - Bin Collectors

Municipal Applications

1. Water Tanker Bodies
2. Light Recovery Vehicle Bodies
3. Garbage Tippers

Defense

1. Troop Carrier Vehicle Bodies
2. Prison Van Bodies
3. Water Bowser Bodies

Railway Components

1. Upgradation and Refurbishment of BOXN wagons
2. Components for Locomotives
3. Components for BOXNR wagons
4. Goods wagon BOXNHL
5. Car Carrier Wagon BCACBM

Power Plant structural

1. Electro static precipitators structures
2. FGD Structures

ISO Containers

MANAGEMENT DISCUSSION AND ANALYSIS

Indian economic scenario–The onslaught of Covid-19 and consequent lockdowns had a significant toll on the world economy. India's Gross domestic product (GDP) shrank by 7.3% to ₹135.13 trillion in 2020-21.

With easy money policy employed by most of the central banks and development of vaccine, most of the geographies have started witnessing gradual recovery in the economy.

With RBI support on monetary measures and Governments to push investment on infrastructure and other bold measures, the India GDP grew by 1.6% between January and March 2021. However, the growth trajectory has low down since March 2021, due to second wave of Covid, where India had to resort to selective lockdowns. Most economists had been predicting a growth of 11-13% in 2021-22 which has been now tapered down to . 9-10%. This, of course, comes with the assumption that the third wave of Covid -19, could be milder due to aggressive vaccination plan. While the growth has started getting momentum, its trajectory will depend on future course of pandemic and vaccination coverage and effectiveness.

1) Industry performance

The Company is mainly engaged in manufacture of load bodies for commercial vehicles and railway freight wagons.

a) Commercial vehicle Industry in India and our volumes

We mainly manufacture Tippers for Medium and Heavy-duty segment of commercial vehicles (M&HCV) for OEMs, OEM dealers and other customers.

Our total shipments of tippers, trailers and other load bodies were 6679 units in FY 2020-21 as compared to 4726 units in FY 2019-20, representing a growth of 41% (Please give reasons)

CV demand saw the much-needed traction in the quarter ended 31 March 2021, buoyed by a revival in construction demand. Domestic CV wholesale volume grew 43 per cent YoY in the quarter, boosted by 101 percent YoY sales growth of medium and heavy goods carriers. While a sharp recovery from the lows was on the cards this fiscal, it will be constrained by a weak first quarter because of the second wave of the pandemic. CV market had also seen two consecutive fiscals of steep volume decline of 29% and 21% in 2020 and 2021, respectively, following multiple headwinds such as revised axle norms and BS-VI transition. However, it is expected that there will be recovery in demand from the second quarter with easing lockdowns and pace of vaccinations picking up.

Factors which will affect CV Performance in 2021-22 the outlook for 2021-22 will remain dynamic and unpredictable. While the CV industry sales in March were the best for the last financial year, a bevy of factors will determine the performance of the industry in 2021-22. These include:

1. **Containing the Pandemic:** The second wave of the pandemic is witnessing a rapid increase in the number of corona virus cases. The effectiveness of the containment strategy will directly impact the economy and will also impact the confidence level of drivers who travel to high-risk locations and keep goods moving.
2. **State level restrictions:** As more states impose restrictions and lockdowns the goods movement get impacted.
3. **Fuel Prices:** While demand has continued to grow in Q3 and Q4 2020-21, operators continue to be challenged by high fuel prices. The rise in freight rates has always lagged the rise in diesel prices. This also makes the viability of BS-VI trucks, which are 20-30% more expensive than BS-IV variants, more challenging and in turn impacts new trucks sales.
4. **Supply chain :** OEMs continue to face supply shortages of critical components using semi-conductors. This has impacted the SCV segment the most and is expected to impact supplies until Q2 2021-22. OEMs will also be impacted by shortened operations in case they have outbreaks of the virus in their plants.

5. Rising Costs: OEMs are also battling rising costs of commodities. Steel prices have increased by around 50% from a year ago. OEMs anticipate further price increases in the coming quarters as demand outstrips supply. Rising cost makes the viability of CVs a major issue until freight rates rise to match higher costs.

We are confident that India will rise to the challenge and minimise the adverse impact of future waves of pandemic.

We are also optimistic about the turnaround of the CV industry in 2021-22 despite the challenging circumstances this year

While CV sales did not live up to our lofty expectations in 2020-21, we witnessed a recovery in Q3 and Q4. It is estimated that the CV industry will grow at a healthy rate of 34 – 36% for the year 2021-22. This view is based on the continued focus on infrastructure and roads by the government and the improved demand from Q3 2020-21, which should provide a strong base for growth in 2021-22.

b) Railway wagons

The Company completed an order of 500 wagons, of Indian Railways and orders from private sector of 108 car carrier wagons (BCACBM). In last quarter of 2020-21 the company got an order of 244 wagons from a renowned player in India and executed 61 wagons in the financial year.

Boost to rail goods transportation -In the last 7 years, Indian Railways has continued to be the key driver of the economy. Considering the increase of planned offtake of wagons by Indian Railways, there exists an opportunity in the sector. In order to encourage goods transportation on rail, the government has taken aggressive policy measures to attract private investment in rail transportation and establish dedicated freight corridors. Indian Railways showed growth of 2-3 % in freight carrying in 2020-21. Indian Railways has also introduced Kisan Rail train services for carrying agricultural produce to all parts of the country. India Railways is targeting 3,360 km dedicated freight corridors by June 2022 and electrification of broad gauge routes is planned to be completed by December, 2023. This will further help in improving freight delivering speed and cost. With government increased allocation, this fiscal year should show good growth in this segment.

2) Impact of COVID-19 on liquidity etc.

The Company's manufacturing plants and offices had to be closed down / operate under restrictions for a considerable period of time during the year and post year end. Lockdowns / restrictions have impacted the OEMs. Further industrial inflation is another cause of concern. More recently, the next wave of the pandemic has impacted India

The Company is monitoring the situation closely taking into account the increasing level of infections in India and across the world and directives from the various Governments. Management believes that it has taken into account all the possible impacts of known events arising from the COVID-19 pandemic in the preparation of the financial results including but not limited to its assessment of the Company's liquidity and going concern, recoverable values of its property, plant and equipment, intangible assets, intangible assets under development, allowances for losses for finance receivables, employee benefits, and the net realizable values of other assets including inventory. However, given the effect of these lockdowns and restrictions on the overall economic activity, the impact assessment of the COVID-19 pandemic on the financial statement is subject to significant estimation uncertainties due to its nature and duration and, accordingly, the actual impacts in the future may be different from those estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions and consequential impact on its financial statements.

3) FINANCIAL OVERVIEW
Amount in lakh

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
	Amount	% of net sales	Amount	% of net sales
Revenue from operation	36,346.39	100%	12,574.39	100%
Expenditure				
Raw material cost and change in inventory	29,436.13	80.99%	9,982.31	79.39%
Employee benefit expense	1,247.56	3.43%	901.98	7.17%
Operating and other expense	2,974.30	8.18%	1,481.41	11.78%
Operating profit (EBIDTA)	2,688.40	7.40%	208.69	1.66%
Depreciation and amortisation	862.82	2.37%	831.74	6.61%
Finance cost	690.54	1.90%	617.17	4.91%
Other income	108.01	0.30%	329.35	2.62%
Profit/ (loss) before tax and exceptional items	1,243.05	3.42%	(910.87)	-7.24%
Exceptional items - Gain net	-	0.00%	655.12	5.21%
Profit/ (loss) before tax	1,243.05	3.42%	(255.75)	-2.03%

The bifurcation of revenue is given below:-

Amount in lakh

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Commercial Vehicle Load Bodies & Components	15,551.42	10,108.33
Railway Wagons	19,911.67	1,854.26
Heavy Fabrication	532.33	392.08
Others	350.97	219.72
Total	36,346.39	12,574.39

The analysis of performance is explained below

- During the year revenue from operation increased to Rs. 36,346.39 lakhs as compared to Rs. 12,574.39 lakhs in the previous year, a growth of 189.05%. Increase in revenue was primarily due to Railway Wagons activity and increased volume and product mix from sale of load bodies components of commercial vehicles.
- Raw material cost was increased to 80.99% of revenue as compared to previous year 79.39% of revenue, mainly due to product mix and increase in cost of steel and other steel components.
- Employee cost and other operating expenses increased as compared to previous year, mainly on volume growth account of wagon activities and in line with increase in sales volume. However, as percentage of revenue, employee cost decrease by 3.74% and other operating cost decreased by 3.60%.

- d) Finance cost were increased by Rs. 73.37 lakh as compared to previous year mainly due to increased working capital, which is in line with the increased sales revenue.

4) Borrowings –

As on 31-03-2021, the Company has outstanding long-term debt of Rs. 2,372.72lakhs, cash credit of Rs. 1,714.60 lakh and unsecured bill discounting liabilities (with recourse) of Rs. 875.54 lakh. The average interest rate of long-term debt was 13.20% to 10.70% per annum.

Credit rating of the Company were carried out by ICRA Limited.

Particular	Rating
A. Rated on long term scale	
Term loan	A (-)
Cash credit	A (-)
B. Rated on short term scale	
Non fund base	A2 (+)

Considering the debt servicing requirement for the year, the Company is reasonably confident of meeting these, subject to severe and unforeseen changes in situation.

5) Outlook for FY 2021-22 and onwards

As increase in the cases of Covid-19 globally and in India, there continues to be a high degree of uncertainty on the overall market scenario. As we were looking for higher growth, second wave of pandemic started in March' 2021 and the possibility of third waves emerging.

Accordingly, the overall performance will depend on unfolding of economy and restoring of industrial demand.

In the long term, considering the measures taken by the government improving economic scenario and Government's ambitious plans to enhance the infrastructure, the commercial vehicle industry and tipper demand in particular is likely to gradually increase.

Wagon gives us a big opportunity for growth during the financial year under review and with the removal of working capital/funding constraints, the Company is confident of achieving higher growth in the upcoming years.

6) TECHNOLOGY – IT Process and Systems

Over the past years the company has not been able to make adequate investments to upgrade the software or the hardware to keep pace with development and to harness more efficiency in operations. During the year company has specifically focused on upgrading the IT infrastructure.

The Company had implemented SAP to replace the legacy ERP system. We are also in process to upgrade the hardware system of the Company.

7) Corporate governance

The Company believes that corporate accountability and corporate governance enable wealth creation and that the shareowners' participation adds value and often the power of ideas that investors bring outweighs the money they have invested in the Company. The corporate governance practices, as envisaged by the law of the country and regulators, in letter and spirit are the pillars of the business practices at CEBBCO.

The driving forces of corporate governance at CEBBCO are its core values – excellence and customer satisfaction, maximizing long- term value for stakeholders, good corporate conduct and environment-friendly behavior.

8) Risk Management

The management and members of the Board review the business periodically to identify ongoing factors that affect the business and also changes in external environment, which are likely to impact the Company. The management has foreseen certain risks and took steps to mitigate the risks. The following are the key risks and the mitigation approach.

Cyclicality of the commercial vehicle industry - The demand for heavy vehicles is closely linked to overall industrial growth and is vulnerable to cyclicality in the commercial vehicle industry. In addition to rationalizing the production capacities (as already mentioned), the company is focusing on increasing the revenue from other businesses such as wagons, heavy fabrication for power plant, water tankers, load bodies for automotive vehicle used by defense and Containers.

Raw material costs – Steel accounts for major portion of the raw material costs. The company has centralized the steel procurement function with the objective of leveraging the volumes to get better prices and is focusing on other cost control measures.

Competition – The Company depends on load body business from certain OEM customers. These OEMs have developed more than one supplier to minimize their risk. There is risk of change in OEM policy of with reference to suppliers. The company follows a policy of working closely with select OEMs to enhance its share of business. Further, the company continues to focus on orders from certain dealers.

Irregular order flows from heavy fabrication business- The Company will get affected in case there are irregular order flows from capital goods industries requiring heavy fabrication. However, the Company's plant is fungible and can be used for the manufacture of other products.

Increase in interest rate/cost : Any increase in interest rate will adversely affect the company. The company is exploring ways and means to tighten its working capital in order lower working capital finance.

Delay in execution of orders : Delays in execution of orders (particularly orders obtained through competitive tenders) can have a negative impact on profitability. The Company continues to monitor closely the execution of orders.

9) Internal control system

The Company has an established and comprehensive internal control mechanism and management structure in place across all locations and business functions that ensure the Company's assets are safeguarded against all and any loss from unauthorized use or disposal.

The documentation of Internal Control over Financial Reporting is in place and the management has undertaken effectiveness test of the system.

Internal Control systems are implemented :

- a) To safeguard the Company's assets from loss or damage.
- b) To keep constant check on cost structure and process loss.
- c) To provide adequate financial and accounting controls for preparation and reporting of financial performance and state of affairs, in accordance with Accounting Standards.

d) To maintain proper accounting record and statutory compliances.

The systematic implementation of Internal Control Systems and policies has resulted in the use of funds in the most efficient and appropriate manner.

10) Internal Audit:

The Company has assigned the internal audit to a leading auditing firm. The internal audits are reviewed by the Audit Committee including implementation status of changes suggested by Internal Auditors

The management and Audit Committee of the Board review the findings and the recommendations of the internal auditors as well as statutory auditors, who are also are empowered by the Board to take up and investigate any matter flagged by the internal audit team.

11) CEBSCO Key Financial Ratios

Ratio Descriptions	Year ended 31 March 2021	Year ended 31 March 2020
PBDIT as % of revenue from operations	7.42%	1.66%
Profit/ (loss) before tax and exceptional items as % of revenue from operation	3.44%	-7.06%
Return on Net Worth	11.12%	-0.43%
Gross Debt: Equity ratio	0.22:1	0.22:1
Current Ratio	1.15:1	1.09:1
Interest Coverage Ratio	4.95:1	1.07:1
Debtors Turnover	7.66	11.13
Inventory Turnover ratio	5.52	3.22

Note on the Change in Ratios

- a) **PBDIT/ operating margin:-** The increase is mainly attributable to higher volume driven by Railway Wagon activity and increase in off-take by OEMs of tippers, resulting in increased absorption of fixed cost. As percentage of revenue, decrease in employee cost by 3.74% and other operating cost by 3.60% whereas raw material cost increased by 1.60%.
- b) **Profit/ (loss) before tax and exceptional items:-** During the year the Company register profit before tax and exceptional items of Rs.1,243.05 lakh, which is 3.42% of revenue from operation as compared to previous year loss of (-) 7.24%, surge by 10.66%. The surge in profit was due to increase in operating margin as explained in (a) above. The Company was successful in containing finance cost despite increased working capital requirement for volume growth.
- c) **Return on net worth:-** Please refer (a) and (b) above.
- d) **Debt Equity Ratio:-** During the year the Company has taken disbursement of long-term debt of Rs. 500 lakhs, utilized for refurbishment of manufacturing facilities. The outstanding long-term debts was Rs. 2,372.72 lakhs as compared to previous year outstanding of Rs. 2,056.39 lakhs. The company is regular in repayment of principal and interest liabilities.

- e) **Current Ratio:** - Current ratio was 1.15:1 as compared to previous year 1.09:1. The liquidity position of the Company is stable. The Company is reasonably confident of meeting its short-term obligation.
- f) **Interest Coverage Ratio:-** Interest coverage ratio was 4.95 times as compared to previous year 1.07 times. Increase in interest coverage ratio is due to surge in EBIDTA. The higher ratio indicates that the Company has sufficient cash earnings and is able to pay off interest on debt with its current earnings.
- g) **Debtor Turnover Ratio:-** Debtor turnover ratio was 7.66 times as compared to previous year 11.13 times. Due to pandemic impact, at the end of financial period under review, there was delayed collection from debtors. The company continues to focus on collection and taking reasonable measures on effectiveness in collecting receivables.
- h) **Inventory Turnover ratio:-** Inventory turnover ratio increased to 5.52 as compared to previous year 3.22. Inventory includes work in progress (WIP) of Rs. 2,957.06 lakhs as compared to previous year Rs. 2,765.30 lakhs. Due to increasing number of wagon orders, favorable outlook of steady order inflow of load bodies for commercial vehicles from OEM & private parties and product mix, the inventory of the Company is also increasing. However, the Company continues to focus on optimizing inventory turnover ratio.

12) Human Capital

Our employees are critical to our business. We internally assess our employees to periodically identify competency gaps and use development inputs (such as skill upgradation training) to address these gaps. We have implemented staff training policies and assessment procedures and intend to continue placing emphasis on attracting and retaining motivated employees.

We plan to continue investing in training programmes and other resources that enhance our employees' skills and productivity. We will continue to help our employees develop understanding of our customer-oriented corporate culture and service quality standards to enable them to continue to meet our customers' changing needs and preferences.

At the end of FY 2020-21, we had a total of 198 permanent employees and 227 employees hired on contractual basis / trainees.

Cautionary Statement

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

Date: 01 September 2021

Dear Member, Directors & Auditors

You are cordially invited to attend the **41st Annual General Meeting (the 'AGM')** of the members of Commercial Engineers & Body Builders Co Limited (the 'Company') to be held on, **Tuesday, 28th September 2021** at **01.00 p.m.** through Video Conferencing / Other Audio-Visual Means (OAVM)

The Notice of the meeting, containing the business to be transacted, is enclosed.

Thanking You,

For and on behalf of the Board

COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED

Deepesh Kedia
Company Secretary
ACS No.: A34616
PAN: BHMPK7579L

Commercial Engineers & Body Builders Co Limited**Regd. Office: 48, Vandana Vihar, Narmada Road, Gorakhpur,****Jabalpur (M.P.) 482001 India****CIN: L28100MP1979PLC049375,****Telephone No. - 0761-2661336,****Email ID cs@cebbco.com, Website - www.cebbco.com****NOTICE**

NOTICE is hereby given that the 41st Annual General Meeting ('AGM') of the shareholders of Commercial Engineers & Body Builders Co Limited ("Company") will be held on Tuesday, 28th September 2021 at 01.00 p.m. through Video Conferencing ('VC') / Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS**1. Adoption of Audited Financial Statements and Board's Report**

To receive, consider and adopt the Audited financial statements of the Company for the financial year ended 31st March 2021, together with the Reports of Directors and Auditors thereon.

2. Appointment of Director retiring by rotation

To appoint a director in place of Mrs. Madhuchhanda Chatterjee (DIN:02510507), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS**3. Appointment of Mr. Vivek Lohia as Non-Executive Director of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) Mr. Vivek Lohia (DIN: 00574035), who was appointed as an Additional Non-Executive Director by the Board of Directors of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

'RESOLVED FURTHER THAT pursuant to the other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, Mr. Vivek Lohia be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits as may be prescribed under the Act from time to time and the requisite approvals.'

4. Approval for Related Party Transactions

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

"RESOLVED THAT pursuant to the provisions of Sections 177 and 188 and other applicable provisions, if any, of the

Companies Act, 2013 ("Act") read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and all other applicable provisions of law, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Jupiter Wagons Limited, a related party within the meaning of Section 2(76) of the Act, for purchase of fixtures, components for manufacture of wagons and containers, sale/purchase of sample products for development, and including purchase or supply of any goods or service incidental to company's business, on such terms and conditions as the Board of Directors may deem fit, up to an amount of Rs. 75 Crore (excluding GST) for the financial year 2021-22.

RESOLVED FURTHER that the Board of Directors of the Company which shall be deemed to include any Committee thereof or a person who may be delegated with the authority of the Board be and is hereby authorized to execute, transact, enter into any agreement, contract or arrangement and to carry out or perform all such acts, deeds, matters, things, , etc. as may be required to be done to give effect to the instant resolution or for the matters incidental to or ancillary thereof, **with the authority to vary or modify the terms and conditions of contract or arrangement** without being required to seek further approval of the members and the approval of the members of the company shall be deemed to have been given thereto expressly by the authority of this resolution."

5. Ratification of the remuneration to be paid to the cost auditor

To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2020-21 pursuant to Section 148 and all other applicable provisions of Companies Act, 2013, by passing with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 read with Rule 14 of Companies (Audit and Auditors) Rules, 2014 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), **M/s K DAS & ASSOCIATES [Firm Registration No. - 004404]**, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, be paid the remuneration amounting to Rs. 50000/- (exclusive of Goods and Service Tax & re-imbursment of outofpocket expenses);

RESOLVED FURTHER THAT Mr. Abhishek Jaiswal, Whole Time Director & C.E.O. and/or Mr. Deepesh Kedia, Company Secretary of the company be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

**By order of the Board of Directors
For Commercial Engineers & Body Builders Co. Limited**

**Deepesh Kedia
Company Secretary**

Place - Jabalpur

Date : 01 September 2021

NOTES

1. In view of the continuing restrictions on the movement of persons at several places in the country, due to outbreak of COVID-19, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5 May 2020 read with General Circular No. 14/2020 dated 8 April 2020, General Circular No. 17/2020 dated 13 April 2020 and General Circular No. 02/2021 dated 13 January 2021 and other applicable circulars issued by the Securities and Exchange Board of India (SEBI), has allowed the Companies to conduct the Annual General Meeting ('AGM') through Video Conferencing (VC) or Other Audio Visual Means (OAVM) during the calendar year 2021. In accordance with the said circulars of MCA, SEBI and applicable provisions of the Companies Act, 2013 (the 'Act') and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'SEBI Listing Regulations'), the thirty-fourth AGM of the Company shall be conducted through VC/OAVM (hereinafter called 'e-AGM' or 'AGM'). KFin Technologies Private Limited ('KFin') will be providing facility for voting through remote e-voting, participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM as explained below is also available on the website of the Company at <https://www.cebbco.com/investor>
2. In terms of sections 101 and 136 of the Act, read with the rules made thereunder, the listed companies may send the notice of AGM and the annual report, including financial statements, boards' report, etc. by electronic mode. Pursuant to the said provisions of the Act read with MCA Circulars, SEBI Circular dated 12 May 2020 and 15 January 2021, Notice of thirty-fourth e-AGM along with the Annual Report for FY2021 is being sent only through electronic mode to those members whose email addresses are registered with the Company/depositories. Members may note that the Notice of the thirty-fourth AGM and Annual Report for FY2021 will also be available on the Company's website at <https://www.cebbco.com/investor> and website of the stock exchanges i.e., BSE Ltd. ('BSE') at www.bseindia.com and National Stock Exchange of India Ltd. ('NSE') at www.nseindia.com and on the website of KFin at <https://evoting.kfintech.com>. In this notice, the term member(s) or shareholder(s) are used interchangeably.
3. The deemed venue for forty first e-AGM shall be the registered office of the Company
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this e-AGM is being held pursuant to the MCA Circulars through VC/OAVM facility, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the e-AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to khaitan52@gmail.com with a copy marked to einward.ris@kfintech.com The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT No."
6. Statement pursuant to section 102 of the Act forms part of this Notice. The Board of Directors at its meeting held on 14 August 2021 has decided that the ordinary / special businesses set out under item no. 3 to 5, being considered 'unavoidable', be transacted at the forty first e-AGM of the Company
7. Brief details of the directors, who are seeking appointment/re-appointment, are annexed hereto as per requirements of regulation 36(3) of the Listing Regulations and as per provisions of the Act

8. The facility of joining the e-AGM through VC/OAVM will be opened 15 minutes before and will be open up to 15 minutes after the scheduled start time of the e-AGM, i.e. from 12.45 p.m. to 01.15 pm and will be available for 1,000 members on a first-come first-served basis. This rule would however not apply to participation of shareholders holding 2% or more shareholding, promoters, institutional investors, directors, key and senior managerial personnel, auditors etc.
9. Institutional Investors who are members of the Company are encouraged to attend and vote at the forty first e-AGM of the Company
10. SEBI has mandated the submission of Permanent Account Number (PAN) by every person dealing in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or KFin.
11. To receive shareholders' communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their e-mail address with their respective depository participant, where shares are held in electronic form. Where shares are held in physical form, members are advised to register their e-mail address with KFin by clicking on the link https://ris.kfintech.com/email_registration/.
12. Members who have not registered their email addresses and mobile numbers and consequently could not be served the Annual Report for FY2021 and Notice of thirty-fourth e-AGM, may temporarily get themselves registered with KFin, by following the procedure mentioned below:
 - a. Visit the link <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>
 - b. Select the company name i.e. Commercial Engineers & Body Builders Co Limited.
 - c. Select the Holding type from the drop down i.e. - NSDL/CDSL/Physical
 - d. Enter DP ID Client ID (in case shares are held in electronic form)/Physical Folio No. (in case shares are held in physical form) and PAN.
 - e. If PAN details are not available in the system, the system will prompt to upload a self-attested copy of the PAN card for updating records.
 - f. In case shares are held in physical form and PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.
 - g. Enter the email address and mobile number.
 - h. System will validate DP ID Client ID/Folio No. and PAN/Share certificate No., as the case may be, and send OTP at the registered Mobile number as well as email address for validation.
 - i. Enter the OTPs received by SMS and email to complete the validation process. OTP will be valid for 5 minutes only.
 - j. The Notice and e-voting instructions along with the User ID and Password will be sent on the email address updated by the member.
 - k. Please note that in case the shares are held in electronic form, the above facility is only for temporary registration of email address for receipt of the Notice and the e-voting instructions along with the User ID and Password. Such members will have to register their email address with their DPs permanently, so that all communications are received by them in electronic form.

