




# Committed to a low-carbon and safer future

**John Cockerill India Limited  
Annual Report 2021-2022**







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# Message from the Chairman

## Dear Shareholders,

In the last two years, the global pandemic caused unprecedented disruption all over the world, and I am proud that throughout this period, we proved our Company's resilience under the most testing conditions in our history. This achievement has given us greater confidence in the value-creating potential of our Group's integrated global matrix organization, our people, and our processes.

Spearheaded by our Company's Managing Director, Vivek Bhide, his management team and the generous support of the members of the Board of Directors, our teams have employed their time well. A lean management approach has been introduced 2 years ago, and in 2021, our teams continued to transform our Company's processes towards becoming a future-ready organization and empowering more agile decision making. I sincerely thank them all for their tireless efforts.

Our experience of the pandemic has underscored the value of investing in our employees' wellbeing. Our extended John Cockerill India family and their near ones battled extraordinary circumstances. I express our deep condolences to the families and colleagues of those who have departed from us.

As we emerge from this unprecedented period of change, it is worth reflecting on the key enablers of our success and ensure that these fundamentals continue to drive our ambition. Our innate agility, central to John Cockerill's storied past, is one of the essential fundamentals. As we reset our business for the next major steps in our Group's journey, we must retain what has worked so well for us so far and, once again, rely on our agility to adapt to the new environment.

### The new resurgent India

In this same spirit of agility, I am pleased to see that our management team, is recalibrating our business for the post-pandemic era.

The last century was about meeting human needs, the new millennium is about matching human aspirations. We live in a world where the young are reaching higher, dreaming bigger and demanding more. A world that is challenging the limits of hope and possibility. This is also true for India, a country that wakes up every morning a little younger in age, and infinitely more ambitious in spirit; India's demographic transition is an extraordinary moment in world history. Today, over 600 million young people, or more than 1 in 2 Indians, are below the age of 25.

New India shows the impatience of youth: the desire for real and rapid change -- for a quality of life that is second to none. At the same time, New India wants world-class products and services. Whether transportation, energy, information technologies, infrastructure, steel will span the entire varied landscape of emerging human aspirations. And building on our track record, our Company has the ambition of becoming India's uncontested industry leader in the design and manufacturing of sustainable steelmaking equipment and services aiming at creating value for our clients.

Saying that, it is to be noted that in 2021, India has been the fastest growing economy, and the second-largest steel producer. While the country is projected to become the 5<sup>th</sup> largest economy in 2025, and the 3<sup>rd</sup> largest by 2030, today, India's per capita consumption of steel is still only at about one-third of the global average. A promising figure as it stands for a huge growth potential and major investments in the years to come. As such, India is targeting a three-fold increase in crude steel output, with an ambition to produce 300 million tonnes per annum of crude steel by 2030.

On the back of the ongoing consolidation and the heavy investment expected into the country's steel production in the next decade, I strongly believe that we are well positioned to capture a sizable portion of the pie and make a substantial contribution to the nation's development by actively taking part in the country's growth strategy also referred to as "AatmaNirbhar Bharat".

### Withstanding financial pressure

While the outlook is very positive, the past year has been a challenging one for our Company. The delayed order execution due to the pandemic, translated into empty workshops and inevitably led to a lack of workload and under-absorption and financial pressure. A situation that lasted for several months and is only just picking up again now.

In this context, it is not without a little pride that I seize the opportunity to remind you of a visible sign of the post-Covid recovery: the contract for 2 high-performance processing lines signed by our Company with India's steel giant ArcelorMittal Nippon Steel India Limited (AM/NS) in early 2022. After the TATA order for three processing lines a couple of years ago, this is already the second huge order banked by our Company related to India's growing steel industry, and John Cockerill Industry's biggest order ever. After a cracking start of the order execution related to the AM/NS order, the TATA project is also gearing up, confirming the post-pandemic turnaround.

### Investing in a more Sustainable World

As a Company, we are committed to the social and economic progress of the country we enter in. Our Group values lay in the wellbeing of our employees and appreciation from our clients.

Today, John Cockerill India as part of the Group's Industry Sector, enjoys a highly resilient integrated portfolio of innovative and sustainable products, and an emerging generation of international leaders with a growth mindset. More than ever, our equipment and lines are to transform everyday living for over a billion Indians and are to help the country's industry making great and more sustainable products for society.

With steel spanning the entire varied landscape of emerging human aspirations, our goal is not just to build a great enterprise for our stakeholders, but, more importantly, to build a great future for India and along with the rest of the John Cockerill Group, the world at large.

In the same logic, our Company's new guiding statement: "create a better world together with our stakeholders and partners" implies, next to the wellbeing of our employees, the lowering of our impact on the environment, improving human rights, ethics and sustainable procurement, and rightly positions us as a responsible player in the global business community, and also, by helping our clients to reduce greenhouse gas emissions and the use of natural resources, while increasing the use of renewable energy sources.