- l. In case of queries, members are requested to write to einward.ris@kfintech.com or call at the toll free number 1800-309-4001.
13. Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Annual Report and Notice of e-AGM, may temporarily get themselves registered with KFin, by clicking the link: https://ris.kfintech.com/email_registration/for_obtaining_thesame. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail going forward.
14. With a view to helping us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
15. Members who still hold share certificates in physical form are advised to dematerialize their shareholding to also avail of numerous benefits of dematerialization, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
16. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the e-AGM
17. 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 the Directors are interested under Section 189 of the Act and all other documents referred to in the Notice will be available for inspection in electronic mode.
18. For ease of conduct, members who would like to ask questions/express their views on the items of the businesses to be transacted at the meeting can send in their questions/comments in advance by visiting URL <https://emeetings.kfintech.com/> and clicking on the tab "Post your Queries" during the period starting from 25th September 2021 (9.00 a.m.) upto 26th September 2021 (5.00 p.m.) mentioning their name, demat account no./Folio no., e-mail Id, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting.
19. For more details on shareholders' matters, please refer to the chapter on General Shareholder Information, included in the Annual Report.
20. Since the meeting will be conducted through VC/OAVM facility, the Route Map is not annexed in this Notice.
21. In case a person has become a member of the Company after dispatch of AGM Notice, but on or before the cut-off date for e-voting, i.e., 20th September 2021, such person may obtain the User ID and Password from KFin by e-mail request on shyam.kumar@kfintech.com.
22. Alternatively, member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via e-mail at the e-mail id einward.ris@kfintech.com for obtaining the Annual Report and Notice of e-AGM
23. The Register of Members / share transfer books of the company will remain close from 25th September, 2021 up to 28th September, 2021 (Both days inclusive) for the purpose of AGM.
24. Pursuant to section 72 of the Act, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.

A. VOTING THROUGH ELECTRONIC MEANS:

Voting through electronic means

- a. In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 in relation to e-voting facility provided by Listed Entities, the members are provided with the remote e-voting facility to exercise votes on the items of business given in the Notice, through the e-voting services provided by KFin or to vote at the e-AGM.
- b. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on Monday, 20th September 2021 (end of day), being the cut-off date fixed for determining voting rights of members who are entitled to participate in the e-voting process. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- c. Members can cast their vote online from 25th September 2021 (9.00 a.m.) till 27th September 2021 (5.00 p.m.). Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.
- d. Alternatively, members holding securities in physical mode may reach out on toll free number 1800 309 4001 for obtaining User ID and password or may write email from the registered email ID to evoting@kfintech.com.
- e. The details of the process and manner for remote e-voting are explained herein below:
- f. Login method for remote e-voting for Individual shareholders holding securities in demat mode
- g. Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9 December 2020 on “e-voting facility provided by Listed Companies”, e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts / website of Depositories / DPs in order to increase the efficiency of the voting process. 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.
- h. Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-voting facility.
- i. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders Login method

Individual shareholders holding securities in demat mode with NSDL

A. Users registered for NSDL IDeAS facility:

- 1. Open web browser by typing the following URL : <https://eservices.nsd.com/either> on a Personal Computer or on a mobile. Once the homepage 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 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
- KFinTech and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period.

B. Users not registered for IDeASe-Services:

Option to register is available at <https://eservices.nsd.com>. Select "Register Online for IDeAS" Portal or click at [https://eservices.nsd.com/SecureWeb/IdeasDirect Reg. jsp](https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp) and proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.

C. By visiting the e-voting website of NSDL:

1. 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 "Login" icon, available under the 'Share holder/Member' section.
2. A new screen will open. Enter your User ID (i.e. your 16-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 Depository site where in you can see e-voting page.
3. Click on options available against Company name or e-voting service provider
 - KFintech and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting.

Type of shareholders Login method

Individual Shareholders holding securities in demat mode with CDSL

A. Existing users who have opted for Easi/Easiest :

1. URL to login to Easi/Easiest : [https://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com](https://web.cdslindia.com/myeasi/home/loginorwww.cdslindia.com) and click on login icon and select New System Myeasi
2. Share holder scan login through their existing user ID and password. Option will be made available to reach e-voting page without any further authentication.
3. After successful login on Easi/Easiest, the user will also be able to see the e-voting Menu. The menu will have links of ESPs. Click on KFintech 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>. Proceed with completing the required fields. After successful registration, please follow the steps given above to cast your vote.

C. By visiting the e-voting website of CDSL:

1. The user can directly access e-voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & e-mail ID as recorded in the demat Account.
2. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and will also be able to directly access the system of e-Voting Service Provider i.e. KFintech.

Individual Shareholders (holding securities in demat mode) logging through their depository participants

1. Share holders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-voting facility. Once logged-in, you will be able to see e-voting option.
2. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, where in you can see e-voting feature.
3. Click on option available against Company name or e-voting service provider- KFintech and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period.

Important Note : Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at respective websites.

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

Members facing any technical issue-NSDL

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call on tollfree no.: 1800 1020 990 and 1800 22 44 30

Members facing any technical issue-CDSL

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact on 022-23058738 or 022-23058542-43.

Login method for remote e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode

- i. In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the Listing Regulations, the Company is providing facility of remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 20th September 2021 (end of day), being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by KFin or to vote at the e-AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.
- ii. The details of the process and manner for remote e-voting are given below:
 - i. Initial password is provided in the body of the email.
 - ii. Launch internet browser and type the URL: <https://evoting.karvy.com> in the address bar.
 - iii. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.
 - iii. After entering the details appropriately, click on LOGIN.
 - iv. You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - v. You need to login again with the new credentials.
 - vi. On successful login, the system will prompt you to select the EVENT i.e. Commercial Engineers & Body Builders Co. Limited ("**CEBBSCO**").
 - vii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
 - viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
 - ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
 - x. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who is/are authorized to vote, to the Scrutinizer through e-mail at khaitan52@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format

'BALEVENT No.'

xi. Members can cast their vote online from 25th September 2021 (9.00 a.m.) till 27th September 2021 (5.00 p.m.). Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.

xii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual available at the 'download' section of <https://evoting.karvy.com> or call KFin on 1800 309 4001 (tollfree).

B. VOTING AT E-AGM:

i. Only those members/shareholders, who will be present in the e-AGM through video conferencing facility and have not cast their vote through remote e-voting & are otherwise not barred from doing so are eligible to vote through e-voting in the e-AGM.

ii. However, members who have voted through remote e-voting will be eligible to attend the e-AGM.

iii. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

iv. Upon declaration by the Chairman about the commencement of e-voting at e-AGM, members shall click on the thumb sign on the left-hand bottom corner of the video screen for voting at the e-AGM, which will take them to the 'Instapoll' page.

v. Members to click on the 'Instapoll' icon to reach the resolution page and follow the instructions to vote on the resolutions.

C. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE E-AGM:

i. Members will be able to attend the e-AGM through VC/OAVM or view the live webcast of AGM provided by KFin at <https://emeetings.kfintech.com> by clicking on the tab “**video conference**” and using their remote e-voting login credentials. The link for e-AGM will be available in members login where the EVENT and the name of the Company can be selected. Members who do not have 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 under heading A above.

ii. Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.

iii. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.

iv. While all efforts would be made to make the VC/OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

v. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL <https://emeetings.kfintech.com/> and clicking on the tab “Speaker Registration” during the period starting from 25th September 2021 (9.00 a.m.) up-to 26th September 2021 (5.00 p.m.). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Please note that only questions of the members holding the shares as on cut-off date will be considered.

vi. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL <https://emeetings.kfintech.com/>

vii. Members who need technical assistance before or during the forty first e-AGM can contact KFin at emeetings@kfintech.com or Helpline: 1800 309 4001.

D. GENERAL INSTRUCTIONS:

- i.** The Board has appointed Mr. Deepak Khaitan (FCS-5615) and Ms. ShrutiSinghania(ACS-49632), practicing Company Secretaries and Partners, M/s DeepeakKaihtan& Co. LLP, (Kolkata) as the Scrutinizer and alternate Scrutinizer for conducting the remote e-voting / ballot process, in a fair and transparent manner. Remote e-voting is optional.
- ii.** The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the forty first e-AGM and announce the start of the casting of vote through the e-voting system of KFin.
- iii.** The Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.
- iv.** The Scrutinizer shall submit his report to the Chairman or in his absence Managing Director & CEO of the Company, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website www.cebbsco.com and on the website of KFin <https://evoting.karvy.com> and shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the AGM of the Company.
- v.** The Notice of AGM is being sent to those members / beneficial owners whose names appear in the register of members / list of beneficiary received from the depositories on 01st September, 2021

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Act and Regulation 36 of Listing Regulations, the following explanatory statement sets out material facts relating to business mentioned under Item Nos. 3, 4 and 5 of the accompanying Notice and should be read as forming part of the Notice.

Item No-3

As required under section 160 of the Companies Act, 2013, the Company has received a Notice along with requisite deposit proposing the candidature of Mr. VivekLohia for his appointment as Director of the Company.

Mr. VivekLohia fulfills all the conditions given under section 196(3) and Schedule -V to the Companies Act, 2013 for being eligible for his appointment. He is not disqualified in terms of section 164 of the Companies Act, 2013 from being appointed as Director and has given his consent to act as Director.

This explanatory statement and the Resolution set out at Item No. 3 of this Notice may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

Profile and other particulars of Mr. VivekLohia, as required under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting issued by the Institute of Company Secretaries of India, are provided under heading "PROFILE OF DIRECTORS" forming part of this Notice.

The members' approval is being sought for appointment of Mr. VivekLohia as Non- Executive Director of the Company in terms of applicable provisions of the Companies Act, 2013 and rules made thereunder

Except Mr. VivekLohia being the appointee director, none of the Directors, Key Managerial Personnel and their relatives of the Company are concerned or interested financially or otherwise in the resolution.

The Board recommends the Resolutions set out at item no. 3 of the Notice for approval of the Members as an Ordinary Resolutions.

Item No-4

Jupiter Wagons Limited carries on the business of manufacturing components for manufacture of railway wagons

The Company is currently manufacturing rail freight wagons for Indian Railways and other parties.

As per the requirements of Indian Railways, the manufacturing facility of certain railway wagon components has to be approved by Research Designs and Standards Organization (RDSO). For the Railway order of wagons, the Company is required to procure mainly cast steel bogie, high tensile center buffer coupler and high capacity draft gear and roll forming's. At present, the Company does not have the facility and infrastructure, to manufacture these items. Jupiter Wagons Limited has requisite RDSO approval. Hence the Company is desirous of buying these components from Jupiter Wagons Limited.

The Company had also successfully procured an order for manufacture of 4 rakes of Car Carrier Wagon from a private party and for execution of the same, the Company needs cast steel bogie, high tensile center buffer coupler and high capacity draft gear to be purchased from RDSO approved supplier.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company.

The value of proposed aggregate transactions with Jupiter Wagons Limited is likely to exceed the said threshold limit, and is expected to be around Rs. 75.00 Crore during the financial year 2021-22.

Accordingly, transaction(s) to be entered into with Jupiter Wagons Limited comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations.

Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with Jupiter Wagons Limited in the financial year 2021-22.

Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transactions with Jupiter Wagons are as follows:

Sl.	Particulars	Remarks
1.	Name of the Related Party	Jupiter Wagons Limited
2	Name of the Director or KMP who is related	Except Mr. Vivek Lohia no other Director or KMP is Interested
3	Nature of Relationship	Promoter / Investor / Investing Company
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Purchase of fixtures, components for manufacture of wagons and containers, sale/purchase of sample products for development, and including purchase or supply of any goods or service incidental to company's business Monetary value of proposed aggregate transactions during financial year 2021-22 is expected to be Rs. 75.00 Crore
5	Any other information relevant or important for the members to take a decision on the proposed resolution	As mentioned above.

Mr. Vivek Lohia is a common Director in Cebbco and Jupiter Wagons Limited, except Mr. Vivek Lohia, no other Directors and Key Managerial Personnel of the Company or their respective relatives, is concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the resolution as set out at item No. 4 of this Notice as an Ordinary Resolution.

Item No.5

In accordance with the provisions of Section 148 of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014 (the Rules), the Company is required to appoint a cost auditor to audit the cost records of the Company.

On the recommendation of the Audit Committee, the Board of Directors of the Company has approved the appointment of M/s. K DAS & ASSOCIATES, Cost Accountants as the Cost Auditor of the Company for the financial year 2020-2021 at a remuneration of Rs. 50000/- (Rupees Fifty Thousand Only) plus reimbursement of all out of pocket expenses incurred, if any, in connection with the cost audit. The remuneration of the cost auditor is required to be ratified subsequently by the Members, in accordance with the provisions of the Act and Rule 14 of the Rules.

None of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the Resolution at Item No. 5 of the Notice. Accordingly, the Board recommends the Ordinary Resolution at item no. 5 of this Notice for the approval of the Members.

AS REQUIRED UNDER LISTING REGULATIONS AND SECRETARIAL STANDARDS-2 ON GENERAL MEETINGS, THE RELEVANT DETAILS IN RESPECT OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT UNDER ITEM NOS. 2 AND 4 OF THIS NOTICE ARE AS BELOW:

BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT:

Name of the Non-Executive Director Mrs. Madhuchhanda Chatterjee		
1.	Reason for Change	Re - Appointment as Non-Executive Director
2.	Date of Appointment & term of Appointment	22.05.2019
3.	Brief Profile (In case of	<p>Dr. Chatterjee is the Executive Director of Anamika Kala Sangam, a premier Appointment) cultural organization of Kolkata. She has been a Lecturer in English in the Department of English, RabindraBharati University, and has been into academics, attending seminars in India and abroad. She has a number of publications to her credit and has been the Convener of RASA, the 2-volume anthology published by Anamika Kala Sangam. She has also contributed to newspapers with book reviews and other articles.</p> <p>Dr. Chatterjee has worked as a Consultant in the Ministry of Culture, Govt. Of India during the 150 years Birth Celebrations of Rabindranath Tagore, steering the plans made by the Ministry. She has also been the Nodal Officer of a Digitization Project under the Indira National Centre for the Arts, Govt. of India</p>
4.	Disclosure of relationships between Directors	Not related to any Director or Key Managerial Personnel of the Company.
5.	Names of Listed Entities already holding post of director	N.A.
6.	Membership of the Committees	N.A.
7.	Date of Birth / Age	15.08.1952 / 67 years
8.	Shareholding in the company	Nil
9.	Nature of expertise in specific functional areas	<p>CSR, Sustainability & NGO matters, Academics, Education, Authorship and administration.</p> <p>None of the directors or key managerial personnel or their relatives, except Mrs. Madhuchannda Chatterjee, is directly or indirectly concerned or interested, financially or otherwise, except to the extent of her respective shareholding, if any, in the Company, in the resolution set out in item no. 2 of the Notice.</p> <p>The Board commends the ordinary resolution set out in item no. 2 for approval by shareholders</p>
10.	Terms and Conditions of appointment / reappointment	As per prevailing practice
11.	Remuneration last drawn	As mentioned in the Corporate Governance Report
12.	Number of Board Meetings attended during the year	As mentioned in the Corporate Governance Report

NAME OF THE DIRECTOR MR. VIVEK LOHIA		
1.	Reason for Appointment / Change	Appointment as Director (Non-Executive, Non-Independent Director) of the company subject to approval of the shareholders
2.	Date of Appointment & term of Appointment	25 th Day of March 2021 N.A.
3.	Brief Profile (In case of Appointment)	<p>Mr. Vivek Lohia is a Management Graduate from the Wharton Business School, U.S.A., presently Mr. Lohia is serving as a Director on the Board of Jupiter Wagons Limited a promoter group company, a leading manufacturer of Wagons and equipment's for Railways and Engineering sector, he is also associated with many other companies, associations and committees on various positions.</p> <p>Mr. Lohia possesses in overall more than 20 years of vast experience in Service operations managements, Rail Transport Planning and management, infrastructure and transportation system, supply chain and logistics management, Marketing Management etc.</p>
4.	Disclosure of relationships between Directors	Not related to any Director or Key Managerial Personnel of the Company.
5.	Names of Listed Entities already holding post of director	N.A.
6.	Membership of the Committees	N.A.
7.	Date of Birth	24/02/1974

**By order of the Board of Directors
For Commercial Engineers & Body Builders Co. Limited**

**Deepesh Kedia
Company Secretary**

**Place - Jabalpur:
Date : 01 September 2021**

Director's Report 2020-2021

To the Members of

Commercial Engineers & Body Builders Co. Ltd

The Directors are presenting herewith the 41st Annual Report of the Company together with the Audited Accounts for the year ended **31st March 2021**.

At the outset, your Company's (CEBBCO) Board of directors commiserates with the families of all employees, shareholders and others who succumbed to this dreadful COVID-19 pandemic.

Circulation of Annual Reports in electronic form

Pursuant to Ministry of Corporate Affairs' ('MCA') circulars dated 8 April 2020, 13 April 2020, 5 May 2020 and 13 January 2021, read with SEBI Circulars dated 12 May 2020 and 15 January 2021, relaxation has been granted to the companies in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode till 31 December 2021.

Accordingly, the financial statements (including Boards' Report, Corporate Governance Report, Management Discussion and Analysis, Auditors' Report and other documents to be attached therewith) are being sent only through electronic mode to those shareholders whose email addresses are registered with the Company's Registrar and Share Transfer Agent viz., KFin Technologies Private Limited ('KFin')/Depository Participants, and whose names appear in the register of members as on Friday, 18 June 2021. The Company has also made arrangements for those shareholders who have not yet registered their email address to get these registered by following the procedure prescribed in the notice of Annual General Meeting (AGM).

The Annual Report for FY2021 is also available on the website of the Company at <https://www.cebbco.com/investor-relation-annual-reports>.

Financial Highlights

Rs Lakhs

Particulars	For the year ended 31 March 2021	For the Year Ended 31 March 2020
Revenue from Operations	36,346.39	12,574.39
Total Sales		12,574.39
Other Income	108.01	329.35
Total Income		12,903.74
Operating Expenses	33657.99	12,365.70
Depreciation and Amortizations	862.82	831.74
Finance Cost	690.54	617.17
Profit/(Loss) before Tax and Exceptional Items	1243.05	(910.87)
Exceptional Items- (Gain)/Loss, net	0	(655.12)
Profit/(Loss) for the Year before Tax	1243.05	(255.75)
Tax adjustments related to earlier years	12.70	-241.78
Profit/(Loss) for the Year	1230.35	(13.97)
Other Comprehensive Income/(Loss)	(35.86)	(27.37)
Total Comprehensive Income/Loss) for the year	1194.49	(41.34)

Performance at glance

The previous year has been most challenging, full national lockdown during 25 March to 30 April 2020 and partial lockdown that continued in varying stages up to 30 November 2020, brought economic activity to a near-standstill. Subsequent to second quarter of FY 20-21, things were gradually moving for the better. CV demand saw the much-needed traction in March quarter 2021, buoyed by a revival in construction demand.

We wish to place before you, the performance of your Company in the year gone by and share thoughts on Company's strategy for growth in the coming years.

During the year, the Company recorded revenue from operation Rs. 36,346.39 lakh as compared to previous year Rs. 12,574.39 lakh, registering a growth of 289 % year to year, recorded a net profit of Rs. 1194.49 lakh.

The year witnessed a significant surge in demand of commercial vehicle in last quarter though the financial year was at the lowest after 2009-10 and at 20% DE growth from 2019-20, which itself was very low

While the wagon order from Indian Railway, for supply of 500 wagons were received in the year 2018-19, the shipment could commence in February 2020, and completed in February 2021.

The company has also supplied BOXNHL and BCACBM wagons to private freight operators.

The performance of the Company reflected in the business improving EBIDTA margin to 7.47%, amounting to Rs. 2688.40 lakh

Please refer to Management Discussion and Analysis for comments on financial performance.

COVID-19 Impact on business.

Consequent to nation-wide lockdown, the Company's manufacturing facilities remained shut as a result, major shipments for the month of March 2020, were impacted.

The Company has resumed its operations in phased a manner from 25th April 2020 with reduced strength of manpower as per directives of the respective state governments or central government guidelines, as applicable.

Due to outbreak of Covid-19 globally and in India, the Company's management has made assessment of likely impact on business and financial risks based on internal and external sources. The management has also considered the possible effects of Covid-19 on the carrying amounts of its financial and nonfinancial assets and debt covenants using reasonably available information, estimates and judgments and has determined that none of these balances require a material adjustment to their carrying values, and that the management does not see any medium to long term risks in the Company's ability to continue as going concern and meeting its liabilities as and when they fall

To effectively respond to and manage our operations through this crisis, the Company has taken adequate measures in terms of use of safety masks and entry level scanning. The new 'work-from-home' model is implemented mainly for employees working at administrative offices.

Future Outlook

With the second wave of pandemic started in March 2021, the economists expect contraction in the economy in the first quarter of 2021-22. This will certainly impact the demand for commercial vehicle in first quarter and it is expected the demand will gradually improve in the second half, after monsoon.

It is estimated that the CV industry will grow at a healthy rate of 34-36% for the year 2021-22. This is based on the continued focus on infrastructure and roads by the government and the improved demand from Q3 2020-21 which should provide a strong base for growth in 2021-22. Infrastructure Investments Growing at 35%: The Indian government has planned to invest 35% more in infrastructure versus FY 2020-21 in the budget announced in February. This bodes well for the CV industry, especially the medium and heavy commercial vehicle segment. This is a positive note for the company. With this company expect to grow by 30-35% in this segment

In wagon, demand is positive. The Company have order book of 186 BOXNHL wagons, 56 BCACBM wagons and 600 nos of ISO Containers and confident to get additional orders from Indian Railway and private operators. With government allocating 34% more budget to Railways 35 % more in infrastructure and about 20% high on MRTS & Metrorail, this fiscal year should show good growth in this segment. The company is ready to take the advantage of surge in this segment.

As you are already aware that the company has placed 10% equity in a JV Kovis. It is expected that the plant will be operational by the fourth quarter of FY 2021-22.

Since there is no complete visibility on Covid situation, it is difficult to estimate the impact on future business. The Company would closely monitor such developments in future economic conditions and consider their impact on financial statement of the relevant periods.

Status on Scheme of Arrangement / Amalgamation

During the year under review, the Board of Directors at its meeting held on 28th September, 2020 had approved the Scheme of Arrangement / Amalgamation between Commercial Engineers & Body Builders Co Limited and their respective shareholders and creditors ("Scheme") under sections 230 to 232 and other applicable provisions of the Act.

The proposed amalgamation is in the best interests of the Companies and their respective shareholders, employees, creditors and other stakeholders as the proposed amalgamation is expected to result *inter alia* in:

- (i) consolidation of the businesses presently being carried on by the Companies, which shall create greater synergies between the business operations of the Companies such as enhancement of net worth of the combined business and backward integration of the operations of the Amalgamated Company's business which will lead to superior ability to leverage the business including reduction in cost of capital, cost savings due to focused operational efforts, rationalization, standardization and simplification of business processes, productivity improvements, improved procurement efficiencies, procurement and distribution logistics;
- (ii) enhancement of competitive strength, cost reduction and efficiencies, productivity gains and logistic advantages and operational efficiencies through optimal utilization of resources, as a consequence of pooling of financial, managerial and technical resources, personnel, capabilities, skills, expertise and technologies of the Companies;
- (iii) better alignment, coordination and streamlining of day to day operations, leading to improvement in overall working culture and environment;
- (iv) utilizing the financial strength of the Amalgamating Company to turnaround the Amalgamated Company and embark on a growth phase by modernizing the plants to meet the current industry demand and enter into newer product development and consolidation of market segments;
- (v) greater efficiency in cash management and unfettered access to cash flow generated by the combined businesses which can be deployed more efficiently to fund growth opportunities to improve stakeholders' value;
- (vi) beneficial results for both the Companies and in the long run, is expected to enhance value for the shareholders;
- (vii) formation of a stronger company with a larger capital and asset base to enable the combined business to be pursued in a manner that is more convenient and advantageous to all the stakeholders and regularization of the cash flow of the Amalgamated Company on account of the regular revenue stream of the Amalgamating Company which would help in stabilizing the cash flow issues of the Amalgamated Company; and
- (viii) creation of value for various stakeholders and shareholders of the Companies, as a result of the above.

By the virtue of the order of the National Company Law Tribunal, Indore Bench at Ahmedabad dated 16th April 2021 meeting of the equity shareholders, secured creditors and unsecured creditors was held on 25th day of June 2021, the proposed scheme of amalgamation was duly approved by the majority of equity shareholders and unanimously by the secured creditors and unsecured creditors of the company.

Subsidiaries, Joint Ventures and Associate Companies

The Company does not have any subsidiary company, associates' company. Accordingly, a statement of the subsidiary Companies/ Associate Companies as per Form AOC-1 is not required to be filed with MCA/ROC.

Change in the Nature of Business, If any

The Company has not undergone any change in the nature of the business during the Financial Year.

Material changes and commitments affecting the financial position of the Company

There have been no material changes and commitments affecting the financial position of the Company which have occurred during the end of the Financial Year of the Company to which the financial statements relate and the date of the report

Dividends

In view of the past year losses and considering that the company is still in its revival stage after the restructuring carried out we regret that no dividends can be paid to the members as per the provisions of the Companies act, 2013 and the rules framed there under.

Changes in Share Capital

Pursuant to the Scheme of Amalgamation approved by the Board of Directors of the company envisaging amalgamation of Jupiter Wagons Limited into the company subject to the approval of the relevant authorities and to give effect to the said Scheme of Amalgamation after approval by the relevant authorities, new shares of the company are to be issued to the shareholders of Jupiter Wagons Limited on the basis of the shares exchange ratio as per the valuation report provided by the Registered Valuer / Merchant Banker. In order to accommodate such issue of fresh capital the Authorized share Capital of the company has been increased from Rs. 1,80,05,00,000 to Rs. 4,70,05,00,000 by creation of 29,00,00,000 Equity shares of Rs. 10 each.

During the year under review, the Company has not issued convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants. As on March 31, 2021, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company

Members are requested to refer to note no. 16 forming part of the Audited Financial Statements which sets out for share capital.

Directors and KMP

The Board of Directors comprises

Sr.No.	Particulars	Designation
1.	Mr. Prakash Y Gurav	Independent Director
2.	Mr. M VenkatRajarao	Independent Director
3.	Ms. VineetaShriwani	Independent Director
4.	Mr. Abhishek Jaiswal	Whole time Director
5.	Mrs. Madhuchhanda Chatterjee	Non-Executive Non-Independent Director
6.	Mr. GanesanRaghuram	Non-Executive Independent Director (w.e.f. 19.05.2020)
7.	Mr. VivekLohia	Non-Executive Non Independent Director (w.e.f. 25.03.2021)

During the year following changes have taken place in Board of Directors due to appointment:

Mr. GanesanRaghuram inducted as an Additional Independent Director on the Board of CEBBCO w.e.f. 19.05.2020 pursuant the provision as contained in the LODR that company within the first 2000 listed entity based on the market capitalization must have at least 6 (Six) Directors on the Board, based on the recommendation of the NRC Committee

Mr. Ganesan Raghuram was inducted as the member of the Board as an additional director subject to approval of the Shareholders in the ensuing General Meeting to be held in the month of September 2020. Brief profile of Mr. Ganesan Raghuram forms the part of the Notice of the Annual General Meeting.

Mr. Vivek Lohia inducted as an Additional Non-Independent Director on the Board of CEBBCO w.e.f. 25.03.2021, based on the recommendation of the NRC Committee Mr. Vivek Lohia was inducted as the member of the Board as an additional director subject to approval of the Shareholders in the ensuing General Meeting to be held in the month of September 2021. Brief profile of Mr. Vivek Lohia forms the part of the Notice of the Annual General Meeting.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on March 31, 2021 are: Mr. Abhishek Jaiswal, Whole time Director and Chief Executive Officer, Mr. Sanjiv Keshri, Chief Financial Officer and Mr. Deepesh Kedia, Company Secretary (w.e.f. 13.02.2021). Mr. Amit Jain tendered his resignation from the post of Company Secretary on 13.02.2021 for personal reasons.

In accordance with the provisions of the Act and other applicable provisions, Mrs. Madhuchhanda Chatterjee, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

Number of Board Meetings

The Board of Directors met 10 (Ten) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report which forms part of this Report.

Declaration by Independent directors

We confirm that the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). The Company has devised a for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors.

The Board took on record the declaration and confirmation submitted by the independent directors regarding their meeting the prescribed criteria of independence, after undertaking due assessment of the veracity of the same as required under Regulation 25 of the Listing Regulations, 2015.

The Ministry of Corporate Affairs vide its circular dated 22 October 2019 further amended the Companies (Appointment and Qualification of Directors) Rules, 2014 by requiring an independent director to apply online, within 1 May 2020, to the Indian Institute of Corporate Affairs for inclusion of his/her name in the data bank for such period till he/she continues to hold office of an independent director in any Company. The independent directors were also required to submit a declaration of compliance in this regard. All the independent directors of the Company have submitted the declaration with respect to the same.

The details of programs for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: http://www.cebbco.com/docs/profile_for_investors.html

Independent Directors' Meeting

The Independent Directors met on 16th March, 2021, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Policy on directors' appointment and remuneration

The salient features of the policy on directors' appointment and remuneration forms a part of the 'Corporate Governance Report'. This policy is also placed on the Company's website and can be accessed at <https://www.cebbco.com/investor>.

Board Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the evaluation was done on the basis of criteria to cover underlying objective for evaluation.

The performance evaluation of the Directors was completed during the year under review. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors and Non-Executive Director. The Board of Directors expressed their satisfaction with the evaluation process.

Board Diversity

The Board ensures that a transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender. It is ensured that the Board has an appropriate blend of functional and industry expertise.

Managerial Remuneration

In compliance with the requirements of Section 197(12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the remuneration details of Directors and employees is annexed as **Annexure III**.

Committees of the Board

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee. Brief details pertaining to composition, terms of reference, meetings held and attendance thereat of these Committees during the year has been enumerated in Corporate Governance report.

Audit Committee Recommendations

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

Directors Responsibility Statement

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit or loss of the Company for the year ended on that date;
- c) The Directors 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) The Directors have prepared the annual accounts on a 'going concern' basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Internal Financial Control Systems and their Adequacy

The Company has maintained adequate internal financial controls over financial reporting. These includes policies and procedures (a) pertaining to the maintenance of records that are reasonably detailed, accurately and fairly reflects the transactions and dispositions of the assets of the Company, (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and that receipts and expenditures of the Company are being made only in accordance with authorization of management and directors of the Company, and (c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material impact on the financial statements. Such internal financial controls over financial reporting were operating effectively as of March 31, 2021

Details in respect of frauds reported by auditors under sub section (12) of section 143 other than those which reportable to the Central Government

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed there under.

No fraud has been reported by the Auditors to the Audit Committee or the Board.

Details of Subsidiary, Joint Venture or Associates

The Company does not have any subsidiary company, associates' company or joint venture. Accordingly, a statement of the subsidiary Companies/ Associate Companies/ Joint Ventures as per Form AOC-1 is not required to be filed with MCA/ROC.

Deposits

The Company has not accepted any public deposits during the Financial Year ended March 31, 2021 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Details of deposits not in compliance with the requirements of the Act

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2021, there has been no non-compliance with the requirements of the Act.

Annual Return

A copy of the annual return as provided under section 92(3) of the Act, in the prescribed form, which will be filed with the Registrar of Companies/MCA will be hosted on the Company's website and can be accessed at <https://www.cebbco.com/investors>.

Extract of the Annual Return

The extract of Annual Return, in Form MGT -9 for the Financial Year 2020-21 is hosted on the Company's website and can be accessed at <https://www.cebbco.com/investors>.

Corporate Governance and Management Discussion and Analysis

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance Requirements set out by SEBI. As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

Separate reports on Corporate Governance compliance and Management Discussion and Analysis as stipulated by SEBI Listing Regulations forms part of this Annual Report along with the required Certificate from a Practicing Company Secretary regarding compliance of the conditions of Corporate Governance as stipulated.

In compliance with Corporate Governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company, who have affirmed the compliance thereto.

Particulars of Loans given, Investments made, guarantees given

The provisions of Section 186 of the Act, with respect to a loan, guarantee, investment or security is not applicable to the Company, as the Company is engaged in manufacturing facilities which is exempted under Section 186 of the Act. The details of investments made during the year under review are disclosed in the financial statements.

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the financial statements.

Contracts and Arrangements with Related Parties

All the related party transaction entered into during the financial year were on Arms-Length basis, and were in ordinary course of business. Related party transactions (RPTs) entered into by the Company during the financial year, which attracted the provisions of section 188 of the Companies Act, 2013 and as defined under regulation 23 of Listing Regulations, 2015, a detailed disclosure of these transactions with the Related Parties is annexed with this Report in Form AOC-2 as **Annexure IV**.

During the year 2020-21, pursuant to section 177 of the Companies Act, 2013 and regulation 23 of Listing Regulations, 2015, all RPTs were placed before the Audit Committee for its approval.

Members are requested to refer to note no. 44 forming part of the Audited Financial Statements which sets out related party disclosures.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link http://www.cebbco.com/docs/profile_for_investors.html.

The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties. This Policy specifically deals with the review and approval of Material Related Party Transactions keeping in mind the potential or actual conflicts of interest that may arise because of entering into these transactions. All the Related Party Transactions entered in the Ordinary Course of Business and at Arm's Length were reviewed and approved by the Audit Committee. All Related Party Transactions are placed before the Audit Committee for its review on a quarterly basis. All Related Party Transactions are subjected to independent review by a reputed accounting firm to establish compliance with the requirements of Related Party Transactions under the Act and Listing Regulations.

Significant and Material orders passed by the Regulators and Courts

No significant and material order has been passed by the regulators, courts, tribunals impacting the Company's operations in future.

Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Out Go in terms of section 134 (3)(m) of the act read with rule 8 of the Companies (Accounts) Rules, 2014 forming part of the Director report for the year ended March 31st, 2021.

Conservation of Energy:

1. Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved.
2. No specific investment has been made in reduction in energy consumption.
3. As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

Since the Company does not fall under the list of industries, which are required to furnish this information in Form A annexed to the aforesaid Rules, the information has not been given.

Technology Absorption

The Company's products are manufactured by using in-house know how and no outside technology is being used for manufacturing activities. Therefore, no technology absorption is required. The Company persistently endeavors towards improvement in quality of its products.

Foreign exchange outgo and earning

During the year under the review, the Company had Foreign Exchange Earnings Nil and Foreign Exchange Outgo Nil.

Risk Management

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of the listing of Debt Regulation, a Risk Management committee is compulsorily to be constituted by Top 500 Listed entities. As your company comes under first 2000 listed entities mark, hence there is no statutory requirements of constituting a Risk Management Committee. Please refer Corporate Governance Report.

(Refer Management Discussion and Analysis for potential risk and measures taken by the company to overcome risk)

Insurance

Your Company has taken appropriate insurance for all assets against foreseeable perils.

Corporate Social Responsibility (CSR)

Due to paucity of profits, the Company has not been able to undertake any CSR activity during the year.

A Corporate Social Responsibility Policy (CSR Policy) demonstrating the activities to be undertaken by the Company has been formulated by the Corporate Social Responsibility Committee (CSR Committee) and recommended to the Board, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: http://www.cebbco.com/docs/profile_for_investors.html.

The Annual Report on CSR activities has been annexed herewith as **ANNEXURE I**

Human Resources

The company continued its focus on attracting new talents while investing in development to help employees acquire new skills, explore new roles and realize their potential.

The Company takes pride in the commitment, competence and dedication of its employees in all areas of the business. The Company has a structured induction process at all locations and management development programs to upgrade skills of manager. Objective appraisal systems based on key result areas (KRAs) are in place for senior management staff.

CEBSCO believes in the potential of people to go beyond and be the game-changing force for business transformation and success. This potential is harnessed by fostering an open and inclusive work culture that enables breakthrough performance and comprehensive development of employees through the three pillars of Leading Self, Leading Teams and Leading Business.

Particulars of Employees

At the end of March, 2021, your Company had 198 employees (excluding trainees and apprentices) as compared to 179 employees as on March 31, 2020.

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in separate annexure forming part of this report as Annexure-B.

The statement containing particulars of employees as required under Section 197 of the Act read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered

Office of the Company during business hours on working days of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

AUDITORS REPORT

Presentation of financial statements

The financial statements of the Company for the year ended 31 March 2021 have been disclosed as per Schedule III of the Companies Act, 2013.

Indian Accounting Standards, 2015

The annexed financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013.

Statutory Auditors

M/s B S R & Co. LLP, Chartered Accountants were appointed as Statutory Auditors of the Company at the 37th Annual General meeting (AGM) held on September 27, 2017 to hold office up to 42nd AGM. The Company wanted to align its Auditors with the Auditors of Investor Company, which was discussed with M/S BSR & Co. LLP. Accordingly, they tendered resignation on August 14, 2020 as statutory auditors of the Company with effect from the conclusion of the board meeting wherein the results for the limited review for quarter ended 30 June 2020, were approved.

The resignation was considered by the Audit Committee and Board of Directors on August 14, 2020 and the resignation was accepted.

The Audit Committee and Board of Directors in their meetings held on August 24, 2020, approved the appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountants (ICAI Firm Registration No. 001076N/NS00013) as Statutory Auditors of your Company to fill the casual vacancy caused by the said resignation. The appointment will be effective till the conclusion of the forty fifth Annual General Meeting of the company.

Their appointment was duly approved by the shareholders in the 40th AGM. The Auditors' Report for the financial year ended 31st March, 2021, does not contain any qualification, reservation or adverse remark. The Notes on financial statement referred to in the Auditor's Report are self-explanatory and do not require any further comments and explanations.

Secretarial Audit

The Board has appointed Deepak Khaitan & Co. LL.P., Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2020-2021. The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith marked as **ANNEXURE II** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report is self-explanatory and do not call for any further clarification.

In addition to the above and pursuant to SEBI circular dated 8 February 2019, a report on secretarial compliance by M/s. Deepak Khaitan & Co. LL.P. for the year ended 31 March 2021 is being submitted to stock exchanges. There are no observations, reservations or qualifications in the said report.

Secretarial Standards

Pursuant to the approval given on 10 April 2015 by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from 1 July 2015. The said standards were further amended w.e.f. 1 October 2017. The Company is in compliance with the same. The Company complies with the applicable Secretarial Standards issued by the 'Institute of Company Secretaries of India'.

COST RECORDS AND COST AUDITOR

Pursuant to Section 148 (1) of the Companies Act, 2013 the company is required to maintain cost records as specified by the Central Government and accordingly such accounts and records are made and maintained.

Pursuant to Section 148 (2) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the Company is also required to get its cost accounting records audited by a cost auditor. Accordingly, the Board of Directors at its meeting held on August 14, 2021 has on the recommendation of the of the Audit Committee, appointed M/s K Das & Associates, Cost Accountants, to conduct the audit of the cost records of the company for the F.Y. 2020-21 on a remuneration of Rs. 50000/- plus taxes as applicable and reimbursement of actual out of pocket expenses. The remuneration is subject to the ratification of the members in the terms of section 148, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and is accordingly placed before the shareholders for ratification.

DISCLOSURES:

CSR Committee

The CSR Committee comprises Mr. Manchi VenkatRaja Rao (Chairman), Mr. P. Y.Gurav (Member) and Mr. Abhishek Jaiswal (Member) as other members.

Audit Committee

The Audit Committee comprises Mr. Prakash YashwantGurav (Chairman), Mr. ManchiVenkat Raja Rao (Member), Mr. Abhishek Jaiswal (Member) and Ms. VineetaShriwanias other members. All the recommendations made by the Audit Committee were accepted by the Board.

Vigil Mechanism / Whistle Blower Policy

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement, includes an Ethics Officer and other Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or dedicated telephone line or a letter to the Ethics Officer and other Force or to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link http://www.cebbco.com/docs/profile_for_investors.html.

Prevention of Sexual Harassment at Workplace under Sexual Harassment of Women & Workplace (Prevention, prohibition & redressal) Act, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. During the year under review, there were no complaints pertaining to sexual harassment.

Awards & Recognition

We are proud to inform you all that in the month of April 2019 the Company was in conferred award by the Volvo Eicher Commercial vehicle (VECV Ltd.) for Best Performer in Applications Category.

Acknowledgements

Your Directors take this opportunity to express their gratitude to the customers, employees, bankers /financial institutions and vendors for their continued support and guidance.

For on behalf of the Board
COMMERCIAL ENGINEERS & BODY BUILDERS CO LTD.

Place : Jabalpur

Date : 14th August 2021

P.Y. Gurav
Director

DIN - 02004317

Abhishek Jaiswal
Director

DIN - 07936627

ANNEXURE I TO DIRECTORS' REPORT**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

Corporate Social Responsibility (CSR) [Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs

The Company strives through sustainable measures to actively contribute to the Social, Economic and Environmental Development of the community in which we operate ensuring participation from the community and thereby create value for the nation. The CSR initiatives focus on universal development of mass communities and create social, environmental and economic value to the society.

To pursue these objectives we will continue to work actively in areas of eradication of hunger and poverty, provide opportunity and financial assistance for the promotion of education, provide medical aid to the destitute and impoverished.

Web Link: http://www.cebbsco.com/docs/profile_for_investors.html

2. Composition of CSR committee

The committee consists of following directors:

- Mr. M.V Raja Rao (Chairman)
- Mr. P Y Gurav
- Mr. Abhishek Jaiswal

3. Average net profit / loss of the company for last three financial years:

Loss Rs. 1102.71 Lakhs.

4. Prescribed CSR Expenditure (Two Percent of the amount as in item 3 above)-

Not applicable in view of the loss.

5. Details of CSR spend for the financial year :

- a) Total amount spent for the financial year: **Nil**
- b) Amount unspent if any: **Nil**
- c) Manner in which the amount spent during the financial year: **Not applicable**

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report-

Not applicable.

ANNEXURE II TO DIRECTORS' REPORT
SECRETARIAL AUDIT REPORT

Deepak Khaitan & Co. LLP

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SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of The Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED
Registered Office: 48, Vandana Vihar, Narmada Road, Gorakhpur
Jabalpur- 482001, Madhya Pradesh

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED having CIN L28100MP1979PLC049375** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my online 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 to the extent possible due to COVID-19 and subsequent lock down situation and the explanations given to me and the management representation letter of even date, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 (hereinafter called 'the 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i). The Companies Act, 2013 and the rules made thereunder (hereinafter called as 'the Act');
- (ii). The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii). The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv). Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, wherever applicable;

Deepak Khaitan & Co. LLP

- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable during the Audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(Not applicable during the Audit Period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable during the Audit Period);**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable during the Audit Period);**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the Audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable during the Audit period);
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');
 - (j) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018;
- (vi) There is no law applicable specifically to the Company, as per the Management Representation Letter issued by the Company of even date.

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

- (i). Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Central Government.
- (ii). Listing Agreement pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 entered into by the Company with BSE Limited and National Stock Exchange of India Limited (both the two stock exchanges are hereinafter collectively referred to as the 'Stock Exchanges').

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observation that the Company as per Regulation 17(1)(c) of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 the Board of Directors of top 2000 listed entities, shall comprise of not less than 6(six) directors, with effect from 1st April, 2020. The Board of Directors of the Company comprised of less than 6(six) directors from 1st April, 2020 to 18th May, 2020 (during first quarter ended 30th June, 2020) and a fine was levied on the Company by NSE and BSE respectively. The board of directors of the Company comprised of 5(five) directors from 1st April, 2020 to 18th May, 2020. However, Mr. Ganesan Raghuram was appointed as Independent Director of the Company w.e.f. 19th May, 2020 and thereafter the board of directors of the Company comprised of 6(six) directors. Subsequently the Company also deposited the fine with NSE and BSE.

Deepak Khaitan & Co. LLP

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the Audit Period were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with shorter notice with consent of all directors 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 held during the Audit Period carried out unanimously as recorded in the minutes of the respective meetings.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. However, there has been some delays in depositing statutory dues including Provident Fund, Employees' State Insurance, GST, Professional Tax etc. with appropriate Authorities.

I further report that during the Audit Period, following specific events/ actions which have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to as above:

- (i) The authorised share capital of the Company was increased from Rs.1,80,05,00,000/- (Rupees One Hundred Eighty Crore and Five Lakh) divided into: (a) 9,20,50,000 (Nine Crore Twenty Lakh and Fifty Thousand) Equity Shares of ₹ 10 (Rupees Ten only) each aggregating to ₹ 92,05,00,000/- (Rupees Ninety Two Crore Five Lakh only); and (b) 88,00,000 (Eighty Eight Lakh) Preference shares of ₹ 100 (Rupees One Hundred only) aggregating to ₹ 88,00,00,000 (Rupees Eighty Eight Crore only) to ₹ 470,05,00,000 (Rupees Four Hundred Seventy Crore and Five Lakh only) divided into: (a) 38,20,50,000 (Thirty Eight Crore Twenty Lakh and Fifty Thousand) Equity Shares of ₹ 10 (Rupees Ten only) each aggregating to ₹ 382,05,00,000 (Rupees Three Hundred and Eighty Two Crore Five Lakh only); and (b) 88,00,000 (Eighty Eight Lakh) Preference shares of ₹ 100 (Rupees One Hundred only) aggregating to ₹ 88,00,00,000 (Rupees Eighty Eight Crore only) by creation of 29,00,00,000 (Twenty-Nine Crore) Equity shares Equity Shares of ₹ 10 (Rupees Ten only) each aggregating to ₹ 2,90,00,00,000 (Rupees Two hundred Ninety Crore only).
- (ii) The Clause III of the Memorandum of Association (Objects Clause) of the Company was altered by addition of the new sub-clauses 7 and 8 after the existing sub-clause 6 of the Memorandum of Association of the Company.
- (iii) The Board of Directors of the Company at its meeting held on 28th September, 2020 had approved a scheme of amalgamation (hereinafter referred to as the 'Scheme') of the Company ('Transferee') into and with Jupiter Wagons Limited ('Transferor') and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 with effect from the appointed date being 1st October, 2019. The scheme has been approved by the majority of Shareholders and unanimously by the Secured and Unsecured Creditors of the Company at their respective meetings convened and held on 25th June, 2021 pursuant to Order dated 16th April, 2021 passed by the Hon'ble National Company Law Tribunal, Indore Bench at Ahmedabad. The Scheme is subject to further approval under applicable laws including approval of the Hon'ble National Company Law Tribunal, Indore Bench at Ahmedabad.
- (iv) The Company had made application before the Regional Director, North Western Region for shifting of the Registered Office of the Company from the State of Madhya Pradesh to the State of West Bengal pursuant to the

Deepak Khaitan & Co. LLP

consent of the members of the Company accorded on 24th September, 2020 by postal ballot which was rejected by the Regional Director, North Western Region with a liberty to file a fresh application on the grounds stated therein.

- (v) Approval of the members granted on 24th September, 2020 for entering into contract(s)/ arrangement(s)/ transaction(s) with Jupiter Wagons Limited, a related party up to an amount of Rs 50 Crore (excluding GST) for the FY 2020-21.
- (vi) The Company during the audit period invested in JWL Kovis (India) Pvt. Limited as per Joint Venture Agreement dated 05 September 2019 entered in between Jupiter Wagons Limited, Kovis India & CEBSCO.