For many years, John Cockerill India has been carrying out concrete societal actions that is in line with our 2021 moto: go beyond philanthropy. Among last year's projects: 3,065 persons have received health care in medical camps, 2,200 students from a boys' school benefited from a new health infrastructure and remote connections, 3,000 Covid self-test kits were distributed to the people close to our factories in Taloja and Hedavali, and a tree plantation campaign was



organized under which over 20,000 horticulture plants and trees were carefully selected based on local conditions and planted by 32 farmers in Maharashtra, demonstrating the value of care for the environment, while aiming to raise the income of the local farmers, helping them offset the adverse effects of the pandemic and multiple lockdowns that have heightened the poverty in many Indian villages.

Like every year, in March 2022, along with the John Cockerill Group, our Company celebrated its female talent. Gender equality is more important than ever. We believe that diversity results in better decision-making and plays an essential role in a Company's long-term success and sustainable future. As such, we are proud to play our part in promoting gender equality across our entire organization.

### **Safety first**

With the health and safety of our employees being at the heart of our concerns, for John Cockerill Industry's Indian entities celebrating the country's Safety Week every year early March is of paramount importance. This year's celebration of the national initiative was to help enhance the safety awareness among our Indian employees and workers, not at last through the different Safety Awards granted to recognize the implication and celebrate the outstanding work of our Indian teams to build a positive safety culture.

At John Cockerill, we want to grow our business responsibly. That means safety is not negotiable – it's our number one priority, and we are convinced that OSH (Occupational, Safety & Health) initiatives like India's National Safety Week are helping us to effectively convey this message.

We know that fostering the awareness that scrupulously respecting the established safety rules will preserve lives & health, is positively contributing to achieving John Cockerill's ambition : ZERO ACCIDENTS.

Another important milestone when it comes to safety are the fantastic 3173 and 1456 days without accident achieved by our workshops' staff in Taloja and Hedavali respectively, on March 31, 2022. An outstanding achievement showing the commitment of our Indian entity that has proven that safety is not just a buzzword but a state of mind.

Achieving this great milestone in an industrial environment is even more remarkable and clearly demonstrates our compliance, not only with the mandatory safety codes and regulations, but also our willingness to embrace key learnings illustrating that we are fully committed to continuous safety improvement.

These exceptional safety results would have not been possible without the full commitment of the men and women who put their skills at the service of our activities every day.

### **Corporate Governance**

Over the past decade, we have strengthened our corporate governance processes by introducing policies and procedures that, along with the extensive experience of our independent directors, guide us towards excellence in Boardroom ethics and governance. Most recently, I was pleased to welcome Mr. Praveen Kadle to the company's Board of Directors and as a member of the Audit Committee.

Mr. Praveen Kadle has held various leadership positions at the Tata Group in the last 30 years, including Founding CEO and Board Member of IBM's JV with Tata in India, CFO and Board Member of Tata Motors, Founder Managing Director and CEO of Tata Capital and Chairman of Tata Auto Comp System which position he still holds as a non-executive Chairman. Today, Mr. Kadle is the Founder & Chairman of Prachetas Capital Private Limited, and a Board member on various Tata and non-Tata companies. He also contributes to many industry and economic bodies, both domestic and international.

We are grateful and excited to have Mr. Kadle bring his unique talent, expertise and perspective to our team and help our Indian entity in Mumbai on their path to success.

### **Extending My Appreciation**

Let me conclude this year's message by announcing that I have been addressing you for the last time in the framework of John Cockerill India's Annual Report. I am retiring from my services in the current positions and mandates with John Cockerill India and the Sector Industry and to start a new chapter in my life : Retirement, where I take the Company, the team, the memories, and the incredible journey with me in my heart.

I would like to seize this opportunity to thank you for the confidence and trust you have placed in me over the past 6 years! At the same time, I would like to thank my fellow Directors for their support in helping to position our Company for its continued success. I would like to also thank the management team for their leadership, as well as each member of the John Cockerill India family and our stakeholders, who share our dreams and achievements. Finally, I would like to thank all our employees from the bottom of my heart for their hard work and for having made me proud of the quality equipment designed by our Company's engineers and manufactured in our workshops in India. I wish them every success in driving our Company towards achieving profitable growth in the years to come.