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

Date: 14.08.2021

Place: Kolkata

Signature:

CS Shruti Singhania
Practising Company Secretary
(A.C.S. No.: 49632 /C.P. No.: 18028)
UDIN NO: A049632C000787325
ICSI Unique Code No.: I2017WB1592300
Designated Partner - Deepak Khaitan & Co. LLP
ICSI Unique Code No.: L2020WB008100

Deepak Khaitan & Co. LLP

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Annexure A

To THE **SECRETARIAL AUDIT REPORT**
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

To

The Members

COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED

Registered Office: 48, Vandana Vihar, Narmada Road, Gorakhpur, Jabalpur 482001 Madhya Pradesh

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever 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 efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: 14.08.2021

Place: Kolkata

Signature:

CS Shruti Singhania
Practising Company Secretary
(A.C.S. No.: 49632 /C.P. No.: 18028)
UDIN NO: A049632C000787325
ICSI Unique Code No.: I2017WB1592300
Designated Partner - Deepak Khaitan & Co. LLP
ICSI Unique Code No.: L2020WB008100

ANNEXURE III TO DIRECTORS' REPORT

STATEMENT OF DISCLOSURE OF REMUNERATION

Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- A. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN REMUNERATION OF ALL THE EMPLOYEES OF YOUR COMPANY FOR THE FINANCIAL YEAR 2020-21 IS AS FOLLOWS:

Name of Director	Ratio of the Remuneration of Director to median remuneration
Abhishek Jaiswal	21.22 %
Prakash Yashwant Gurav	1.85 %
Vankatrajamanchi raja rao	1.85 %
Asim Ranjan Das Gupta	N.A
Vineeta Shriwani	1.35 %
Madhuchhandha Chatterjee	0.70 %
Ganesh Raghuram	1.00 %

@ Since the remuneration of these Directors is only for part of the year, the ratio of their remuneration to median remuneration is not comparable

- B. DETAILS OF PERCENTAGE INCREASE IN THE REMUNERATION OF EACH DIRECTOR, CHIEF FINANCIAL OFFICER AND COMPANY SECRETARY IN THE FINANCIAL YEAR 2020-21 ARE AS FOLLOWS:

Name	% increase in remuneration in the Financial Year
Abhishek Jaiswal	28.2 %
Sanjiv Keshri	12.0 %
Deepesh Kedia	32.9 %
Prakash Yashwant Gurav	N.A.
VenkatrajaManchiRaja Rao	N.A.
Vineeta Shriwani	N.A
Madhuchhanda Chatterjee	N.A

- C. PERCENTAGE INCREASE IN THE MEDIAN REMUNERATION OF EMPLOYEES IN THE FINANCIAL YEAR 2020-21: 14%

- D. NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF THE COMPANY AS ON MARCH 31, 2021: 198

- E. 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:

The average percentile increases in the salaries of employees other than the managerial personnel in the last Financial Year is 13.5 %. The average percentile increase in the salaries of key managerial personnel is 16.5%.

- F. IT IS HEREBY AFFIRMED THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY

ANNEXURE IV TO DIRECTORS' REPORT**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.

Form 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 including certain arms length transaction under third proviso thereto.

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

SL.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	N.A.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis.

SL.No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Jupiter Wagons Limited (JWL) (Promoter Group Company)
b.	Nature of contracts/arrangements/ transaction	Purchase of fixtures, components for manufacture of wagons and containers, sale/purchase of sample products for development, and including purchase or supply of any goods or service incidental to company's business
c.	Duration of the contracts/ arrangements/ transaction	April 2020 to March 2021
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Value of Transactions with JWL amounted to Rs. 46.28 Crores during the F.Y. 2020-21
e.	Date of approval by the Board	The Board of Directors approved transactions with JWL on 22 nd July 2020 and shareholders also approved these transactions in the Annual General Meeting held on 24 th September 2020.
f.	Amount paid as advances, if any	NIL

Members are requested to refer to note no. 44 forming part of the Audited Financial Statements which sets out related party disclosures

For and on behalf of Board of Directors

Date - 14th August 2021

Place - Jabalpur

Abhishek Jaiswal
Whole time Director & C.E.O.
DIN-07936627

REPORT ON CORPORATE GOVERNANCE

1. A brief statement on Company's philosophy on code of Corporate Governance

Corporate Governance is about commitment to values, ethical business conduct and transparency thus ensuring honest and professional business practices. The Company has always believed in complying with the principles of Corporate Governance emphasizing on transparency, empowerment, accountability and integrity. The Company has been striving to improve on application of standards of Governance

The Company's policy on Corporate Governance is based on the principles of full disclosure, fairness, equity, transparency and accountability in the various aspects of its functioning, leading to the protection of the stakeholders' interest and an enduring relationship with stakeholders. The management's commitment to these principles is reinforced through the adherence of all Corporate Governance practices embodied in the regulations of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The Company's Corporate Governance philosophy is based on maintaining transparency and a high degree of disclosure levels. This philosophy of the Company has been further strengthened with the adoption of the Code of Conduct for Board of Directors and Senior Management of the Company, Code of Conduct for Prevention of Insider Trading and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information

2. Board of Directors

A. Composition and Category of Directors, attendance of Directors at Board Meetings and Annual General Meeting, number of other Board of Directors or Committees in which a Director is a member or chairperson

In line with the Regulation 17(1) of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 on Composition of Board of Directors, the Board has an optimum mix of Executive, Non-Executive and Independent Directors.

The Board met 10 times during the year 2020-2021 i.e. on 22nd July, 2020, 14th August, 2020, 24th August, 2020, 10th September 2020, 28th September 2020, 20th October 2020, 11th November 2020, 23rd November 2020, 18th December 2020 and 13th February 2021. The necessary quorum was present for all the meetings

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting ("AGM") and the number of Directorships and Committee Chairmanships/ Memberships held by them in other public limited companies as on 31st March, 2021, are given below:

Name of the Director (DIN) and Category	No. of Meetings in the tenure	Number of Board Meetings attended during the year	Whether attended last AGM held on 24 th Sep., 2020	Directorship held in other companies including private companies	Number of Committee positions held in other public companies		Holding in Company's shares & other convertible instruments	Directorships in other listed entities (Category of Directorship)
					Chairperson*	Member		
Mr. Prakash Yashwant Gurav DIN-02004317 (Independent Director)	10	10	Yes	5	4	7	NIL	1. Kolte-Patil Developers Limited 2. Tide Water Oil Co India Limited (Non-executive Independent Director).

Name of the Director (DIN) and Category	No. of Meetings in the tenure	Number of Board Meetings attended during the year	Whether attended last AGM held on 24 th Sep., 2020	Directorship held in other companies including private companies	Number of Committee positions held in other public companies		Holding in Company's shares & other convertible instruments	Directorships in other listed entities (Category of Directorship)
					Chairperson*	Member		
Mr. Manchi Venkat Rajarao DIN- 00110363 (Independent Director)	10	10	Yes	N/A	N/A	N/A	NIL	N.A.
Mr. Abhishek Jaiswal DIN- 07936627 (Whole Time Director & C.E.O)	10	10	Yes	N/A	N/A	N/A	NIL	N.A.
Ms. Vineeta Shriwani DIN- 08095170 (Independent Director)	10	8	Yes	N/A	N/A	N/A	NIL	N.A.
Mrs. Madhuchhanda Chatterjee, DIN- 02510507 (Non-Executive Non Independent Director)	10	7	Yes	1	N/A	N/A	NIL	N.A.
Mr. Ganesan Raghuram DIN- 01099026 (Independent Director) ¹	10	9	Yes	2	1	2	NIL	Adani Ports Limited and Special Economic Zone Limited (Non-Executive Independent Director)
Mr. Vivek Lohia DIN 00574035 (Non-Executive Non Independent Director) ²	0	0	NA	4	0	0	Nil	N.A.

***Chairmanship includes the membership.**

Note

1. Mr. Ganesan Raghuram was appointed as an Additional Non-Executive, Independent Director of the company w.e.f. 19.05.2020, his appointment was confirmed in the Annual General Meeting of the company held on 24th September 2020 for the Financial Year 2019-2020.
2. Mr. Vivek Lohia was appointed as an Additional Non-Executive, Non-Independent Director of the company w.e.f. 25.03.2021, his appointment is to be confirmed in the ensuing Annual General Meeting of the company for the Financial Year 2020-2021.
3. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI LODR. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors.

The Company uses the facility of video conferencing, permitted under Section 173(2) of the Act read together with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014, there by saving resources and cost to the Company as well as the valued time of the Directors. Due to the exceptional circumstances caused by the COVID-19 Pandemic and consequent relaxations granted by MCA and SEBI, all meetings in FY 2020-21 were held through Video Conferencing ('VC').

a) Disclosure of Directors Relationship Inter-se

None of the directors have any relationship inter se.

b) Code of Conduct and Code of Ethics

The Company has formulated and implemented a comprehensive Code of Conduct for the Board of Directors and Senior Management of the Company which is available on the Company's website. The Board Members and the Senior Management Personnel affirm compliance with the Code of Conduct on an annual basis. The necessary declaration as required under Regulation 34(3) read with Schedule V (D) of the Listing Regulations regarding adherence to the Code of Conduct has been obtained for FY 2020-21 and forms part of the Annual Report.

The Code of Ethics is aimed at maintaining the professional and ethical standards in the functioning of the Company.

c) Web Link of Familiarization Programme imparted to Independent Directors is disclosed:

Following is the desired link:http://www.cebbco.com/docs/profile_for_investors.html

d) Chart/Matrix relating to skills /expertise /competence of the Board of Directors

The Board has identified the following skills/expertise/competencies fundamental for the effective functioning of the Company which are currently available with the Board.

Sr. No.	Name of the Director	Designation	Core skills/Expertise/Competencies of directors
1.	Mr. Prakash Yashwant Gurav	Independent director	Management & Strategy, Operations, Finance and Accounts, Costing and Audit.
2.	Mr. Manchi Venkat Raja Rao	Independent Director	Management & Strategy, Operations & Engineering, Manufacturing, Automobile Engineering & Project Management and such other areas
3.	Mr. Abhishek Jaiswal	Whole Time Director & C.E.O.	Management & Strategy, Operations & Engineering, Manufacturing, Automobile Engineering & Project Management and such other areas..
4.	Ms. Vineeta Shriwani	Independent Director	Audit & Risk Management, Corporate Governance & Ethics, Economics & Statistics, Regulatory, Government & Security matters and Academics, Education, Authorship, Corporate Compliance
5.	Mrs. Madhuchhanda Chatterjee	Non-Executive Director	CSR, Sustainability, Academics, Education, Authorship and administration.
6.	Mr. Ganesan Raguram	Independent Director	Management & Strategy, Technology, Business economics, Infrastructure Human Resources & Industrial Relations, , Corporate Governance & Ethics, Regulatory, Government & Security matters, CSR, Sustainability & NGO matters and such others.
7.	Mr. Vivek Lohia	Non-Executive Director	Entrepreneurship and business development Management & Strategy, Operations, Human Resources & Industrial Relations, Finance & Taxation, Corporate Governance & Ethics, Economics & Statistics, CSR and such other areas.

e) Independent Directors confirmation by the Board

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

3. Audit Committee

The scope of the activities of the Audit Committee is as set out in Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements), Regulation 2015 read with Section 177 of the Companies Act, 2013. Brief description of terms of reference of the Audit Committee include-

- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Examination of the financial statements and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever necessary;
- Evaluation of internal financial controls and risk management systems;

- Monitoring the end use of funds raised through public offers and related matters.
- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - ii. Changes, if any, in accounting policies and practices and reasons for the same
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management
 - iv. Significant adjustments made in the financial statements arising out of audit findings
 - v. Compliance with listing and other legal requirements relating to financial statements
 - vi. Disclosure of any related party transactions
 - vii. Qualifications in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- Reviewing the utilization of loans and / or advances from / investment by the Holding Company in the Subsidiary exceeding rupees 100 crore or 10% of the asset size of the Subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision; Modified opinion in the draft audit report
- **The Audit Committee shall mandatorily review the following information:**
 - i. Management discussion and analysis of financial condition and results of operations;
 - ii. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - iv. Internal audit reports relating to internal control weaknesses; and
 - v. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
 - vi. Statement of deviations:
 - (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

a. Composition, name of members and chairperson.

The composition of the Audit Committee is as under

Sr.No	Name of the Director	Chairperson / Member	Category
i.	Mr. Prakash Yashwant Gurav	Chairperson	Independent Director
ii	Mr. Manchi Venkat Raja Rao	Member	Independent Director
iii	Mr. Abhishek Jaiswal	Member	Whole Time Director
iv	Ms. Vineeta Shriwani	Member	Independent Director

The Company Secretary of the Company acts as the Secretary to the Audit Committee

- b. Audit Committee Meetings were held on the dates mentioned below. The attendances of the members are as follows: -

Sr. No	Date of Audit Committee Meeting	Mr. Prakash Yashwant Gurav	Ms. Vineeta Shriwani	Mr. Manchi Venkat Rajarao	Mr. Abhishek Jaiswal
1	22.07.2020	Y	Y	Y	Y
2	14.08.2020	Y	Y	Y	Y
3	24.08.2020	Y	Y	Y	Y
4	10.09.2020	Y	Y	Y	Y
5	28.09.2020	Y	N	Y	Y
6	11.11.2020	Y	N	Y	Y
7	13.02.2021	Y	Y	Y	Y

Y-Attended N-Not Attended NA Not Applicable

The requisite quorum was present at the meetings.

Audit Committee Meetings are also attended by the other board members, Chief Executive Officer, Chief Financial Officer and Company Secretary. The Company Secretary acts as the Secretary of the Audit Committee.

The Board of Directors had appointed M/s. Ashok Khasgiwala & Co. LLP, Indore, Chartered Accountants, as Internal Auditors to conduct the internal audit of the various areas of operations and records of the Company. The periodical reports of the said internal auditors were regularly placed before the Audit Committee along with the comments of the management on the action taken to correct any observed deficiencies on the working of the various departments.

The Audit Committee also assures the Board about the adequate internal control procedures and financial disclosures commensurate with the size of the Company and in conformity with the requirements of Listing Agreement of the stock exchanges.

4. Nomination & Remuneration Committee

a) The Nomination & Remuneration Committee is constituted on the following terms of reference:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal, and to specify the manner for effective evaluation of performance of Board, its Committees, Chairperson and individual directors to be carried out by the Board, by the NRC or by an independent external agency and review its implementation and compliance;
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- While formulating the policy, to ensure that
 - I. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - II. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - III. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- To take into account financial position of the company, trend in the industry, appointee's qualifications, experience, past performance, past remuneration, etc., and bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders while approving the remuneration payable to managing director, whole time director or manager;
- To lay down / formulate the evaluation criteria for performance evaluation of independent directors and the Board of Directors;
- To devise a policy on Board diversity;
- To recommend to board, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

- To review and approve the remuneration and change in remuneration payable to whole-time director(s);
- To recommend to board, all remuneration payable to senior management. (i.e. members of the core management team, i.e. members one level below the chief executive officer/managing director/whole time director) and shall specifically include Company Secretary and Chief Financial Officer.

b) Nomination & Remuneration Policy:

The Nomination & Remuneration policy of the Company is directed towards rewarding performance based on review of achievements on a periodic basis and is in consonance with the existing industry practice.

c) Composition of Nomination and Remuneration Committee:

Sr. No.	Name of the Director	Chairman / Member	Category
1.	Mr. Manchi Venkat Raja Rao	Chairman	Independent Director
2.	Mr. Prakash Yashwant Gurav	Member	Independent Director
3.	Ms. Vineeta Shriwani	Member	Independent Director

d) Meetings / Attendance Chart of Nomination & Remuneration Committee

During the period two meetings were recalled / conducted of NRC Committee in the Financial Year 2020-21.

Sr. No	Date of NRC Committee Meeting	Mr. Prakash Yashwant Gurav	Ms. Vineeta Shriwani	Mr. Manchi Venkat Rajarao
1	22.07.2020	Y	Y	Y
2	13.02.2021	Y	Y	Y

Sitting fees

Sitting fees of Rs. 20,000/- per meeting was paid to the directors for attending Board Meetings and Rs. 15,000/- per meeting for attending Committee Meetings for the financial year 2020-2021.

5. Remuneration of Directors:

- (a) All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity has been covered in Form MGT-9 which is an Annexure III to the Directors Report.
- (b) Remuneration to Non-Executive Director (including Independent Directors) The Non-Executive Directors are paid remuneration by way of sitting fees. The Non-Executive Director/Independent Directors do not have any pecuniary relationship or transactions with the Company

Name of Director	Sitting Fee (Rs.)	Commission to Non-Executive Directors (Rs)	No. of Shares / convertible instruments held
Mr. Prakash Yashwant Gurav	370000	Nil	Nil
Mr. Manchi Venkat Rajarao	370000	Nil	Nil
Ms. Vineeta Shriwani	270000	Nil	Nil
Mr. Ganesan Raghuram	200000	Nil	Nil
Mrs. Madhuchanda Chatterjee	140000	Nil	Nil

(c) Remuneration to Executive Director

Name of Director	Gross Salary	Commission	Perquisites	Bonuses
Mr. Abhishek Jaiswal	43,40,681/-	Nil	Nil	Nil

- (d) Criteria of making payments to non-executive directors is disseminated on the listed entity's website at the given link http://cebbco.com/docs/profile_for_investors.html

6. Performance Evaluation criteria of the Board / Independent Director

The Board of Directors of the Company on recommendation of Nomination and Remuneration Committee, adopted Board Evaluation Policy to comply with the various provisions of the Act, the Listing Regulations and the SEBI circular dated January 5, 2017 which provides further clarity on the process of Board Evaluation ("SEBI Guidance Note") and SEBI circular dated February 5, 2019.

The policy has been framed with an objective to ensure individual Directors of the Company and the Board as a whole, works efficiently and effectively in achieving their functions, in the interest of the Company and for the benefit of its stakeholders. Accordingly, the policy provides guidance on evaluation of the performance of: (i) individual Directors (including the Chairperson); (ii) the Board as a whole; and (iii) various committees of the Board, on an annual basis.

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgement.

7. Independent Directors Meeting:

During the year under review, the Independent Directors met on 16th Day of March, 2021 inter alia, to discuss:

- i) Evaluation of the performance of Non-Independent Directors and the Board of Directors as a Whole;
- ii) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- iii) Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the independent Directors were present at the meeting.

8. Stakeholder Relationship and Investors' Grievance Committee

Stakeholder Relationship Committee of the Board is responsible for addressing investors' or shareholders' or debenture holders' or other security holders' grievances including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends. The Stakeholder Relationship Committee is constituted on the following terms of reference:

- Supervise investor relations and Redressal of investor grievance in general and relating to non-receipt of dividends, interest, and non-receipt of balance sheet in particular.
- Such other matters as may from time to time be required under any statutory, contractual or other regulatory requirement.

a) Composition :

Sr.No	Name of the Director	Chairperson / Member	Category
i.	Mr. Manchi Venkat Raja Rao	Chairperson	Independent Director
ii	Mr. Prakash Yashwant Gurav	Member	Independent Director
iii	Mr. Abhishek Jaiswal	Member	Whole Time Director

b) Meetings / Attendance Chart of Stakeholder Committee

During the period one meeting was called / conducted of Stakeholder Committee in the Financial Year 2020-21.

Sr. No	Date of NRC Committee Meeting	Mr. Prakash Yashwant Gurav	Mr. Abhishek Jaiswal	Mr. Manchi Venkat Rajarao
1	13.02.2021	Y	Y	Y

c) Name and designation of Compliance Officer:

Mr. Amit K Jain resigned as the Company Secretary / Compliance Officer with effect from 13.02.2021 due to personal reasons and in place of him Mr. Deepesh Kedia was appointed as the New Company Secretary / Compliance Officer as per Regulation 6 of the SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015.

d) Stakeholder Relationship Committee terms of reference:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The complaints and queries of the shareholders were dealt by the Board of Directors during the period.

e) Details of requests received and redressed during the year 2020-2021:

S.No.	Particulars	Opening	Received	Resolved	Pending
1	Postal return documents	-	-	-	-
2	Receipt of DD against refund order from company/Bank	-	-	-	-
3	Issue of duplicate R/O	-	-	-	-
4	Non receipt of refund order	-	-	-	-
5	Clarification regarding shares	-	1	1	-
6	Non-Receipt of Annual report	-	-	-	-
7	Non-Receipt of Dividend Warrants	-	-	-	-
8	Request for ECS Facility	-	-	-	-
	Total	-	1	1	-

9. Corporate Social Responsibility (CSR) Committee

a. The Corporate Social Responsibility Committee is constituted on the following terms of reference:

The Corporate Social Responsibility Committee shall-

- Formulate and recommend to the board, a CSR POLICY
- Recommend the amount to be spent on these activities
- Monitor the company's CSR policy regularly
- Institution of transparent monitoring mechanism for the implementation of CSR projects

b. The committee consists of following directors:

Sr. No	Name of the Director	Chairperson / Member	Category
i.	Mr. ManchiVenkat Raja Rao	Chairperson	Independent Director
ii	Mr. Prakash YashwantGurav	Member	Independent Director
iii	Mr. Abhishek Jaiswal	Member	Whole Time Director

In view of inadequacy of profits in the last three immediately preceding financial years, the Company had not undertaken any CSR activity during the year.

10. General Body Meetings

a. Details of date, location and time of the last three Annual General Meetings:

DATE	LOCATION	TIME	Details of any Special Resolution
28 th September 2018	Auditorium of Stock and Capital Limited, UP Stock Exchange Building, Padam Towers, 14/113 Civil Lines, Kanpur - 208 001. (U.P.)	03.00 P.M.	N.A
28 th September 2019	Hotel Samdareeya, Dr. Barat Road, Russel Chowk, Jabalpur -482002 (M.P.)	11.00 A.M.	1. Re-Appointment of Mr. M.V. Raja Rao as an Independent Director Non-Executive Director. 2. Re-Appointment of Mr. P. Y. Gurav as an Independent Non-Executive Director.
24 th September, 2020	Video Conferencing / Other Audio Visual Means from the Registered office of the company	12:30 P.M.	N.A.

b. Details of the Extra ordinary general meeting held in the Financial Year 2020-2021

During the year as there was no Extra Ordinary business item was to be transacted hence Extra Ordinary General Meeting was not called upon by the company.

c. Postal Ballots:

a. The details of resolution passed through postal ballot and date of passing the same is as under:-

Sr. No.	Particulars	Date of Notice	Date of Result / Report	% Favour	% Against
1.	To shift the registered office of the company from the State of Madhya Pradesh to the State of West Bengal	24.08.2020	26.09.2020	99.975 %	0.025

2.	a. Increase in Authorized Share Capital of the Company and consequent alteration in clause V of the Memorandum of Association	20.10.2020	21.11.2020	2.24	97.76
	b. Alteration in Objects Clause of the Memorandum of Association of the Company	20.10.2020	21.11.2020	67.10	32.90
3.	a. Increase in Authorized Share Capital of the Company and consequent alteration in clause V of the Memorandum of Association	23.11.2020	25.12.2020	95.994	4.006
	b. Alteration in Objects Clause of the Memorandum of Association of the Company				

b. Details of Scrutinizers Mr. S. K Gupta (F.C.S. 2589, C.P.No 1920)

11. Means of Communication

Financial results of the Company are promptly forwarded to the stock exchanges where the Company's shares are listed. The same are published within 48 hours in the newspapers namely Financial Express, Times of India and Raj Express (English & Hindi). The results are also posted on the Company's website www.cebbco.com

(i)	Quarterly Results	The quarterly results of the Company are submitted to the stock exchanges as well as published in the newspaper as per the requirement of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. These results are also posted on website of the Company
(ii)	Newspaper wherein results normally published	English: Financial Express English: Times of India Hindi: Rashtriya Sahara, Raj Express
(iii)	Any website where displayed	The results are displayed on the website of the Company i.e. www.cebbco.com
(iv)	Whether it also displays official news releases	No
(v)	The presentation made to institutional investors or to the analyst	Nil

(vi) Management discussion and Analysis Report forms part of the Annual Report, which is sent to the Shareholders of the Company.

(vii) SEBI processes investor complaints in a centralized web-based complaints Redressal system i.e. **SCORES**. Through this system the investor can lodge complaint against a company for his grievance. The Company uploads the Action Taken Report (ATRs) of the complaint which can be also viewed by investors.

(viii) A separate section under the head "Investor Relation", on the Company's website gives information on shareholding, quarterly/half yearly results and other relevant information of interest to the investors/public.

12. General Shareholder Information

- a) Number of Annual General Meeting : 41st Annual General Meeting
 b) Date : 28th September, 2021
 c) Day : Tuesday
 d) Time : 01:00 P.M.
 e) Venue/ mode : The Company is conducting meeting through video conferencing ('VC')/other audio-visual means ('OAVM') pursuant to the MCA circulars. For details please refer to the Notice of AGM

f) Tentative Calendar for the Financial Year 2021-2022

Particulars	Date
First Quarter Results	On or before August 14, 2021
Second Quarter Results	On or before November 14, 2021
Third Quarter Results	On or before February 14, 2022
Audited Annual Results	On or before May 30, 2022

- g) The Company is in revival stage, therefore, directors of the Company have shown their inability to declare any dividend during the year ended on 31st March, 2021.

- h) Book Closure Date : 25.09.2021 28.09.2021
 (Both dates included)

- i) The shares of the Company have been listed on the Bombay Stock Exchange Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai w.e.f. October 18, 2010. The listing fees for FY 2021-2022 to both the stock exchanges have been paid.

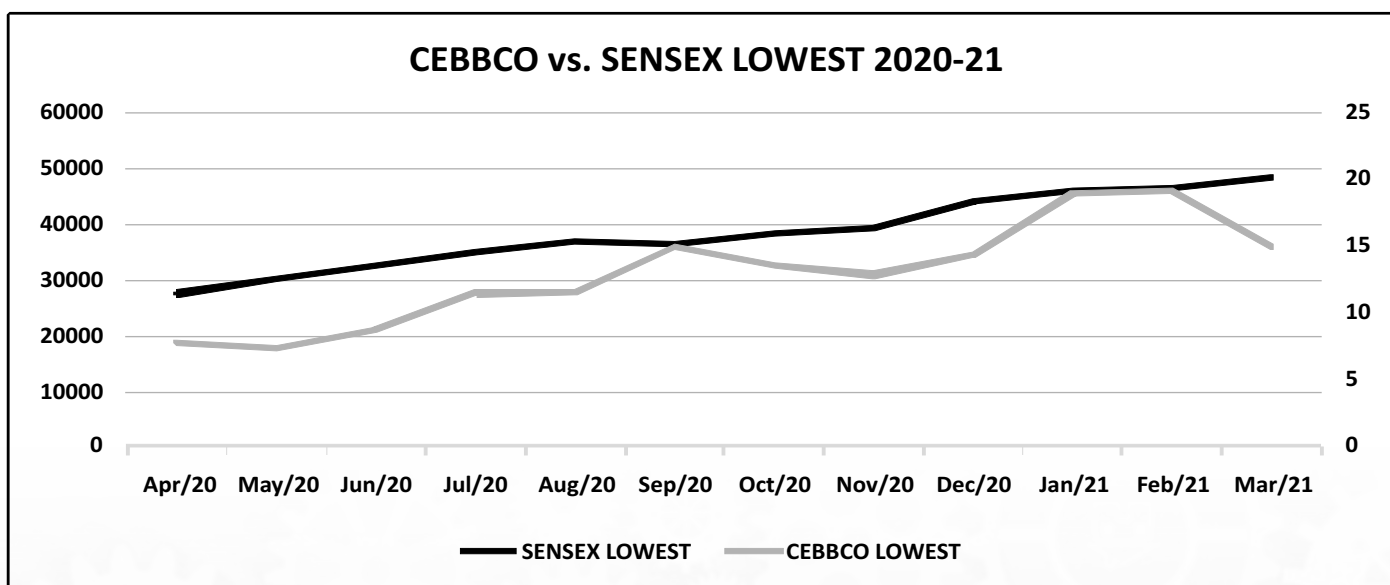
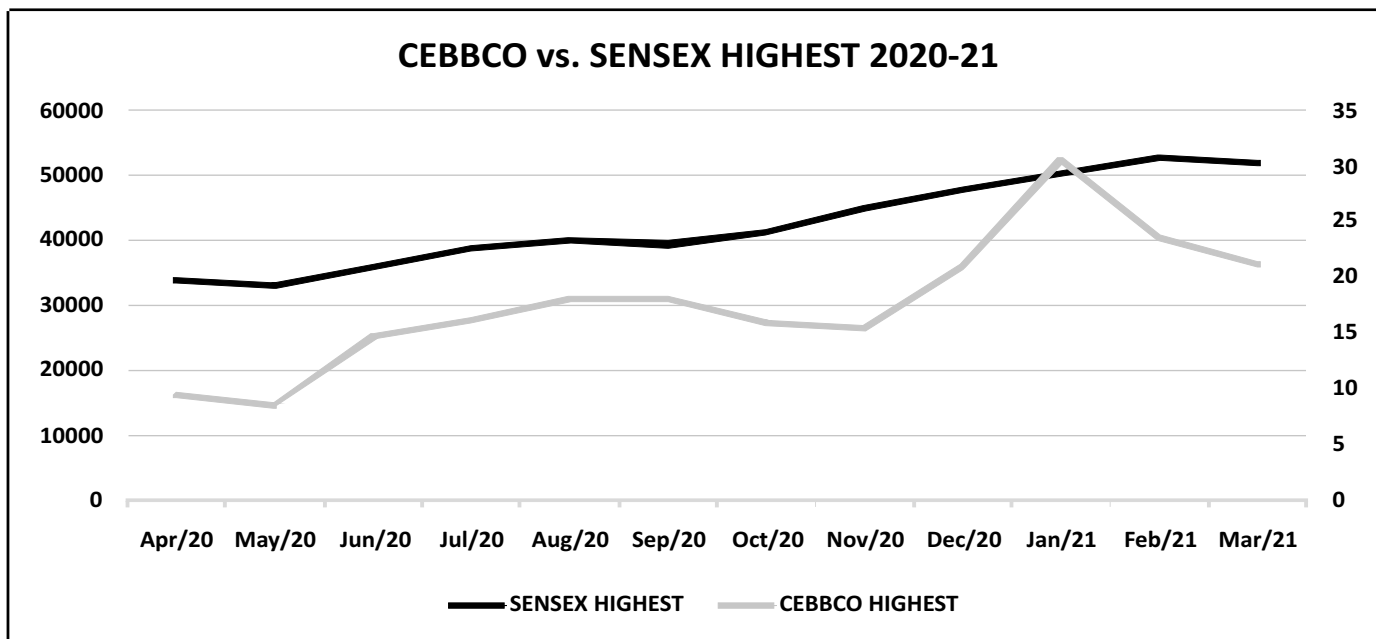
- j) Stock Code of the Company on both the above-mentioned Stock Exchanges:

Name of Stock Exchange	Stock Code
BSE	533272
NSE	CEBSCO

k) Details of share price movements on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) in Rs.

Sr.	Month	BSE				NSE			
		Price Rs. High	Price Rs. Low	SENSEX Highest	SENSEX Lowest	Price Rs. High	Price Rs. Low	Nifty 50 Highest	Nifty 50 Lowest
1	Apr-20	9.37	7.77	33887.25	27500.79	9.40	7.35	9889.05	8055.8
2	May-20	8.60	7.41	32845.48	29968.45	8.45	7.45	9598.85	8806.75
3	Jun-20	14.65	8.69	35706.55	32348.1	14.75	8.45	10553.15	9544.35
4	Jul-20	16.25	11.45	38617.03	34927.2	15.95	11.65	11341.4	10267.35
5	Aug-20	18.00	11.50	40010.17	36911.23	18.30	11.40	11794.25	10882.25
6	Sep-20	18.00	14.90	39359.51	36495.98	18.60	14.25	11618.1	10790.2
7	Oct-20	16.00	13.60	41048.05	38410.2	16.00	13.30	12025.45	11347.05
8	Nov-20	15.50	12.85	44825.37	39334.92	15.70	12.85	13145.85	11557.4

9	Dec-20	21.00	14.30	47896.97	44118.1	20.90	14.25	14024.85	12962.8
10	Jan-21	30.45	19.00	50184.01	46160.46	30.40	19.80	14753.55	13596.75
11	Feb-21	23.55	19.20	52516.76	46433.65	23.30	19.55	15431.75	13661.75
12	Mar-21	21.15	15.00	51821.84	48236.35	21.25	14.55	15336.3	14264.4



l) Registrar and Share Transfer Agents

The share transfer work of the Company is being handled by KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal Hyderabad 500032, India

'The name of the Company's RTA is changed to KFin Technologies Private Limited from Karvy Fintech Private Limited effective December 5, 2019. The Company has communicated this information to the stock exchanges and also made it available on the Company's website.

m) Share Transfer System

The entire share transfer system is handled by the Registrar and Transfer Agent (RTA) of the Company at the address given above. The RTA is equipped with all required infrastructure required for share transfer physical and demat.

n) Shareholding Pattern as on 31.03.2021
COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED
Shareholding Pattern As On 31/03/2021 (Total)

Sr. no.	Description	Without Grouping			With Grouping		
		No. of Cases	Total Shares	% Equity	No. of Cases	Total Shares	% Equity
1	TRUSTS	1	4865636	5.44	1	4865636	5.44
2	RESIDENT INDIVIDUALS	10391	16605726	18.56	10158	16605726	18.56
3	PROMOTERS	5	54267871	60.65	5	54267871	60.65
4	NON RESIDENT INDIANS	65	96618	0.11	65	96618	0.11
5	CLEARING MEMBERS	48	241236	0.27	38	241236	0.27
6	BANKS	1	8349158	9.33	1	8349158	9.33
7	NON RESIDENT INDIAN NON REPATRIABLE	32	68220	0.08	32	68220	0.08
8	BODIES CORPORATES	74	3397051	3.80	72	3397051	3.80
9	HUF	371	1591141	1.78	368	1591141	1.78
	Total:	10988	89482657	100.00	10740	89482657	100.00

o) Distribution of Shareholding as of 31.03.2021:

Distribution Schedule - Consolidated As on 31-03-2021					
Category (Amount)	No. of Cases	% of Cases	Total Shares	Amount	% of Amount
1-5000	7,671	69.812523	12,88,063	1,28,80,630	1.439455
5001- 10000	1,398	12.722971	11,99,627	1,19,96,270	1.340625
10001- 20000	755	6.871132	12,22,824	1,22,28,240	1.366549
20001- 30000	315	2.866764	8,13,035	81,30,350	0.908595
30001- 40000	155	1.410630	5,63,478	56,34,780	0.629706
40001- 50000	157	1.428831	7,61,410	76,14,100	0.850902
50001- 100000	274	2.493629	20,45,063	2,04,50,630	2.285429
100001& Above	263	2.393520	8,15,89,157	81,58,91,570	91.178738
Total	10,988	100.00	89,482,657	894,826,570	100.00

p) Dematerialization of Shares and Liquidity

Summary of Shareholding As on 31-03-2021

Category	No. of Holders	Total Shares	% to Equity
PHYSICAL	2	403	0.000450
NSDL	5,600	3,20,95,688	35.868054
CDSL	5,386	5,73,86,566	64.131495
Total	10,988	89,482,657	100.00

- q) List of all the credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad.

Credit Ratings

Credit ratings obtained during FY 2020-2021, for the line of credit facilities obtained from Banks:

Rating Agency	Date	Credit Rating	
ICRA	31/12/2020	Short Term	Long Term
		[ICRA]A2+ (pronounced ICRA A two plus)	[ICRA]A- (pronounced ICRA A minus)

- r) Outstanding GDRs / ADRs/ Warrants or Convertible Instruments, conversion date and likely impact on Equity. **The Company has not issued such instruments.**

s) Address for Correspondence for Investor redressal, Physical transfer and dematerialization

Address for Correspondence for Investor Redressal, Physical transfer and dematerialization:	KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal Hyderabad 500032 India
Person to be contacted for Shareholder queries	Mr. Deepesh Kedia, Company Secretary and Compliance Officer; 48, Vandana Vihaar, Gorakhpur, Jabalpur 482 001, Madhya Pradesh, India; Tel.: +91 761-2661336 E-mail: cs@cebbco.com; Website: www.cebbco.com
Factory / Plant location	Industrial Area, Richhai, Jabalpur (MP)
	Udaipur, Tehsil Niwas, Distt- Mandla (MP)
	Plot No 690-696,751-756, Sector -3, Pithampur, Distt - Dhar (MP)
	Plot No. 742, Phase VI, Adityapur Industrial Area, Jamshedpur 832109
	Gram Imlai, Panagar, Jabalpur (MP)
Corporate Head Office	48, Vandana Vihaar, Narmada Road, Gorakhpur, Jabalpur 482 001, Madhya Pradesh, India; Tel.: +91 761-2661336 E-mail: cs@cebbco.com; Website: www.cebbco.com

13. Other Disclosures

- a. The Company is in compliance with all mandatory requirements under the Listing Regulations.
- b. There are no transactions with related parties i.e. with the Promoters, Directors, Management, Subsidiaries or relatives etc. that may have potential conflict of interest of the Company at large. Transactions with related parties are disclosed in note 44 to the Accounts of the Company in the Annual Report. the web-link of the policy on dealing with related party transactions is http://www.cebbco.com/docs/profile_for_investors.html
- c. The Company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters relating to capital markets during the last three years except delay in the appointment of sixth director on the board due to the spread of corona virus and restrictions imposed by the central and state government / lockdown. A penalty of Rs. 2,40,000/- + G.S.T. each by the BSE Limited and National Stock Exchange of India Limited. Company filed a waiver application for the same with both the exchanges, the same was approved by the BSE Limited. Apart from the above no penalties or strictures have been imposed on the Company by the stock exchanges, SEBI or other statutory authorities.
- d. The Company has formulated & adopted formal Vigil Mechanism and Whistle Blower Policy, and all the possible measures are taken to abide by the policy. In addition to this Company takes cognizance of complaints made and suggestions given by the employees and others. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz., www.cebbco.com.
- e. Disclosures on Policy for determining Material Subsidiaries The Company does not have any Subsidiaries during the financial year ended on 31st March, 2021, therefore, the Company has not framed 'Policy for determining 'Material' subsidiaries'.
- f. Disclosure of commodity price risks and commodity hedging activities., mention it as- **[Not Applicable]**;
- g. In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.
- h. Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.
- i. Details of utilization of funds raised during the year through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) **[Not applicable]**
- j. A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority.

On an annual basis, the Company obtains from each Director, details of the Board and Board Committee positions he/she occupies in other Companies, and changes if any regarding their Directorships. The Company has obtained a certificate from CS ShrutiSinghania, Practicing Company Secretary and Designated Partner of M/s. Deepak Khaitan & Co. LL.P, Practicing Company Secretaries, 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 Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this report

The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

- i. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year. **Not Applicable**
- j. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor BSR & CO. LL.P. (Resigned as statutory Auditors w.e.f. 14.08.2020 and Walker Chandoik & Co. LL.P. (Appointed as Statutory Auditors w.e.f. 24.08.2020 duly appointed / approved by the shareholders of the company in the Annual General Meeting held on 24.09.2020) (Details relating to fees paid to the Statutory Auditors are given in Notes to the Annual Financial Statements of the Company.
- k. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
 - a. Number of complaints filed during the financial year - Nil
 - b. Number of complaints disposed of during the financial year Nil
 - c. Number of complaints pending as on end of the financial year Nil
- l. The non-mandatory requirements have been adopted to the extent and in the manner as stated under / detailed below:
 - i. The position of the Chairman of the Board of Directors and that of the Managing Director and the Chief Executive Officer are separate
 - ii. The quarterly, half-yearly and annual financial results of your Company are published in newspapers and posted on Company's website www.cebbco.com. The same are also available on the sites of stock exchanges where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.
 - iii. The Company already has a regime of unqualified financial statements. Auditors have raised no qualification on the financial statements.
 - iv. The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meeting for reporting their findings of the internal audit to the Audit Committee Members.
- 14. The Company has complied with all the corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligation Disclosure Requirements) Regulations, 2015 and erstwhile clause 49 of the listing agreement.

Sl. No.	Particulars	Regulations	Compliance status
1	Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
2	Board composition	17(1)	Yes
3	Meeting of Board of directors	17(2)	Yes
4	Review of Compliance Reports	17(3)	Yes
5	Plans for orderly succession for appointments	17(4)	Yes
6	Code of Conduct	17(5)	Yes
7	Fees/compensation	17(6)	Yes
8	Minimum Information	17(7)	Yes
9	Compliance Certificate	17(8)	Yes
10	Risk Assessment & Management	17(9)	Yes

11	Performance Evaluation of Independent Directors	17(10)	Yes
12	Composition of Audit Committee	18(1)	Yes
13	Meeting of Audit Committee	18(2)	Yes
14	Composition of nomination & remuneration committee	19(1) & (2)	Yes
15	Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
16	Composition and role of risk management committee	21(1),(2),(3),(4)	NA
17	Vigil Mechanism	22	Yes
18	Policy for related party Transaction	23(1),(5),(6), (7) & (8)	Yes
19	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
20	Approval for material related party transactions	23(4)	NA
21	Composition of Board of Directors of unlisted material Subsidiary	24(1)	NA
22	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4), (5),(6)& (7)	NA
23	Maximum Directorship & Tenure	25(1) & (2)	Yes
24	Meeting of independent directors	25(3) & (4)	Yes
25	Familiarization of independent directors	25(7)	Yes
26	Memberships in Committees	26(1)	Yes
27	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
28	Disclosure of Shareholding by Non-Executive Directors	26(4)	Yes
29	Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

15. **Reconciliation of Share Capital Audit Report**

A qualified practicing Chartered Accountant carry out quarterly secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audits confirm that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

16. **Disclosures with respect to demat suspense account / unclaimed suspense account - Not Applicable**

17. Prevention of Insider Trading Company duly have Insider Trading Policy which includes policy and procedures for inquiry in case of leak of UPSI or unsuspected leak of UPSI the web-link of the policy on dealing with related party transactions is http://www.cebbco.com/docs/profile_for_investors.html

Place : Jabalpur

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Date : 14th August 2021

Mr. Prakash Gurav
 Director
 DIN - 02004317

Mr. Abhishek Jaiswal
 Whole Time Director
 DIN - 07936627

DECLARATION REGARDING COMPLIANCE BY BOARD, EXECUTIVE VICE PRESIDENTS AND SENIOR OFFICERS WITH THE COMPANY'S CODE OF CONDUCT

This is to affirm that the Company has adopted a Code of Conduct for its Board of Directors, President, Senior Officers and Company Secretary.

I Confirm that Company has in respect of the financial year ended March 31, 2021 received from the Board of Directors, Executive Vice presidents, Senior Officers and Company Secretary a declaration of compliance with the Code of Conduct as applicable to them.

The said Code is also placed on the website of the Company viz. **www.cebbco.com**

Place : Jabalpur

Date : 14th August 2021

Mr. Prakash Gurav
Director
DIN - 02004317

Mr. Abhishek Jaiswal
Whole Time Director
DIN - 07936627

Deepak Khaitan & Co. LLP

LLP Identification No. AAU-7316
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@:khaitan52@gmail.com
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GEM House, 5B Russell Street,
Unit 7B, 7th Floor, Kolkata 700 071

COMPLIANCE CERTIFICATE
REGARDING COMPLIANCE OF CONDITONS OF CORPORATE GOVERNANCE
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

[as prescribed under the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To the Members of
COMMERCIAL ENGINEERS & BODY BUILDERS CO LIMITED
(CINL28100MP1979PLC049375)

1. I have reviewed the compliance of conditions of Corporate Governance by **Commercial Engineers & Body Builders CO Limited** (hereinafter referred to as 'the Company'), for the year ended on 31st March, 2021 (hereinafter referred to as 'audit period'), as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'SEBI LODR').
2. In my opinion and to the best of my information and according to the online examinations of the relevant records carried out by me to the extent possible due to COVID-19 and subsequent lock down situation and the explanations given to me and the management representation letter of even date, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paras C, D and E of Schedule V of the SEBI LODR, for the audit period.
3. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. I further state that such compliance 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.

Date: 14.08.2021

Place: Kolkata

Signature:

CS Shruti Singhania
Practising Company Secretary
A.C.S. No.: 49632 /C.P. No.: 18028)
UDIN NO: A049632C000787358
ICSI Unique Code No. : I2017WB1592300
Designated Partner - Deepak Khaitan & Co. LLP
ICSI Unique Code No.: L2020WB008100

Deepak Khaitan & Co. LLP

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+91 90070 55560
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033 - 4004 8935
@:khaitan52@gmail.com
officedkk@gmail.com
GEM House, 5B Russell Street,
Unit 7B, 7th Floor, Kolkata 700 071

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*[pursuant to Regulation 34 (3) and Schedule V Para C clause
(10)(i) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015]*

To,
The Members of
Commercial Engineers & Body Builders Co Limited
48, Vandana Vihar, Narmada Road,
Gorakhpur, Jabalpur- 482001, Madhya Pradesh

I have examined the relevant registers, records, forms and returns filed, notices minutes books, other books and papers and disclosures received from the Directors of Commercial Engineers & Body Builders Co Limited having CIN L28100MP1979PLC049375 and having registered office at 48, Vandana Vihar, Narmada Road, Gorakhpur, Jabalpur - 482001, Madhya Pradesh (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub-clause (i) of Clause 10 Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended (hereinafter referred to as 'the SEBI LODR').

In my opinion and to the best of my information and according to the online verifications (including DIN status at the portal www.mca.gov.in) carried out by me to the extent possible due to COVID-19 and subsequent lockdown situation and explanations furnished to me by the Company, its officers and specific intimations in Form DIR 8 [pursuant to Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014] as received by the Company from each Director and the Management Representation Letter of even date, I hereby certify for the Financial Year ended on 31st March 2021, that none of the Directors who were on the Board of the Company, as per details herein below, have been debarred or disqualified from being appointed or continuing as Directors of the Company by The Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other statutory authority.

The following Directors were on the Board of the Company during the financial year ended on 31st March, 2021:-

Sl. No.	Name of the Director (in order of Date of Appointment)	DIN	Date of Appointment in the Company
1.	Mr. Manchi Venkatraja Rao	00110363	15.07.2014
2.	Mr. Prakash Yashwant Gurav	02004317	15.07.2014
3.	Mr. Abhishek Jaiswal	07936627	14.09.2017
4.	Ms. Vineeta Shriwani	08095170	26.03.2018
5.	Mrs. Madhuchhanda Chatterjee	02510507	22.05.2019
6.	Mr. Ganesan Raghuram	01099026	19.05.2020
7.	Mr. Vivek Lohia	00574035	25.03.2021

Deepak Khaitan & Co. LLP

Ensuring the eligibility of every Director on the Board for their appointment/continuity 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.

Place : Kolkata

Date : 14.08.2021

Signature:

CS Shruti Singhania.

Practising Company Secretary

(A.C.S. No.: 49632 /C.P. No.: 18028)

UDIN NO: A049632C000787314

ICSI Unique Code No.: I2017WB1592300

Designated Partner - Deepak Khaitan & Co. LLP

ICSI Unique Code No.: L2020WB008100

CEO & CFO CERTIFICATE

12/06/2021

To,
The Board of Directors,
Commercial Engineers & Body Builders Co Limited,
48, Vandana Vihar, Narmada Road, Gorakhpur,
Jabalpur (M.P.)

Dear Sirs,

- a. This is to confirm that We have reviewed financial statements and the cash flow statement for the year 2020-2021 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or which violative of the company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee the deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have been taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
 - i. That there are no significant changes in internal control over financial reporting during the year;
 - ii. That there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. That there are no instances of significant fraud of which we are 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 Commercial Engineers & Body Builders Co Limited

Abhishek Jaiswal
Chief Executive Officer

Sanjiv Keshri
Chief Financial Officer

Walker Chandiok & Co LLP

Walker Chandiok & Co. LLP

7th Floor, Block III,
White House, Kundan Bagh,
Begumpet,
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Independent Auditor's Report

To the Members of Commercial Engineers and Body Builders Co Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Commercial Engineers and Body Builders Co Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

4. 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.
5. We have determined the matter described below to be the key audit matters to be communicated in our report.

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Key audit matter	How our audit addressed the key audit matter
<p>Revenue Recognition</p> <p>Revenue of the Company consists primarily from the business of metal fabrication comprising load bodies for commercial vehicles and rail freight wagons, which is recognized in accordance with the accounting policy as described in Note 2.2 (e) to the accompanying financial statements. Refer note 29 for the revenue recognised during the year.</p> <p>Owing to the multiplicity of the Company's products which require compliance with varied customer specifications and diverse terms of contracts with customers in line with the requirements of the Standards on Auditing, revenue is determined to be an area involving significant risk and hence requiring significant auditor attention.</p> <p>Further, Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115'), requires management to make certain key judgements, such as, determination of transaction price for the contract factoring in variable consideration on account of price adjustment clauses in the agreements with customers.</p> <p>Revenue is recognised at a point in time when the control over the goods is transferred to the customer which is primarily upon delivery of goods as per terms of the contract with customers. The Company also focuses on revenue as a key performance measure, which could create an incentive for overstating revenue and thus, the timing of revenue recognition is important as there is a risk of revenue being recorded before control is transferred.</p> <p>Considering the materiality of amounts involved and above complexities, revenue recognition has been considered as a key audit matter for the current year audit.</p>	<p>Our audit procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of revenue transactions of the Company and related process. Accordingly, we assessed the appropriateness of the Company's revenue recognition policy, including those relating to price adjustments, in accordance with the requirements of Ind AS 115; • Assessed the design and tested the operating effectiveness of Company's manual and automated controls around revenue recognition; • On a sample basis, tested the revenue transactions recorded during the year and revenue transactions recorded before and after year-end with supporting documents such as invoices, agreements/ purchase order, dispatch memos, fit-to-run memoranda issued by railway authorities etc., to ensure revenue is recognised in the correct period with correct amounts; • On a sample basis, tested the debit and credit notes issued post invoicing and tested year-end accruals, made on account of price adjustment clauses included in the terms of the agreements with the customers; • Performed substantive analytic procedures which included review of price and product mix variances; and • Assessed the adequacy and appropriateness of the disclosures made in the financial statements with respect to revenue recognition in accordance with the accounting standards.