Yours sincerely,  
**João Felix Da Silva**

# Corporate Information

## Board of Directors

Mr. Joao Felix Da Silva	Chairman
Mr. Vivek Bhide	Managing Director
Mr. Yves Honhon	
Mr. Jean Gourp	
Mr. N. Sundararajan	
Ms. Roma Balwani	
Mr. Nandkumar Dhekne	
Mr. Praveen Kadle	from April 1, 2022

## Chief Financial Officer

Mr. Kiran Rahate

## Company Secretary

Mr. Haresh Vala

## Bankers

Canara Bank  
Kotak Mahindra Bank Limited  
ICICI Bank Limited  
Standard Chartered Bank  
Mashreq Bank psc

## Auditors

S R B C & Co. LLP, Chartered Accountants

## Cost Auditors

Kishore Bhatia & Associates, Cost Accountants

## Legal Advisors

Link Legal, Advocates & Solicitors

## Registrar and Share Transfer Agent

Bigshare Services Private Limited

## Registered Office

Mehta House, Plot No. 64, Road No. 13, MIDC,  
Andheri East, Mumbai 400 093

## Contact Details

Tel. No. : 022 66762727 • Fax No. 022 66762737

Email : investors@johncockerillindia.com

Website : www.johncockerillindia.com

36<sup>th</sup> Annual General Meeting on  
Wednesday, August 3, 2022 at  
2.30 p.m. at Mehta House, Plot No.  
64, Road No. 13, MIDC, Andheri (East),  
Mumbai - 400 093

# Notice

Notice is hereby given that the **Thirty Sixth Annual General Meeting of the Members of John Cockerill India Limited (“the Company”)** will be held on **Wednesday, August 3, 2022 at 2.30 p.m. at Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri (East), Mumbai - 400 093 to transact the following business :**

## ORDINARY BUSINESS

1. To consider and adopt the financial statements of the Company including audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss, and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on the Equity Shares of the Company for the financial year ended March 31, 2022.
3. To appoint a Director in place of Mr. Jean Gourp (DIN 02268912), who retires by rotation and, being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS

### 4. Re-appointment of Mr. Vivek Bhide (DIN 02645197) as Managing Director of the Company

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (**“the Act”**) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to the consents, permissions and sanctions of appropriate and / or concerned authorities and subject to such conditions and modifications, as may be prescribed, imposed or suggested by any of such appropriate and / or concerned authorities, if required, while granting such approvals, consents, permissions and sanctions and as agreed by the Board of Directors of the Company (hereinafter referred to as **“the Board”** which term shall be deemed to include Nomination and Remuneration Committee) without any further approval of the members of the Company, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Vivek Bhide (DIN 02645197) as the Managing Director of the Company for a further period of 5 (five) years and remuneration for a period of 3 (three) years commencing from February 8, 2023, on the terms and conditions as stipulated herein below :

#### Remuneration for a period of 3 (three) years :

Total Remuneration : Not exceeding an overall ceiling of ₹ 7 crores per annum. The total remuneration (cost to the company basis) for the first year of this term shall not exceed ₹ 5 crores per annum. Subsequent revisions in the remuneration will be determined and approved by the Board within the above overall ceiling.

1. Basic Salary for the first year - ₹ 13,70,000/- (Rupees Thirteen Lakhs Seventy Thousand only) per month.
2. Housing : Furnished rent free accommodation or house rent allowance in lieu thereof.

3. Reimbursement of expenses incurred on entertainment for business purposes & Club subscription.
4. Other Allowances, Perquisites and Incentive : Subject to overall ceiling as aforesaid, the Managing Director shall have liberty to opt for such other allowances, perquisites and incentive as he deems fit including medical allowance, leave travel allowance and such other allowances, benefits, amenities and facilities, etc. as per the Company's Rules or as may be agreed to between the Board and the Managing Director.
5. The Managing Director will also be a member of the Group Medical and Personal Accident Insurance policies of the Company. He will be covered under the Company's Life Insurance under the Company's Group Term Life Insurance policy equivalent to 3 times of fixed annual salary.
6. Reimbursement of Health Insurance (Mediclaime) premium for the parent of the Managing Director as per the Income Tax Act.
7. Reimbursement of fees of consultant for calculation of taxes to be filed by the Managing Director and his wife as agreed by the Board.
8. Special Retention Allowance as may be agreed by the Board.
9. Performance Link Management Incentive (PLMI) once in a year as per the Company's PLMI policy.
10. Car running allowance and telecommunication facilities as per the rules of the Company.
11. The appointment is terminable by giving not less than six months' notice in writing on either party or as may be agreed by the Board.

In addition to the perquisites referred above, he will also be eligible to the following perquisites, which shall not be included in the computation of the ceiling on remuneration :

- Retirement benefits : Contribution to provident fund, superannuation fund or annuity fund and gratuity fund shall be made as per the rules of the Company.
- Earned leave with full pay or encashment, as per the rules of the Company.
- Reimbursement of expenses incurred for the business of the Company.

Subject to the applicable provisions of the Act, perquisites and allowances shall be evaluated as per Income Tax Rules, 1962 wherever applicable and at cost, in the absence of any such Rule.