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Information other than the Financial Statements and Auditor's Report thereon

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

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

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

7. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. 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.
9. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.
11. As part of an audit in accordance with Standards on Auditing, 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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern; and
 - 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.
12. 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.
 13. 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.
 14. 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.

Other Matter

15. The financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, B S R & Co. LLP, who have expressed an unmodified opinion on those financial statements vide their audit report dated 22 July 2020.

Report on Other Legal and Regulatory Requirements

15. As required by Section 197(16) of the Act, based on our audit, 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.
16. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of

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India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

17. Further to our comments in Annexure A, as required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with Ind AS specified under Section 133 of the Act;
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 12 June 2021 as per Annexure B expressed an unmodified opinion; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in note 41 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 21213356AAAACT8388

Place: Hyderabad
Date: 12 June 2021

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Annexure A to the Independent Auditor's Report of even date to the members of Commercial Engineers and Body Builders Co Limited, on the financial statements for the year ended 31 March 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the property, plant and equipment is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all the immovable properties (which are included under the head 'Property, plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for goods-in-transit and stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies were noticed on the aforesaid verification.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) In our opinion, the Company has complied with the provisions of Section 186 in respect of investments. Further, in our opinion, the Company has not entered into any transaction covered under Section 185 and Section 186 of the Act in respect of loans, guarantees and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, *though there has been slight delay in few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.*

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- (b) The dues outstanding in respect of income-tax, sales-tax and duty of excise on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in Lakhs)	Amount paid under Protest (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise Duty	14.37	-	April 2009 - June 2009	Assistant Commissioner of Customs, Central Excise and Service Tax, Jabalpur
Central Excise Act, 1944	Excise Duty	0.11	-	May 2015 - December 2015	Assistant Commissioner of Customs, Central Excise and Service Tax, Jabalpur
Central Excise Act, 1944	Excise Duty	2,047.00	-	July 2008 - August 2009	High Court, Madhya Pradesh
Madhya Pradesh Commercial Tax Act, 1994	Value Added Tax	64.41	18.03	F Y 2007-08	Deputy Commissioner, Commercial Tax, Jabalpur
Madhya Pradesh Commercial Tax Act, 1994	Value Added Tax	63.35	17.78	F Y 2008-09	Deputy Commissioner, Commercial Tax, Jabalpur
Madhya Pradesh Commercial Tax Act, 1994	Value Added Tax	1,406.50	-	F Y 2012-13	Supreme Court
Madhya Pradesh Entry Tax Act, 1976	Entry Tax	30.89	8.65	F Y 2009-10	Deputy Commissioner, Commercial Tax, Jabalpur
Central Sales Tax Act, 1956	Central Sales Tax	11.02	3.09	F Y 2007-08	Deputy Commissioner, Commercial Tax, Jabalpur
Central Sales Tax Act, 1956	Central Sales Tax	1.98	0.50	F Y 2010-11	Assistant Commissioner, Commercial Tax, Jabalpur
Central Sales Tax Act, 1956	Central Sales Tax	6.11	2.81	F Y 2012-13	Additional Commissioner, Commercial Tax, Jabalpur
Central Sales Tax Act, 1956	Central Sales Tax	8.34	0.83	F Y 2015-16	Additional Commissioner, Commercial Tax, Jabalpur
Central Sales Tax Act, 1956	Central Sales Tax	5.98	2.00	F Y 2016-17	Additional Commissioner, Commercial Tax, Jabalpur
Income Tax Act, 1956	Income Tax	9.96	9.96	A.Y. 2011-12	Commissioner of Income Tax (Appeal) Kanpur
Income Tax Act, 1956	Income Tax	594.65	-	A.Y. 2013-14	High Court, Allahabad

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- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purpose for which the loans were obtained.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, provisions of clause 3(xiv) of the Order are not applicable.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid
Partner
Membership No.: 213356
UDIN: 21213356AAAACT8388

Place: Hyderabad
Date: 12 June 2021

Walker Chandiook & Co. LLP

Annexure B to the Independent Auditor's Report of even date to the members of Commercial Engineers and Body Builders Co Limited on the financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the financial statements of Commercial Engineers and Body Builders Co Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: **001076N/N500013**

Nikhil Vaid

Partner

Membership No.: 213356

UDIN: 21213356AAAACT8388

Place: Hyderabad

Date: 12 June 2021

Balance Sheet as at 31 March 2021
(All amounts are in INR lakhs, unless otherwise stated)

	<u>Note</u>	<u>As at 31 March 2021</u>	<u>As at 31 March 2020</u>
ASSETS			
Non-current assets			
Property, plant and equipment	3	11,275.56	10,948.72
Capital work-in-progress	3	587.87	555.39
Right-of-use assets	4	114.15	120.87
Intangible assets	5	99.47	35.54
Intangible assets under development	6	18.75	19.50
Financial assets			
(i) Investments	7	68.51	-
(ii) Bank balances	8	4.11	-
(iii) Loans	9	49.79	56.10
Non-current tax assets (net)		21.51	21.51
Other non-current assets	10	254.10	187.61
Total non-current assets		12,493.82	11,945.24
Current assets			
Inventories	11	5,905.39	4,757.01
Financial assets			
(i) Trade receivables	12	4,697.87	1,110.56
(ii) Cash and cash equivalents	13	598.80	282.05
(iii) Bank balances other than (ii) above	14	327.18	168.25
(iv) Loans	15	201.93	199.43
(v) Other financial assets	16	995.21	41.03
Current tax assets (net)		71.32	73.63
Other current assets	17	564.24	1,312.46
Total current assets		13,361.94	7,944.42
Assets held for sale	18	70.00	99.50
Total assets		25,925.76	19,989.16
EQUITY AND LIABILITIES			
Equity			
Equity share capital	19	8,948.27	8,948.27
Other equity	20	1,790.42	595.93
Total equity		10,738.69	9,544.20
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	2,988.51	2,690.01
(ii) Lease liabilities		42.35	42.78
(iii) Other financial liabilities	22	-	5.10
Provisions	23	170.07	124.98
Total non-current liabilities		3,200.93	2,862.87
Current liabilities			
Financial liabilities			
(i) Borrowings	24	2,590.14	2,083.55
(ii) Lease liabilities		0.44	0.39
(iii) Trade payables	25		
(a) Total outstanding dues of micro and small enterprises		490.84	71.98
(b) Total outstanding dues of creditors other than micro and small enterprises		5,870.84	3,368.74
(iv) Other financial liabilities	26	591.28	452.31
Other current liabilities	27	2,390.79	1,453.34
Provisions	28	51.81	151.78
Total current liabilities		11,986.14	7,582.09
Total equity and liabilities		25,925.76	19,989.16

See accompanying notes to the financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid

Partner
Membership No.: 213356

Place: Hyderabad
Date: 12 June 2021

For and on behalf of the Board of Directors of
Commercial Engineers & Body Builders Co Limited
Prakash Yashwant Gurav

Director
(DIN: 02004317)
Place: Pune
Date: 12 June 2021

Sanjiv Keshri

Chief Financial Officer
(CA Membership No.:062281)
Place: Kolkata
Date: 12 June 2021

Abhishek Jaiswal

Whole Time Director &
Chief Executive Officer
(DIN: 07936627)
Place: Jabalpur
Date: 12 June 2021

Deepesh Kedia

Company Secretary
(CS Membership No.:34616)
Place: Jabalpur
Date: 12 June 2021

Statement of Profit and Loss for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

	Note	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue			
Revenue from operations	29	36,346.39	12,574.39
Other income	30	108.01	329.35
Total income		36,454.40	12,903.74
Expenses			
Cost of materials consumed	31	29,666.25	12,072.33
Changes in inventories of work-in-progress and scrap	32	(230.12)	(2,090.02)
Employee benefits expense	33	1,247.56	901.98
Finance costs	34	690.54	617.17
Depreciation and amortisation expense	35	862.82	831.74
Other expenses	36	2,974.30	1,481.41
Total expenses		35,211.35	13,814.61
Profit/ (loss) before exceptional items and tax		1,243.05	(910.87)
Exceptional items - gain	37	-	655.12
Profit/ (loss) before tax		1,243.05	(255.75)
Tax expense			
Current tax		-	-
Tax adjustment related to earlier years	38	12.70	(241.78)
Profit/ (loss) after tax		1,230.35	(13.97)
Other Comprehensive Income (OCI)			
Items that will not be reclassified subsequently to profit and loss			
- Remeasurements of the defined benefit plans (net of taxes)		(35.86)	(27.37)
Total Other Comprehensive Loss for the year		(35.86)	(27.37)
Total Comprehensive Income/ (Loss) for the year		1,194.49	(41.34)
Earnings/ (Loss) per equity share			
Basic and diluted earnings/ (loss) per equity share [Nominal value of INR 10 per share (Previous year INR 10 per share)]	42	1.37	(0.02)

See accompanying notes to the financial statements

As per our report of even date attached

For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 0010769/N500013

Nikhil Vaid
Partner
Membership No.: 213356

Place: Hyderabad
Date: 12 June 2021

For and on behalf of the Board of Directors of
Commercial Engineers & Body Builders Co Limited

Prakash Yashwant Gurav
Director

(DIN: 02004317)
Place: Pune
Date: 12 June 2021

Abhishek Jaiswal
Whole Time Director &
Chief Executive Officer
(DIN: 07936627)
Place: Jabalpur
Date: 12 June 2021

Sanjiv Keshri
Chief Financial Officer
(CA Membership No.:062281)
Place: Kolkata
Date: 12 June 2021

Deepesh Kedia
Company Secretary
(CS Membership No.:34616)
Place: Jabalpur
Date: 12 June 2021

Statement of Changes in Equity for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

A. Equity share capital

Particulars	Amount
Balance as at 1 April 2019	8,948.27
Changes during the year	-
Balance as at 31 March 2020	8,948.27
Changes during the year	-
Balance as at 31 March 2021	8,948.27

B. Other equity

Particulars	Equity component of compound financial instrument	Reserve and surplus					Total
		General reserve	Capital reserve	Securities premium	Deemed contribution by shareholders	Retained earnings	
Balance as at 1 April 2019	899.34	9.80	8.72	12,837.80	3,983.11	(17,101.50)	637.27
Loss for the year	-	-	-	-	-	(13.97)	(13.97)
Other comprehensive income/ (loss) for the year	-	-	-	-	-	(27.37)	(27.37)
Transfer to capital reserve pursuant to forfeiture (Refer note 19)	(899.34)	-	899.34	-	-	-	-
Balance as at 31 March 2020	-	9.80	908.06	12,837.80	3,983.11	(17,142.84)	595.93
Profit for the year	-	-	-	-	-	1,230.35	1,230.35
Other comprehensive income/ (loss) for the year	-	-	-	-	-	(35.86)	(35.86)
Balance as at 31 March 2021	-	9.80	908.06	12,837.80	3,983.11	(15,948.35)	1,790.42

See accompanying notes to the financial statements

As per our report of even date attached

For Walker Chandiook & Co LLP

Chartered Accountants

Firm's Registration No.: 0011076N/NS00013

Nikhil Vaid

Partner

Membership No.: 213356

Place: Hyderabad

Date: 12 June 2021

For and on behalf of the Board of Directors of
Commercial Engineers & Body Builders Co Limited

Prakash Yashwant Gurav

Director

(DIN: 02004317)

Place: Pune

Date: 12 June 2021

Abhishek Jaiswal

Whole Time Director &

Chief Executive Officer

(DIN: 07936627)

Place: Jabalpur

Date: 12 June 2021

Sanjiv Keshri

Chief Financial Officer

(CA Membership No.:062281)

Place: Kolkata

Date: 12 June 2021

Deepesh Kedia

Company Secretary

(CS Membership No.:34616)

Place: Jabalpur

Date: 12 June 2021

Cash flow statement for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Cash flow from operating activities		
Profit/(Loss) before tax	1,243.05	(255.75)
Adjustments for :		
Depreciation and amortisation expense	862.82	831.74
Profit on sale of property, plant and equipment	-	(0.92)
Profit on disposal of asset held for sale	(3.25)	-
Provision for doubtful advances	1.09	32.31
Provision for doubtful debt	5.91	-
Fair value loss on financial assets	0.04	-
Investment written off	-	0.10
Liabilities / provisions no longer required written back	(86.27)	(279.37)
Exceptional items	-	(655.12)
Interest income	(15.20)	(47.99)
Dividend income	(0.48)	-
Finance costs	690.54	617.17
Cash flows from operating activities before working capital changes	2,698.25	242.17
Changes in assets and liabilities		
(Increase) in inventories	(1,148.38)	(3,312.58)
(Increase)/decrease in trade receivables, financial assets and other assets	(3,727.88)	2,682.01
Increase/(decrease) in trade payables, financial liabilities and other liabilities	3,909.11	(1,133.21)
(Decrease)/increase in provisions	(12.55)	55.48
Cash generated from/(used in) operations	1,718.55	(1,466.13)
Income-taxes paid (net of refund)	(10.39)	(8.59)
Net cash generated from/ (used) in operating activities (A)	1,708.16	(1,474.72)
Cash flow from investing activities		
Purchases of property, plant and equipment (net)	(1,414.41)	(1,220.64)
Investment in bank deposits (having original maturity more than 3 months)	(163.04)	(80.99)
Investment in shares of other entity	(35.12)	-
Investment in mutual fund	(33.44)	-
Interest received	12.41	47.25
Dividend income	0.48	-
Net cash used in investing activities (B)	(1,633.12)	(1,254.38)
Cash flow from financing activities		
Proceeds from short term borrowings (net)	506.59	1,621.00
Proceeds from long term borrowings	500.00	-
Repayment of long term borrowings	(184.22)	(285.24)
Repayment of lease liabilities	(6.06)	(6.06)
Finance cost paid	(574.60)	(621.22)
Net cash generated from financing activities (C)	241.71	708.48
Net cash flows [increase/ (decrease)] during the year (A+B+C)	316.75	(2,020.62)
Cash and cash equivalents at the beginning of the year	282.05	2,302.67
Cash and cash equivalents at the end of the year	598.80	282.05
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Current accounts	338.72	10.55
- Cash credit accounts	259.04	261.27
Cash and gold coins on hand	1.04	10.23
Cash and cash equivalents at the end of the year	598.80	282.05

See accompanying notes to the financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm's Registration No.: 0010769/N500013

Nikhil Vaid

Partner

Membership No.: 213356

Place: Hyderabad

Date: 12 June 2021

For and on behalf of the Board of Directors of
Commercial Engineers & Body Builders Co Limited**Prakash Yashwant Gurav**

Director

(DIN: 02004317)

Place: Pune

Date: 12 June 2021

Abhishek Jaiswal

Whole Time Director &

Chief Executive Officer

(DIN: 07936627)

Place: Jabalpur

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Sanjiv Keshri

Chief Financial Officer

(CA Membership No.:062281)

Place: Kolkata

Date: 12 June 2021

Deepesh Kedia

Company Secretary

(CS Membership No.:34616)

Place: Jabalpur

Date: 12 June 2021

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

1.1 Corporate Information

Commercial Engineers and Body Builders Co Limited (the "Company") is a Company domiciled in India, with its registered office at Vandana Vihaar, 48 Narmada Road, Jabalpur, Madhya Pradesh – 482 001 (CIN-L28100MP1979PLC049375). The Company has been incorporated under the provisions of Indian Companies Act, 1956 and its equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The Company is primarily involved in business of metal fabrication comprising load bodies for commercial vehicles, rail freight wagons and components with manufacturing facilities at Jabalpur, Indore and Jamshedpur.

1.2 Basis of preparation

a) Statement of compliance

The Company has prepared its financial statements to comply in all material respects with the provisions of the Companies Act, 2013 (the Act) and rules framed thereunder, and the guidelines issued by Securities and Exchange Board of India. In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) under Section 133 of the Act.

The financial statements have been prepared on an accrual basis using the historical cost convention, except for the following assets and liabilities:

- i) Certain financial assets and liabilities that are measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value

The financial statements were authorised for issue by the Company's Board of Directors on 12 June 2021.

b) Functional and presentation currency

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be Indian Rupees (INR). The financial statements are presented in INR lakhs, which is Company's functional and presentational currency.

c) Use of estimates and judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 2.2 (q)(i) - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2021 is included in the following notes:

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

- Note 2.2 (g)(iii) and 43 - measurement of defined benefit obligations: key actuarial assumptions
- Note 2.2 (b) - measurement of useful lives and residual values to property, plant and equipment
- Note 2.2 (c) - measurement of useful lives of intangible assets
- Note 1.2 (d) and 2.2 (q) - fair value measurement of financial instruments and impairment thereon
- Note 2.2 (k) and 41 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources
- Note 2.2 (f) - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
- Note 2.2 (j) - impairment of non-financial assets

d) Measurement of fair values

The Company has an established control framework with respect to the measurement of fair values. This includes the management that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the board of directors.

The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's audit committee.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

2. Significant accounting policies

2.1 Change in significant accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

2.2 Summary of significant accounting policies

a) Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of financial liabilities some part of which may be non-current. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Based on the nature of products/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

b) Property, plant and equipment

Recognition and measurement

All items of property, plant and equipment are measured at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

When parts of an item of property, plant and equipment having significant cost have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses on disposal of an item of property plant and equipment are recognised in the statement of profit and loss.

All spare parts which are expected to be used for more than one accounting period are capitalised as property, plant and equipment.

Capital work-in-progress is stated at cost, net of impairment loss, if any.

Subsequent expenditure

Subsequent expenditure is recognised as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of profit and loss as incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is provided on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives.

- (i) The depreciation charged on all property, plant and equipment is on the basis of useful life specified in Part "C" of Schedule II to the Companies Act, 2013 which represents useful lives of the assets.
- (ii) On assets sold, discarded, etc., during the year, depreciation is provided up to the date of sale/discard.
- (iii) Depreciation has been calculated on a pro-rata basis in respect of acquisition/installation during the year.
- (iv) Leasehold land is amortised over the primary lease period or the useful life, whichever is shorter.
- (v) Freehold land is not depreciated

Depreciation methods, useful lives and residual values are reviewed at each financial year, and changes, if any, are accounted for prospectively.

c) Intangible assets

Recognition and initial measurement

Intangible assets comprise computer software. Intangible assets that are acquired by the Company are measured at cost less accumulated amortisation and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in statement of profit and loss as incurred.

Amortisation

Intangible assets, being computer software is amortised in the statement of profit and loss over the estimated useful life of 3 years using the straight-line method.

An intangible asset is derecognised on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

The amortisation method and the useful lives of intangible assets are reviewed annually and adjusted as necessary.

d) Inventories

Inventories are measured at lower of cost or net realisable value. Costs includes expenditure incurred in acquiring the inventories, production or conversion costs incurred in bringing them to their present location and condition.

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

Nature of inventory	Cost formulae used
Raw materials and stores and spare	First-in First-out method
Work-in-progress and finished goods	Weighted average method including an appropriate share of variable and fixed production overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

e) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. However, Goods and Services Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognised.

Sale of goods

The Company recognised revenue when (or as) a predominance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer. Further, revenue from sale of goods is recognised based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets (Unbilled revenue)

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities (Unearned or deferred revenue is recognised when there is billings in excess of revenues)

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

a) The Company's contracts with customers could include promises to transfer products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as service level credits, inflation related adjustments etc. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

Rendering of services

Revenue from sale of services is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Sale of scrap

Revenue from sale of scrap is accounted for as and when sold.

Other Income

For instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the statement of profit and loss.

f) Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognised in statement of profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority. Deferred tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. The Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is other convincing evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

g) Employee benefits

i) Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Compensated absences is provided for on the basis of actual costs the Company expects to pay for the compensated absences.

ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by the employees.

The Company makes specific contributions to provident fund.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company has following defined benefit plans:

Gratuity

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all directly recruited eligible employees. In accordance with the payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment. These are funded by the Company and are managed by the Life Insurance Corporation of India (LIC).

The calculation of defined benefit obligation is performed by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the statement of profit or loss in subsequent periods.

The Company determines the net interest expense / (income) on the net defined benefit liability / (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability / (asset), taking into account any changes in the net defined benefit liability / (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

h) Foreign currency transactions

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/ (losses) arising on account of realisation/ settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the statement of profit and loss.

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The Company uses derivative financial instruments such as forward exchange contracts to hedge its risk associated foreign currency fluctuations. Such derivatives are stated at fair value. Any gains or losses arising from changes in fair value are taken directly to statement of profit or loss.

i) Finance expense

Finance expenses comprises of interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost) incurred in connection with the borrowings of funds. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in the statement of profit and loss using the effective interest method.

j) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment losses recognised in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

k) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the entity. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

l) Borrowings and borrowing cost

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalised as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalised. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalisation of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition of the qualifying asset.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

m) Leases

Measurement and recognition of leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A lease is defined as 'a contract, or part of a contract, that convey the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition, the Company assesses whether the contract meets three key criteria which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- the Company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

- the Company has the right to direct the use of the identified asset throughout the period of use. The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Company as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company and any lease payments made in advance of the lease commencement date.

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance, fixed), and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest expenses. It is remeasured to reflect any reassessment or modification.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset or Statement of profit and loss, as the case may be.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in other financial liabilities (non-current and current).

The Company has elected to account for short-term leases and leases of low-value assets using the exemption / practical expedient given under Ind AS 116, Leases. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term or on another systematic basis if that basis is more representative of the pattern of the Company's benefit.

n) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108 – Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance.

The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. Refer Note 39 for segment information.

o) Government grant

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as other operating revenue on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

p) Earnings per share

Basic earnings per equity share is computed by dividing the net profit/loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

Diluted earnings per equity share is computed by dividing the net profit/loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial assets

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at:

- Amortised cost;
- Fair Value through Other Comprehensive Income ('FVOCI') – debt instrument;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. Company has recognised financial assets viz. security deposit, trade receivables, employee advances at amortised cost.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is re-classified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. Interest income, foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investment	These assets are subsequently measured at fair value. Dividends are recognized as income at FVOCI in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Impairment

The Company recognizes loss allowances using the Expected Credit Loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition, in which case those financial assets are measured at lifetime ECL. The changes (incremental or reversal) in loss allowance computed using ECL model, is recognised as an impairment gain or loss in the statement of profit and loss.

ii) Financial liabilities

Recognition and initial measurement

All financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

instrument. All financial liabilities are initially measured at fair value minus, in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the liability.

Classification and subsequent measurement

Financial liabilities are classified as measured at amortised cost or FVTPL.

Financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings.

Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. Gains or losses on derecognition of financial liabilities is recognised in the statement of profit and loss except where gains or losses arises on account of transaction with shareholders (acting in their capacity as shareholders), wherein the gain or loss is recognised in equity.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

iii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

r) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

s) Assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets held for sale are not depreciated or amortised.

t) Recent pronouncements

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Significant accounting policies and other explanatory information to the financial statements as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility, undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive, and the Company will evaluate the same to give effect to them as required by law.

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**Significant accounting policies and other explanatory information
as at and for the year ended 31 March 2021**
(All amounts are in INR lakhs, unless otherwise stated)

3. Property, plant and equipment and capital work-in-progress

Particulars	Freehold Land	Leasehold land	Buildings	Plant and Equipment	Electrical installation	Vehicles	Office equipment	Furniture and fixtures	Computer	Total	Capital work-in-progress
Gross carrying amount As at 1 April 2019	1,743.52	97.41	5,513.31	6,330.77	224.93	9.83	10.27	13.96	13.25	13,957.25	13.01
Add: Additions made during the year	-	-	37.30	494.95	2.77	5.27	6.80	15.98	12.91	575.98	982.83
Reclassified on account of adoption of Ind AS 116	-	(97.41)	-	-	-	-	-	-	-	(97.41)	-
Less: Disposals/ adjustments during the year	-	-	-	-	-	-	0.46	-	-	0.46	440.45
Balance as at 31 March 2020	1,743.52	-	5,550.61	6,825.72	227.70	15.10	16.61	29.94	26.16	14,435.36	555.39
Add: Additions made during the year	11.52	-	29.35	1,092.36	-	-	16.42	6.82	6.40	1,162.87	772.99
Less: Disposals/ adjustments during the year	-	-	-	-	-	-	-	-	-	-	740.51
Balance as at 31 March 2021	1,755.04	-	5,579.96	7,918.08	227.70	15.10	33.03	36.76	32.56	15,598.23	587.87
Accumulated depreciation Balance as at 1 April 2019	-	13.30	733.06	1,818.34	100.16	8.64	3.09	6.07	6.17	2,688.83	-
Add: Depreciation expense for the year	-	-	233.23	535.20	32.60	0.90	4.41	1.68	3.55	811.57	-
Reclassified on account of adoption of Ind AS 116	-	(13.30)	-	-	-	-	-	-	-	(13.30)	-
Less: Disposals/ adjustments during the year	-	-	-	-	-	-	0.46	-	-	0.46	-
Balance as at 31 March 2020	-	-	966.29	2,353.54	132.76	9.54	7.04	7.75	9.72	3,486.64	-
Add: Depreciation expense for the year	-	-	231.83	554.53	30.99	0.86	4.23	4.28	9.31	836.03	-
Less: Disposals/ adjustments during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2021	-	-	1,198.12	2,908.07	163.75	10.40	11.27	12.03	19.03	4,322.67	-
Net carrying amount As at 31 March 2021	1,755.04	-	4,381.84	5,010.01	63.95	4.70	21.76	24.73	13.53	11,275.56	587.87
As at 31 March 2020	1,743.52	-	4,584.32	4,472.18	94.94	5.56	9.57	22.19	16.44	10,948.72	555.39

Notes:

- a) For details of assets pledged/ hypothecated as securities, refer note 21 and 24.
b) Refer note 41 (B) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

4. Right-of-use assets

	Leasehold land	Total
Gross carrying amount		
Balance as at 1 April 2019	-	-
Addition on account of transition to Ind AS 116 "Leases"	97.41	97.41
Add: Additions during the year	43.51	43.51
Less: Adjustments during the year	-	-
Balance as at 31 March 2020	140.92	140.92
Add: Additions during the year	-	-
Less: Adjustments during the year	-	-
Balance as at 31 March 2021	140.92	140.92
Accumulated amortisation		
Balance as at 1 April 2019	-	-
Addition on account of transition to Ind AS 116 "Leases"	13.30	13.30
Add: Depreciation expense for the year	6.75	6.75
Less: Adjustments during the year	-	-
Balance as at 31 March 2020	20.05	20.05
Add: Depreciation expense for the year	6.72	6.72
Less: Adjustments during the year	-	-
Balance as at 31 March 2021	26.77	26.77
Net book value		
As at 31 March 2021	114.15	114.15
As at 31 March 2020	120.87	120.87

5. Intangible assets

	Software	Total
Gross carrying amount		
Balance as at 1 April 2019	39.60	39.60
Add: Additions during the year	20.10	20.10
Less: Adjustments during the year	-	-
Balance as at 31 March 2020	59.70	59.70
Add: Additions during the year	84.00	84.00
Less: Adjustments during the year	-	-
Balance as at 31 March 2021	143.70	143.70
Accumulated amortisation		
Balance as at 1 April 2019	10.74	10.74
Add: Amortisation expense for the year	13.42	13.42
Less: Adjustments during the year	-	-
Balance as at 31 March 2020	24.16	24.16
Add: Amortisation expense for the year	20.07	20.07
Less: Adjustments during the year	-	-
Balance as at 31 March 2021	44.23	44.23
Net book value		
As at 31 March 2021	99.47	99.47
As at 31 March 2020	35.54	35.54

**Significant accounting policies and other explanatory information
as at and for the year ended 31 March 2021**

(All amounts are in INR lakhs, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
6. Intangible assets under development		
Balance at the beginning of the year	19.50	19.50
Add: Additions made during the year	64.25	-
Less: Capitalised during the year	65.00	-
Balance at the end	18.75	19.50
7. Investments		
Investments carried at fair value through profit and loss		
Unquoted		
Mutual funds		
"Aditya Birla Sun Life low duration fund - reinvestment [Units: 32,577.031 (31 March 2020: Nil)]"	33.39	-
Equity investment carried at fair value through other comprehensive income		
Unquoted		
JWL Kovis (India) Private Limited [351,200 (31 March 2020: Nil) equity shares of INR 10 each, fully paid up]	35.12	-
Total	68.51	-
Note:		
(i) Aggregate carrying value and market value of unquoted investments	68.51	-
(ii) Aggregate amount of impairment in the value of investments	-	-
(iii) Mutual funds are under lien against borrowing from financial institution.		
8. Bank balances		
Fixed deposits with maturities more than 12 months	4.11	-
Total	4.11	-
Note:		
Deposits include INR 4.11 lakhs (31 March 2020: Nil) being fixed deposits held as security against bank guarantee.		
9. Loans		
Unsecured, considered good		
Security deposits	49.79	56.10
Total	49.79	56.10
10. Other non-current assets		
Unsecured, considered good		
Statutory dues paid under protest (refer note 41 (A))	50.89	83.74
Capital advances	197.23	97.61
Prepaid expenses	5.98	6.26
Unsecured, considered doubtful		
Capital advances	16.00	17.75
	270.10	205.36
Less: Provision for doubtful capital advances	16.00	17.75
Total	254.10	187.61

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
11. Inventories		
(Valued at lower of cost and net realisable value)		
Raw material (including goods in transit: INR 35.27 Lakhs (31 March 2020 : Nil))	2,734.17	1,885.10
Work in progress	2,957.06	2,765.30
Stores and spares	138.28	69.09
Scrap	75.88	37.52
Total	5,905.39	4,757.01
Note:		
(i) During the year ended 31 March 2021, an amount of INR 36.54 Lakhs (31 March 2020: INR (107.01 Lakhs)) was recognised as an expense / (reversal) for inventories carried at net realisable value.		
12. Trade receivables		
Unsecured, considered good	4,697.87	1,110.56
Unsecured, considered doubtful	210.83	1,506.67
	4,908.70	2,617.23
Less : Loss allowance for trade receivables	210.83	1,506.67
	4,697.87	1,110.56
Total	4,697.87	1,110.56
Note:		
(i) Movements in allowance for credit losses of receivables is as below:		
Opening balance	1,506.67	1,506.67
Add: Allowance made during the year	5.91	-
Less: Write off during the year	1,301.75	-
Closing balance	210.83	1,506.67
(ii) Break up of security details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	4,697.87	1,110.56
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	210.83	1,506.67
Total	4,908.70	2,617.23
Loss allowance	210.83	1,506.67
Total	4,697.87	1,110.56
13. Cash and cash equivalents		
Balances with banks		
- In current accounts	338.72	10.55
- In cash credit accounts	259.04	261.27
Cash and gold coins on hand	1.04	10.23
Total	598.80	282.05
14. Bank balances other than cash and cash equivalents		
Fixed deposits with maturities less than 12 months (Refer note below)	327.18	168.25
Total	327.18	168.25

Note:

Deposits include INR 327.18 lakhs (31 March 2020: INR 168.25 lakhs) being fixed deposits held as margin money or security against bank guarantees.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
15. Loans		
Unsecured, considered good		
Security deposits	192.85	192.85
Loans to employees (including accrued interest)	9.08	6.58
Total	201.93	199.43
Note:		
(i) Break up of security details		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured	201.93	199.43
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	-	-
Total	201.93	199.43
Loss allowance	-	-
Total	201.93	199.43
16. Other financial assets		
Unsecured, considered good		
Contract assets (Unbilled revenue)	988.66	23.69
Interest accrued on term deposits	6.55	3.76
Other receivables	-	13.58
Unsecured, considered doubtful		
Inter corporate deposits (refer note (ii) below)	1,000.00	1,000.00
	1,995.21	1,041.03
Less: Loss allowance for inter corporate deposits	1,000.00	1,000.00
Total	995.21	41.03
(i) Movements in allowance for credit losses of Inter corporate deposits is as below:		
Opening balance	1,000.00	1,000.00
Add: Allowance measured at expected credit losses	-	-
Less: Utilisation during the year	-	-
Closing balance	1,000.00	1,000.00
(ii) “Other Current Financial Assets” include Inter corporate deposits (ICD) of INR 1,000.00 Lakhs given to two Companies in an earlier year and which are outstanding as on 31 March 2021. These amounts have been fully provided for, as doubtful of recovery, in an earlier years. The Company has, during the earlier year filed a legal suit for recovery of the same (along with accumulated interest thereon). This case is lying before the Second Additional District Judge, Jabalpur.		
17. Other current assets		
Unsecured, considered good		
Advance to suppliers	160.20	614.86
Balance with statutory/government authorities	20.40	302.19
Statutory dues paid under protest (refer note 41 (A))	2.81	2.81
Prepaid expenses	20.39	18.86
Sales tax incentive receivable	360.44	373.74
Unsecured, considered doubtful		
Advance to suppliers	40.38	39.29
Provident fund receivable	63.00	63.00
	667.62	1,414.75
Less: Provision for doubtful advances	40.38	39.29
Less: Provision for provident fund receivable	63.00	63.00
Total	564.24	1,312.46
18. Assets held for sale		
Plant and equipment	70.00	99.50
Total	70.00	99.50

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

19. Share capital

Authorised share capital

	Equity shares		Preference shares*	
	Number of shares	Amount	Number of shares	Amount
As at 31 March 2019	92,050,000	9,205.00	8,800,000	8,800.00
Increase during the year	-	-	-	-
As at 31 March 2020	92,050,000	9,205.00	8,800,000	8,800.00
Increase during the year	290,000,000	29,000.00	-	-
As at 31 March 2021	382,050,000	38,205.00	8,800,000	8,800.00

* This includes 2,000,000 (31 March 2020: 2,000,000) 0.00001% Preference shares amounting to INR 2,000 lakhs (31 March 2020: INR 2,000 lakhs) and 6,800,000 (31 March 2020: 6,800,000) 0.001% Preference shares amounting to INR 6,800 lakhs (31 March 2020: INR 6,800 lakhs).

Issued equity share capital

Equity shares of INR 10 each issued, subscribed and fully paid up

	Number of shares	Amount
As at 31 March 2019	89,482,657	8,948.27
Increase during the year	-	-
As at 31 March 2020	89,482,657	8,948.27
Increase during the year	-	-
As at 31 March 2021	89,482,657	8,948.27

0.00001% Preference shares

Equity component of preference shares of INR 100 each (Refer note below)

	Issued		Subscribed	
	Number of shares	Amount	Number of shares	Amount
As at 31 March 2019	2,000,000	899.34	2,000,000	899.34
Transfer to capital reserve pursuant to forfeiture	-	(899.34)	(2,000,000)	(899.34)
As at 31 March 2020	2,000,000	-	-	-
Increase/(decrease) during the year	-	-	-	-
As at 31 March 2021	2,000,000	-	-	-

Notes:

a) Reconciliation of the shares outstanding at the beginning and at the end of reporting period

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	89,482,657	8,948.27	89,482,657	8,948.27
Add: shares issued during the year	-	-	-	-
At the end of the year	89,482,657	8,948.27	89,482,657	8,948.27

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
0.00001% Preference shares of INR 100 each				
At the commencement of the year	-	-	2,000,000	1,300.00
Add: shares issued during the year for cash	-	-	-	-
Less: shares forfeited during the year	-	-	2,000,000	1,300.00
At the end of the year	-	-	-	-

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
0.001% Preference shares of INR 100 each				
At the commencement of the year	6,748,229	6,748.23	6,748,229	6,748.23
Add: shares issued during the year for cash	-	-	-	-
At the end of the year	6,748,229	6,748.23	6,748,229	6,748.23

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

During previous year, the Company had forfeited 0.00001% Non-Convertible Cumulative Redeemable Preference Shares due to non payment of unpaid calls. These preference shares were issued to erstwhile promoters in year 2014-15 amounting to INR 2,000 Lakhs of which only INR 1,300 Lakhs was paid up. Out of the paid up amount, INR 655.12 Lakhs was shown as liability component of financial instruments as per the requirement of Ind AS 109 on 30 June 2019. Pursuant to the forfeiture, the Company had recognized a gain of INR 655.12 Lakhs as exceptional item in the statement of profit and loss.

b) Terms, rights, preferences and restrictions attached to shares

Equity Shares: The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

0.00001% Preference shares: These are non-convertible, cumulative, redeemable and does not carry any voting rights. Preference shares carry preferential dividend of 0.00001% per annum. These are redeemable only on completion of 10 years from the date of allotment and are non-transferable unless fully paid-up.

0.001% Preference shares: These are non-convertible, cumulative, redeemable and does not carry any voting rights. Preference shares carry preferential dividend of 0.001% per annum. These are redeemable on completion of 5,887 days from the date of issue.

c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of holding	Number of shares	% of holding
Equity shares of INR 10 each fully paid held by				
Jupiter Wagons Limited	40,666,835	45.45%	40,666,835	45.45%
Axis Bank Limited	8,349,158	9.33%	8,349,158	9.33%
Tatravagonka, AS	6,800,518	7.60%	6,800,518	7.60%
Tata Capital Growth Fund (I)	4,865,636	5.44%	5,339,136	5.97%
Murari Lal Lohia-HUF	4,533,678	5.07%	4,533,678	5.07%
Preference shares of INR 100 each fully paid held by				
Jupiter Wagons Limited	6,748,229	100%	6,748,229	100%

d) There were no allotment of shares for consideration other than cash, allotments of bonus shares and shares bought back during past five years.

20. Other equity

	Note	As at	As at
		31 March 2021	31 March 2020
General reserve	A	9.80	9.80
Capital reserve	B	908.06	908.06
Securities premium	C	12,837.80	12,837.80
Deemed contribution by shareholders	D	3,983.11	3,983.11
Retained earnings	E	(15,948.35)	(17,142.84)
Total		1,790.42	595.93

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

	As at 31 March 2021	As at 31 March 2020
A. General reserve		
Balance as at the beginning of the year	9.80	9.80
Balance at the end of the year	9.80	9.80
B. Capital reserve		
Balance as at the beginning of the year	908.06	8.72
Add: Addition during the year	-	899.34
Balance at the end of the year	908.06	908.06
C. Securities premium		
Balance as at the beginning of the year	12,837.80	12,837.80
Balance at the end of the year	12,837.80	12,837.80
D. Deemed contribution by shareholders		
Balance as at the beginning of the year	3,983.11	3,983.11
Balance at the end of the year	3,983.11	3,983.11
E. Retained earnings		
Balance as at the beginning of the year	(17,142.84)	(17,101.50)
Add: Profit/ (loss) for the year	1,230.35	(13.97)
Items of other comprehensive (expense) / income recognised directly in retained earnings		
Remeasurement of post employment benefit obligation, net of tax	(35.86)	(27.37)
Balance at the end of the year	(15,948.35)	(17,142.84)
Total other equity	1,790.42	595.93

Nature and purpose of reserve

i. General reserve

Pertains to reserves from scheme of arrangements that took place during FY 2007-08. This represents appropriation of profit by the Company and is available for distribution of dividend.

ii. Capital reserve

During the previous year, pursuant to forfeiture of 0.0001% Non-Convertible Cumulative Redeemable Preference Shares due to non payment of unpaid calls, INR 899.34 Lakhs which represent the equity component of compound financial instrument has been transferred to capital reserve. Further, INR 8.72 Lakhs lying in capital reserve represents to excess of purchase consideration over net assets taken over as per Scheme of Arrangement took place during FY 2007-08. Accumulated capital surplus is not available for distribution of dividend and expected to remain invested permanently.

iii. Securities premium reserve

The unutilized accumulated excess of issue price over face value on issue of shares. The reserve is utilized in accordance with the provisions of the Act.

iv. Deemed contribution by shareholders

In earlier year, pursuant to restructuring of loans, INR 3,983.11 Lakhs had been waived off by the lenders against pledge of equity shares of shareholders. Hence, the same had been considered as deemed contribution by them.

v. Retained earnings

Retained earnings represents the accumulated profits / losses made by the Company over the years.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

21. Borrowings

	As at 31 March 2021	As at 31 March 2020
Secured loans		
Term loans from banks	1,607.87	1,854.35
Term loans from financial institutions	418.93	-
Unsecured		
Liability component of compound financial instrument		
0.001% Preference shares (Refer note 19(b))	961.71	835.66
	2,988.51	2,690.01
Add: Current maturities of non-current borrowings		
Secured loans		
Term loans from banks	267.41	202.04
Term loans from financial institutions	78.51	-
Total	3,334.43	2,892.05

Repayment terms and security disclosure for the outstanding non-current borrowings :

Terms of Borrowings	Security	Terms of Repayment	As at 31 March 2021	As at 31 March 2020
(I) Axis Bank Limited Rupee term loan of INR 1,875.28 Lakhs (net of processing fees) (31 March 2020: INR 2,056.39 lakh) has interest rate linked to 1 year MCLR, with reset of spread on upgradation of external credit rating, current carrying interest @ 10.70% (31 March 2020: 13.20%).	Primary: i. First charge on the entire fixed assets, both movables and immovables, present and future. ii. Second charge on the entire current assets including receivables, present and future. iii. Non-disposal undertaking of 51% shares of promoters in the Company.	Repayable in 29 structured quarterly installments starting from 31 March 2019.	1,875.28	2,056.39
(II) Aditya Birla Finance Limited (ADFL) Rupee term loan of INR 497.44 Lakhs (net of processing fees) (31 March 2020: NIL) has interest rate linked to Long Term Reference Rate - Spread. Current carrying interest of 11.50% (31 March 2020: NIL).	Iv. Guarantors:- A) Unconditional and irrevocable corporate guarantee of Jupiter Wagons Limited. b) Personal guarantee of Mr. Vivek Lohia and Mr. Vikash Lohia (Directors in Jupiter Wagons Limited).	Repayable in 60 equal monthly installments starting from 01 May 2021.	497.44	-

22. Other financial liabilities

	As at 31 March 2021	As at 31 March 2020
Security deposits	-	5.10
Total	-	5.10

Note:

The Company's exposure to interest rate, currency and liquidity risks related to above financial liabilities is disclosed in note 46.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

23. Provisions

	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits (Refer note 43)		
- Gratuity	127.01	74.38
- Compensated absences	43.06	50.60
Total	170.07	124.98

24. Borrowings

	As at 31 March 2021	As at 31 March 2020
Secured loans		
From banks		
Cash credit facilities	1,714.60	1,598.21
Unsecured loans		
From bank		
Bill discounting	875.54	485.34
Total	2,590.14	2,083.55

(i) Nature of security

Cash credit facilities are secured by either one or more of the following as per terms of Arrangement with respective banks:

Primary security:

First pari -passu charge on the entire current assets of the company, both present and future.

Collateral security:

Second Pari passu charge on entire fixed assets of the company, both present and future.

Guarantors:

- a) Unconditional and irrevocable corporate guarantee of Jupiter Wagons Limited.
- b) Personal guarantee of Mr. Vivek Lohia and Mr. Vikash Lohia (Directors in Jupiter Wagons Limited).

- (ii) Interest rate on cash credit facilities and bill discounting ranges from 10.85% to 11.55% (31 March 2020: 10.70% to 11.70%) and 7.00% to 8.80% (31 March 2020: 9.20%) respectively.

25. Trade payables

	As at 31 March 2021	As at 31 March 2020
Total outstanding dues of micro and small enterprises (Refer note 45)	490.84	71.98
Total outstanding dues of creditors other than micro and small enterprises	5,870.84	3,368.74
Total	6,361.68	3,440.72

26. Other financial liabilities

	As at 31 March 2021	As at 31 March 2020
Capital creditors	80.72	118.75
Interest accrued and not due on borrowings	4.52	20.87
Current maturities of long term borrowings (Refer note 21)	345.92	202.04
Deposits from contractors and others	16.69	13.42
Employee benefits payable	143.43	97.23
Total	591.28	452.31

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

27. Other current liabilities

	As at 31 March 2021	As at 31 March 2020
Advances from customers	2,006.91	1,261.03
Statutory dues payable	250.03	47.00
Interest accrued on statutory dues	6.55	18.01
Other liabilities	127.30	127.30
Total	2,390.79	1,453.34

28. Provisions

	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits (Refer note 43)		
- Compensated absences	37.49	7.09
Provision for litigations	14.32	144.69
Total	51.81	151.78

Movement in provision for litigations

	As at 31 March 2021	As at 31 March 2020
Opening balance	144.69	138.71
Add: Provision recognised during the year	-	5.98
Less: Reversal/ utilisation during the year	(130.37)	-
Closing balance	14.32	144.69

29. Revenue from operations

	For the year ended 31 March 2021	For the year ended 31 March 2020
Sale of products		
Sale of load bodies and components	35,995.42	12,354.67
Sale of services		
Job work charges	5.07	1.53
Other operating revenue		
Sale of scrap	345.63	162.43
Sales tax incentive received	-	53.18
Others	0.27	2.58
Total	36,346.39	12,574.39

Notes:
(i) Contract balances

	As at 31 March 2021	As at 31 March 2020
Trade receivables	4,697.87	1,110.56
Unbilled revenue	988.66	23.69

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

30. Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest income		
- Deposits with banks	12.05	43.28
- Deposits with others	3.15	4.71
Provisions/liabilities no longer required, written back	86.27	279.37
Profit on sale of property, plant and equipment	-	0.92
Profit on disposal of asset held for sale	3.25	-
Miscellaneous income	3.29	1.07
Total	108.01	329.35

31. Cost of materials consumed

	For the year ended 31 March 2021	For the year ended 31 March 2020
Raw materials, stores and spares at the beginning of the year	1,954.19	731.62
Add: Purchases	30,549.24	13,294.90
	32,503.43	14,026.52
Less: Raw material, stores and spares at the end of the year (excludes goods in transit: INR 35.27 Lakhs (31 March 2020 : Nil))	2,837.18	1,954.19
Total	29,666.25	12,072.33

32. Changes in inventories of work-in-progress and scrap

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock		
Work-in-progress	2,765.30	681.08
Scrap	37.52	31.72
Total	2,802.82	712.80
Closing stock		
Work-in-progress	2,957.06	2,765.30
Scrap	75.88	37.52
Total	3,032.94	2,802.82
Total	(230.12)	(2,090.02)

33. Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries and wages	1,101.57	801.79
Contribution to provident and other funds	48.89	27.99
Staff welfare expenses	97.10	72.20
Total	1,247.56	901.98

34. Finance costs

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest expense on financial liabilities at amortised cost		
Term loans	259.32	286.96
Working capital	172.58	52.98
Others	35.66	52.70
Interest on preference shares	126.05	114.07
Other borrowing cost	96.93	110.46
Total	690.54	617.17

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

35. Depreciation and amortisation expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation on property, plant and equipment	836.03	811.57
Depreciation on right to use assets	6.72	6.75
Amortisation on intangible assets	20.07	13.42
Total	862.82	831.74

36. Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Labour charges	1,839.97	545.86
Power and fuel	307.55	221.30
Repair and maintenance		
- Buildings	7.65	16.44
- Plant and machinery	70.38	128.94
- Others	49.31	29.49
Rent	2.28	3.01
Auditors' remuneration		
As auditors:		
- Audit fee	9.00	9.50
- Limited review fee	10.50	7.50
- Out-of-pocket expenses	0.82	5.97
In other manner:		
-Certification and other services	3.61	-
Insurance	16.21	11.15
Rates and taxes	185.90	47.68
Postage and telephone expenses	8.12	8.47
Travelling and conveyance	48.33	53.24
Vehicle running	16.55	22.86
Printing and stationery	1.62	9.84
Freight and transport	18.00	10.28
Security charges	87.87	73.81
Legal and professional	183.95	142.01
Director sitting fees	13.50	6.10
Allowance for doubtful advances (net)	1.09	32.31
Allowance for doubtful debts (net)	5.91	-
Miscellaneous expenses	86.18	95.65
Total	2,974.30	1,481.41

37. Exceptional item

	For the year ended 31 March 2021	For the year ended 31 March 2020
Forfeiture of preference shares (Refer note 19)	-	655.12
Total	-	655.12

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

38. Income tax

A. Amounts recognised in statement of profit and loss

The major components of income tax expense for the years ended 31 March 2021 and 31 March 2020 are:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Current year expenses	-	-
Tax adjustment related to earlier years	12.70	(241.78)
Income tax expense reported in the statement of profit and loss	12.70	(241.78)

B. Reconciliation of effective tax rate

Reconciliation of tax expense and the accounting profit/ (loss) multiplied by India's domestic tax rate for the year ended 31 March 2021 and 31 March 2020:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit/ (loss) before tax	1,243.05	(255.75)
Tax using the Company's domestic tax rate @ 26%	323.19	(66.49)
Tax effect of:		
Non-deductible expenses	345.89	88.96
Non-taxable income	(730.48)	(170.33)
Unrecognised tax losses	61.39	141.21
Others	-	6.65
Tax adjustment related to earlier years	12.70	(241.78)
	12.70	(241.78)

C. Deferred tax assets/ liabilities

As at 31 March 2021, the Company has unabsorbed depreciation and business losses under the provisions of the Income-tax Act, 1961. Consequent to the provisions of Ind AS 12 - "Income Taxes", in the absence of reasonable certainty of taxable profits in future years, deferred tax assets have not been recognised. The Company reassess the Unrecognised deferred tax assets at each reporting period.

Deferred tax assets and liabilities are attributable to the following:

	As at 31 March 2021	As at 31 March 2020
Deferred tax liabilities		
Property, plant and equipment	(150.62)	(50.23)
Right of use assets	(29.68)	(31.43)
Borrowings	(1,507.37)	-
Total	(1,687.67)	(81.66)
Deferred tax assets		
Provision for gratuity and compensated absences	53.97	42.40
Provision for litigation	3.72	-
Unabsorbed depreciation	4,131.32	4,244.79
Business loss	3,087.53	3,087.53
Provision for inventory, trade receivables and other advances	393.55	678.48
Lease liabilities	11.12	11.22
Total	7,681.21	8,064.42
Reversal of deferred tax asset on account of uncertainty of realisation	5,993.54	7,982.76
Net deferred tax assets/ (liabilities)	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

- D. Unused tax credits and other deductible temporary differences in respect of which deferred tax asset has not been recognised, expire unutilised based on the year of origination as below :

Expire year	As at 31 March 2021		As at 31 March 2020	
	Gross amount	Unrecognised tax	Gross amount	Unrecognised tax
Business Loss				
FY 2021-22	3,492.34	908.01	3,492.34	908.01
FY 2022-23	3,762.74	978.31	3,762.74	978.31
FY 2023-24	1,790.56	465.54	1,790.56	465.54
FY 2024-25	1,462.08	380.14	1,462.08	380.14
FY 2025-26	242.71	63.10	242.71	63.10
FY 2026-27	1,124.70	292.42	1,124.70	292.42
Unabsorbed depreciation				
Never expire	15,889.68	4,131.32	16,326.12	4,244.79
	27,764.81	7,218.84	28,201.24	7,332.31

39. Segment reporting

A. Basis for segmentation

The Company is mainly engaged in the business of metal fabrication comprising load bodies for commercial vehicles and rail freight wagons. These, in the context of Ind - AS 108 is considered to constitute one single reportable segment. Accordingly, disclosures under Ind AS 108, Operating Segments are not required to be made.

B. Geographical information

The Company's revenue from operations i.e. sheet metal fabrication and bodybuilding is located in India only. Hence, no additional disclosure about geographical information has been given.

C. Major customers

Revenue from three customers (31 March 2020: three customers) have contributed in more than 10 percent of the total revenue amounting to INR 28,341.21 Lakhs (31 March 2020: 10,546.75 Lakhs).

40 Leases

Leases under Ind AS 116 for the year ended 31 March 2021

- (i) The detail of lease liability:

	As at 31 March 2021	As at 31 March 2020
Opening balance	43.17	-
Recognised on adoption of Ind AS 116	-	43.51
Add: Interest expense accrued on lease liabilities	5.68	5.72
Less: Lease liabilities paid	6.06	6.06
Closing balance	42.79	43.17
Current	0.44	0.39
Non current	42.35	42.78

- (ii) Amount recognised in statement of profit and loss

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on leases liability	5.68	5.72
Depreciation on right-of-use assets	6.72	6.75
Expenses related to short term lease (included under other expenses)	2.28	3.01
	14.68	15.48

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

(iii) **Amount recognised in statement of cash flow**

	For the year ended 31 March 2021	For the year ended 31 March 2020
Total cash outflow for leases	6.06	6.06
	6.06	6.06

(iv) The weighted average incremental borrowing rate applied to lease liabilities as at 1 April 2019 is 13.20%

(v) **Lease - As a lessee**

	As at 31 March 2021	As at 31 March 2020
Payable within one year	6.06	6.06
Payable between one and five years	24.26	24.26
Payable later than five years	80.48	86.54
	110.80	116.86

41. Contingent liabilities and commitments

A. Contingent liabilities

	As at 31 March 2021	As at 31 March 2020
Income tax matters	594.65	594.65
Excise duty and service tax matters	2,061.49	2,061.49
Sales tax and entry tax matters	1,584.27	1,584.27
Total	4,240.41	4,240.41

- The above matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded will not, in the opinion of the management, have a material effect on the results of the operations or financial position.
- It is not practical for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements / decisions pending with various forums / authorities.
- Pursuant to judgement by the Hon'ble Supreme Court dated 28 February 2019, it was held that basic wages for the purpose of provident fund, to include special allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies. The Company has estimated the impact of the same from 01 March 2020 to 31 March 2021 based on a prospective application of the aforesaid judgement and has recognised the same in the financial statements. Owing to the aforesaid uncertainty and pending clarification from the authority in this regard, the Company has not recognised any provision for the year ended 31 March 2020. Further, management also believes that the impact of the same on the Company will not be material.

The Company believes that none of above matters, either individually or in aggregate, are expected to have any material adverse effect on its financial statement.

B. Commitments

- Capital commitments:** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amounts to INR 510.30 lakhs (31 March 2020: INR 484.05 lakhs).
- Other commitments:** The Company does not have any long term commitments / contracts including derivative contracts for which there will be any material foreseeable losses.
- Lease commitments:** Refer note 40 in respect of commitment with regard to leases.

42. Earning per share

Basic and diluted earning/(loss) per share

Basic and diluted earning/(loss) per share is calculated by dividing the profit/ (loss) during the year attributable to equity shareholders of the Company by the weighted number of equity shares outstanding during the year.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

	Unit	For the year ended 31 March 2021	For the year ended 31 March 2020
Profit/ (loss) after tax attributable to equity shareholders	(INR in lakhs)	1,230.35	(13.97)
Weighted average number of equity shares outstanding during the year	(in number)	89,482,657	89,482,657
Nominal value per share	INR	10.00	10.00
Basic and diluted earning/(loss) per share	INR	1.37	(0.02)

43. Employee benefits

As per Indian Accounting Standard-19 'Employee Benefits', the disclosure of employee benefits as defined in the Standard are given below:

A. Defined contribution plans

The Company has recognised the following amounts in the statement of profit and loss:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Employer's contribution to provident fund	40.05	23.15
Employer's contribution to employees' state insurance	8.84	4.84

B. Defined benefit plans

Gratuity:

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 employees' gratuity fund scheme administered by the Company employees gratuity fund trust through fund manager namely Life Insurance Corporation (LIC) of India, is a defined benefit plan. The present value of obligation is determined on actuarial valuation done by LIC using projected unit credit method to arrive the final obligation.

(i) The following table set out the status of the defined benefit obligation

	31 March 2021	31 March 2020
Net defined benefit liability- Gratuity	127.01	74.38
Total employee benefit liabilities		
Non current	127.01	74.38
Current	-	-

(ii) Reconciliation of the net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components

	31 March 2021	31 March 2020
Balance at the beginning of the year	137.02	95.87
Benefits paid	(0.12)	(3.76)
Current service cost	21.97	11.53
Interest cost	9.06	7.22
Actuarial (gains) losses recognised in other comprehensive income		
- changes in financial assumptions	11.10	10.94
- experience adjustments	23.08	15.22
Balance at the end of the year	202.11	137.02

(iii) Reconciliation of the present value of plan assets

The following table shows a reconciliation from the opening balances to the closing balances for the plan assets

	31 March 2021	31 March 2020
Balance at the beginning of the year	62.64	47.74
Contributions paid into the plan	10.00	16.00
Benefits paid	(0.12)	(3.76)
Interest income	4.26	3.87
Actual return on plan assets recognised in other comprehensive income	(1.68)	(1.21)
Balance at the end of the year	75.10	62.64

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

(iv) Expense recognized in profit or loss

	31 March 2021	31 March 2020
Current service cost	21.97	11.53
Interest cost	9.06	7.22
Interest income	(4.26)	(3.87)
Total	26.77	14.88

(v) Remeasurements recognized in other comprehensive income

	31 March 2021	31 March 2020
Actuarial loss on defined benefit obligation	34.18	26.16
Return on plan assets excluding interest income	1.68	1.21
Total	35.86	27.37

(vi) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	31 March 2021	31 March 2020
Financial assumptions (p.a.)		
Discount rate	6.35%	6.90%
Future salary growth	7.00%	7.00%
Retirement age	60 years	60 years
Demographic assumptions		
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

As at 31 March 2021, the weighted average duration of the defined benefit obligation was 10.45 years (Previous year : 10.15 years)

(vii) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2021		31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (50 basis points)	64.95	86.10	56.03	69.79
Future salary growth (50 basis points)	85.98	64.97	69.74	56.00

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumptions shown.

(viii) Maturity profile

The table below shows the expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees as at the valuation date:

	31 March 2021	31 March 2020
Year 1	17.01	11.89
Year 2	12.22	5.60
Year 3	12.20	10.19
Year 4	6.42	9.76
Year 5	14.06	4.80
Next 5 years	395.39	279.34

C. Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follows:

(i) Interest risk

The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

(ii) Longevity risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

(iii) Salary risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The Company makes annual contribution to Life Insurance Corporation (LIC). As LIC does not disclose the composition of its portfolio investments, break-down of plan investments by investment type is not available to disclose.

D. Other long term benefits:

Compensated absences recognized in the Statement of profit and loss for the current year, under the employee cost in Note 33, is INR 31.06 lakhs (31 March 2020: INR 26.75 lakhs).

44. Related party disclosures:

A. Name and description of relationship of the related party

(i) Party in respect of which the Company is significant investee

Jupiter Wagons Limited

(ii) Key managerial personnel

S. No.	Name	Designation
1	Mr. Prakash Yashwant Gurav	Non Executive Independent Director
2	Mr. Manchi Venkatraja Rao	Non Executive Independent Director
3	Ms. Vineeta Shrivani	Non Executive Independent Director
4	Mr. Ganesan Raghuram (w.e.f 19 May 2020)	Non Executive Independent Director
5	Mrs. Madhuchandha Chatterjee	Non Executive Director
6	Mr. Abhishek Jaiswal	Whole Time Director & Chief Executive Officer
7	Mr. Vivek Lohia (w.e.f.25 March 2021)	Non Executive Non Independent Director
8	Mr. Sanjiv Keshri	Chief Financial Officer
9	Mr. Amit Jain (till 13 February 2021)	Company Secretary
10	Mr. Deepesh Kedia (w.e.f.13 February 2021)	Company Secretary

B. Transactions with related parties:

(i) Party in respect of which the Company is significant investee

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Purchase of raw materials and components		
Jupiter Wagon Limited	4,278.83	1,530.17
Purchase of capital goods		
Jupiter Wagon Limited	-	350.49
Job work charges		
Jupiter Wagon Limited	349.21	151.75
Reimbursement of expenses incurred on behalf of the Company		
Jupiter Wagon Limited	-	20.67

(ii) Transactions with key management personnel

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Compensation of key management personnel		
Salaries and bonus including contributions made to provident fund :		
Mr. Abhishek Jaiswal	42.41	37.48
Mr. Sanjiv Keshri	40.71	26.25
Mr. Amit Jain	20.60	26.63
Mr. Deepesh Kedia	1.72	-
Total compensation paid to key management personnel	105.44	90.36

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

* Key management personnel are covered under the Company's Group Gratuity Scheme along with other employees of the Company. The gratuity and leave liability is determined for all the employees on an overall basis, based on the actuarial valuation done by an independent actuary. The specific amount of gratuity and leave liability for Key management personnel cannot be ascertained separately, except for the amount actually paid.

(iv) Transactions with key management personnel other than above

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Director sitting fees		
Mr. Prakash Yashwant Gurav	3.70	2.25
Mr. Manchi Venkatraja Rao	3.70	2.25
Mrs. Vineeta Sriwani	2.70	1.60
Mr. Ganesan Raghuram	2.00	-
Mrs. Madhuchhandha Chatterjee	1.40	-
Total compensation paid to key management personnel	13.50	6.10

(v) Balances with related parties

Particulars	As at 31 March 2021	As at 31 March 2020
Party in respect of which the Company is a significant investee		
Trade payable		
Jupiter Wagons Limited	1,145.32	1,096.78
Total	1,145.32	1,096.78

45. Details of dues to micro and small enterprises as defined under the Micro Small and Medium Enterprises Development Act (MSMED), 2006:

Particulars	As at 31 March 2021	As at 31 March 2020
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the period.		
- Principal	438.49	27.78
- Interest	52.35	44.20
(b) The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006.	-	-
(c) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting period.	-	-
(d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006.	8.15	14.54
(e) The amount of interest accrued and remaining unpaid at the end of each accounting period.	52.35	44.20
(f) The amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Micro Small and Medium Enterprises Development Act, 2006.	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

46. Financial instruments – Fair values and risk management
a) Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(i) As at 31 March 2021

Particulars	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments	33.39	35.12	-	68.51	33.39	-	35.12
(ii) Bank balances	-	-	4.11	4.11	-	-	-
(iii) Loans	-	-	49.79	49.79	-	-	-
Current							
(i) Trade receivables	-	-	4,697.87	4,697.87	-	-	-
(ii) Cash and cash equivalents	-	-	598.80	598.80	-	-	-
(iii) Bank balances other than (ii) above	-	-	327.18	327.18	-	-	-
(iv) Loans	-	-	201.93	201.93	-	-	-
(v) Other financial assets	-	-	995.21	995.21	-	-	-
Total	33.39	35.12	6,874.89	6,943.40	33.39	-	35.12
Financial liabilities							
Non-current							
(i) Borrowings	-	-	2,988.51	2,988.51	-	-	-
(ii) Lease liabilities	-	-	42.35	42.35	-	-	-
(iii) Other financial liabilities	-	-	-	-	-	-	-
Current							
(i) Borrowings	-	-	2,590.14	2,590.14	-	-	-
(ii) Lease liabilities	-	-	0.44	0.44	-	-	-
(iii) Trade payables	-	-	6,361.68	6,361.68	-	-	-
(iv) Other financial liabilities	-	-	591.28	591.28	-	-	-
Total	-	-	12,574.40	12,574.40	-	-	-

(ii) As at 31 March 2020

Particulars	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Loans	-	-	56.10	56.10	-	-	-
Current							
(i) Trade receivables	-	-	1,110.56	1,110.56	-	-	-
(ii) Cash and cash equivalents	-	-	282.05	282.05	-	-	-
(iii) Bank balances other than (ii) above	-	-	168.25	168.25	-	-	-
(iv) Loans	-	-	199.43	199.43	-	-	-
(v) Other financial assets	-	-	41.03	41.03	-	-	-
Total	-	-	1,857.42	1,857.42	-	-	-

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

Particulars	Carrying value				Fair value hierarchy		
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
Financial liabilities							
Non-current							
(i) Borrowings	-	-	2,690.01	2,690.01	-	-	-
(ii) Lease liabilities	-	-	42.78	42.78	-	-	-
(iii) Other financial liabilities	-	-	5.10	5.10	-	-	-
Current							
(i) Borrowings	-	-	2,083.55	2,083.55	-	-	-
(ii) Lease liabilities	-	-	0.39	0.39	-	-	-
(iii) Trade payables	-	-	3,440.72	3,440.72	-	-	-
(iv) Other financial liabilities	-	-	452.31	452.31	-	-	-
Total	-	-	8,714.86	8,714.86	-	-	-

- (i) The Company held the following assets and liabilities measured at fair value. The Company uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique
- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;
- Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.
- (ii) The Company's borrowings have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.
- (iii) The carrying amounts of loans, trade receivables, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature.
- (iv) Investments in mutual funds are mandatorily classified as fair value through profit and loss. Other investment has been made during the year and there is no material change in fair value as compared to investment made.
- (v) There have been no transfers between Level 1, Level 2 and Level 3 for the years ended 31 March 2021 and 31 March 2020.

b) Financial risk management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company is exposed to the following risks arising from financial instruments :

- Credit risk;
- Liquidity risk;
- Market risk - Foreign exchange
- Market risk - Interest rate
- Market risk - Price risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have authorised senior management to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

b. Financial risk management (continued)

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet :

	<u>As at 31 March 2021</u>	<u>As at 31 March 2020</u>
Trade receivables	4,697.87	1,110.56
Loans	251.72	255.53
Other financial assets	988.66	37.27

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

Credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic environment in which it operates. The Company manages its credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The Company's exposure to credit risk for trade receivables is as follows :

	<u>Gross carrying amount</u>	
	<u>As at 31 March 2021</u>	<u>As at 31 March 2020</u>
1-90 days past due *	4,676.28	1,001.28
91 to 180 days past due	26.19	108.45
More than 180 days past due #	206.23	1,507.50
	4,908.70	2,617.23

* The Company believes that the amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour.

The Company based upon past trends determine an impairment allowance for loss on receivables outstanding for more than 180 days past due.

Movement in the loss allowance in respect of trade receivables:

	<u>For the year ended 31 March 2021</u>	<u>For the year ended 31 March 2020</u>
Balance at the beginning of the year	1,506.67	1,506.67
Impairment loss recognised	5.91	-
Amount written off out of above	(1,301.75)	-
Balance at the end of the year	210.83	1,506.67

b. Financial risk management (continued)

(ii) Liquidity risk

Liquidity risk refers to the probability of loss arising from a situation where there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, sale of illiquid assets will yield less than their fair value and illiquid assets will not be sold at the desired time due to lack of buyers. The primary objective of liquidity management is to provide for sufficient cash and cash equivalents at all times and any place in the world to enable us to meet our payment obligations.

The Company's finance department is responsible for liquidity and funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date on undiscounted basis.

As at 31 March 2021	Contractual cash flows			
	Less than 1 year	Between 1 to 5 years	More than 5 years	Total
Non-current liabilities				
Borrowings (including current maturities and interest accrued)	599.36	2,384.78	154.51	3,138.65
0.001% Preference shares	-	-	6,748.23	6,748.23
Lease liabilities	-	24.26	80.48	104.74
Current liabilities				
Borrowings	2,590.14	-	-	2,590.14
Lease liabilities	6.06	-	-	6.06
Trade payables	6,361.68	-	-	6,361.68
Other financial liabilities	240.84	-	-	240.84
Total	9,798.08	2,409.04	6,983.21	19,190.33

As at 31 March 2020	Contractual cash flows			
	Less than 1 year	Between 1 to 5 years	More than 5 years	Total
Non-current liabilities				
Borrowings (including current maturities and interest accrued)	427.40	1,988.40	473.96	2,889.76
0.001% Preference shares	-	-	6,748.23	6,748.23
Lease liabilities	-	24.26	86.54	110.80
Other financial liabilities	-	-	5.10	5.10
Current liabilities				
Borrowings	2,083.55	-	-	2,083.55
Lease liabilities	6.06	-	-	6.06
Trade payables	3,440.72	-	-	3,440.72
Other financial liabilities	229.40	-	-	229.40
Total	6,187.13	2,012.66	7,313.83	15,513.62

b) Financial risk management (continued)

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: foreign currency risk, interest rate risk and price risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

a. Foreign currency risk

Foreign currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is not exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities

b. Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

Exposure to interest rate risk

The Company's interest rate risk arises majorly from the term loans from banks/ financial institutions carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Variable-rate instruments

	As at 31 March 2021	As at 31 March 2020
Non-current borrowing (including current maturities)	3,138.65	2,889.76
Current borrowing	2,590.14	2,083.55
Total	5,728.79	4,973.31

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	Profit or (loss)	
	100 bps increase	100 bps decrease
Interest on term loans from banks		
For the year ended 31 March 2021	57.29	(57.29)
For the year ended 31 March 2020	49.73	(49.73)

c. Price Risk

The Company is not exposed to significant price risk

47. Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2021.

	As at 31 March 2021	As at 31 March 2020
Borrowings	5,971.88	5,039.64
Less : Cash and cash equivalent	(598.80)	(282.05)
Adjusted net debt (A)	5,373.08	4,757.59
Total equity (B)	10,738.69	9,544.20
Adjusted net debt to adjusted equity ratio (A/B)	50.03%	49.85%

Net debt reconciliation

	As at 31 March 2021	As at 31 March 2020
Current borrowings	2,590.14	2,083.55
Non-current borrowings (including current maturities and interest accrued)	3,338.95	2,912.92
Lease liability	42.79	43.17
Cash and cash equivalents	(598.80)	(282.05)
Net debt	5,373.08	4,757.59

Significant accounting policies and other explanatory information as at and for the year ended 31 March 2021

(All amounts are in INR lakhs, unless otherwise stated)

Particulars	Current borrowings	Non-current borrowings (including current maturities and interest accrued)	Lease liability	Cash and cash equivalents	Total
Net debt as at 01 April 2019	462.55	3,840.11	-	2,302.67	1,999.99
Recognised on adoption of Ind AS 116	-	-	43.51	-	43.51
Cash flows	1,621.00	(285.24)	(6.06)	(2,020.62)	3,350.32
Forfeiture of preference shares	-	(645.45)	-	-	(645.45)
Finance cost	163.44	401.03	5.72	-	570.19
Interest cost paid	(163.44)	(397.53)	-	-	(560.97)
Net debt as on 31 March 2020	2,083.55	2,912.92	43.17	282.05	4,757.59
Cash flows	506.59	315.78	(6.06)	316.75	499.56
Finance cost	269.51	385.37	5.68	-	660.56
Interest paid	(269.51)	(275.12)	-	-	(544.63)
Net debt as on 31 March 2021	2,590.14	3,338.95	42.79	598.80	5,373.08

Loan covenants

In case of variable rate borrowing facility availed by the Company, there are various financial covenants, i.e. the externally imposed capital requirements, which are standard in nature; mainly relating to leverage, debt service coverage ratio and asset coverage ratio specified in the loan agreements. These covenants are monitored by the Company on a regular basis.

48. On account of the spread of COVID-19, the Government of India had imposed a complete nation-wide lockdown on 25 March 2020 leading to shut down of the Company's manufacturing facilities and logistics operations. Since then, the government of India has progressively relaxed lockdown conditions and has allowed most of the industries and businesses to resume operations in a phased manner. During the first quarter, the Company has resumed its manufacturing facilities and is currently in the process of further scaling up its operations. While the Company's operations were impacted from the lockdown, the management believes that the impact is temporary and the pandemic is not likely to have a material impact on the recoverability of the carrying value of its assets as at 31 March 2021. The management is continuously and closely monitoring the developments and possible effects that may result from the pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is still continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these financial statements.
49. The Board of Directors of the Company at its meeting held on 28 September 2020, approved a Scheme of Amalgamation ("the Scheme") of the Company with Jupiter Wagons Limited ('JWL'). The Company had filed the same with stock exchanges and have received no objection / no adverse observation from NSE on 10 December 2020 and from BSE 14 December 2020. The Company has filed an application on 13 March 2021, before the National Company Law Tribunal (NCLT), Indore branch at Ahmedabad. The Scheme shall be effective post receipt of required approval from NCLT and accordingly, the financial statements currently do not reflect impact of the Scheme.
50. Previous year figures have been regrouped / reclassified to confirm to the current year's classification.

For Walker Chandio & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid
Partner
Membership No.: 213356

Place: Hyderabad
Date: 12 June 2021

For and on behalf of the Board of Directors of
Commercial Engineers & Body Builders Co Limited

Prakash Yashwant Gurav
Director

(DIN: 02004317)
Place: Pune
Date: 12 June 2021

Sanjiv Keshri
Chief Financial Officer
(CA Membership No.:062281)
Place: Kolkata
Date: 12 June 2021

Abhishek Jaiswal
Whole Time Director &
Chief Executive Officer
(DIN: 07936627)
Place: Jabalpur
Date: 12 June 2021

Deepesh Kedia
Company Secretary
(CS Membership No.:34616)
Place: Jabalpur
Date: 12 June 2021



Thank You





Commercial Engineers & Body Builders Co Limited

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CIN : L28100MP1979PLC049375

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