**RESOLVED FURTHER THAT** the Board (which term shall be deemed to include the Nomination and Remuneration Committee) be and are hereby authorised to vary, amend, modify

and revise from time to time the terms of remuneration payable to Mr. Vivek Bhide as Managing Director, within the above overall limit, as may be deemed appropriate.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors and the Company Secretary of the Company be and are hereby severally authorised to make necessary application(s) to such authorities, as may be required, for seeking its approval and to do and perform all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, proper or desirable and to seek necessary approvals and settle any questions, difficulties or doubts that may arise in this regard.”

**5. Approval for Material Related Party Transaction(s) with John Cockerill SA**

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

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the Listing Regulations**”), as amended from time to time, provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”), provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 (“**the Rules**”) (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and / or permission(s), as may be required and based on the recommendations of the Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “**the Board**”, which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and John Cockerill SA, the holding Company and accordingly a ‘Related Party’ of the Company, on such terms and conditions as detailed in the Explanatory Statement and as may be mutually agreed between the Company and John Cockerill SA, for an aggregate value not exceeding ₹ 400 crores during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Managing Director and Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalising the terms and conditions, methods and modes in respect of executing necessary documents including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any other Officer / Authorised Representative of the Company,

without being required to seek further consent from the members and that the members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

**6. Approval for Material Related Party Transaction(s) with John Cockerill Automation Private Limited**

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

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the Listing Regulations**”), as amended from time to time, provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“**the Act**”), provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 (“**the Rules**”) (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and / or permission(s), as may be required and based on the recommendations of the Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “**the Board**”, which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and John Cockerill Automation Private Limited, fellow Subsidiary Company and accordingly a ‘Related Party’ of the Company, on such terms and conditions as detailed in the Explanatory Statement and as may be mutually agreed between the Company and John Cockerill Automation Private Limited, for an aggregate value not exceeding ₹ 60 crores during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Managing Director and Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalising the terms and conditions, methods and modes in respect of executing necessary documents including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any other Officer / Authorised Representative of the Company, without being required to seek further consent from the members and that the members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.



RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

**7. Approval for Material Related Party Transaction(s) with John Cockerill Trading (Beijing) Company Limited**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), as amended from time to time, provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 ("the Rules") (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and / or permission(s), as may be required and based on the recommendations of the Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and John Cockerill Trading (Beijing) Company Limited, fellow Subsidiary Company and accordingly a 'Related Party' of the Company, on such terms and conditions as detailed in the Explanatory Statement and as may be mutually agreed between the Company and John Cockerill Trading (Beijing) Company Limited, for an aggregate value not exceeding ₹ 200 crores during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Managing Director and Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalising the terms and conditions, methods and modes in respect of executing necessary documents including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any other Officer / Authorised Representative of the Company, without being required to seek further consent from the members and that the members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

**8. Approval for Material Related Party Transaction(s) with John Cockerill UVK GmbH**

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

"RESOLVED THAT pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), as amended from time to time, provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 ("the Rules") (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and / or permission(s), as may be required and based on the recommendations of the Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and John Cockerill UVK GmbH, fellow Subsidiary Company and accordingly a 'Related Party' of the Company, on such terms and conditions as detailed in the Explanatory Statement and as may be mutually agreed between the Company and John Cockerill UVK GmbH, for an aggregate value not exceeding ₹ 100 crores during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Managing Director and Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalising the terms and conditions, methods and modes in respect of executing necessary documents including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any other Officer / Authorised Representative of the Company, without being required to seek further consent from the members and that the members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

**9. Approval for Material Related Party Transaction(s) with CMI Engineering (Beijing) Company Limited**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“the Listing Regulations”**), as amended from time to time, provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**), provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 (**“the Rules”**) (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and / or permission(s), as may be required and based on the recommendations of the Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **“the Board”**), which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and CMI Engineering (Beijing) Company Limited, fellow Subsidiary Company and accordingly a ‘Related Party’ of the Company, on such terms and conditions as detailed in the Explanatory Statement and as may be mutually agreed between the Company and CMI Engineering (Beijing) Company Limited, for an aggregate value not exceeding ₹ 100 crores during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Managing Director and Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalising the terms and conditions, methods and modes in respect of executing necessary documents including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any other Officer / Authorised Representative of the Company, without being required to seek further consent from the members and that the members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

**10. Approval for Material Related Party Transaction(s) with CMI Industry Americas Inc.**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“the Listing Regulations”**), as amended from time to time, provisions of Section

188 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**), provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 (**“the Rules”**) (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Company’s Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and / or permission(s), as may be required and based on the recommendations of the Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as **“the Board”**), which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and CMI Industry Americas Inc., fellow Subsidiary Company and accordingly a ‘Related Party’ of the Company, on such terms and conditions as detailed in the Explanatory Statement and as may be mutually agreed between the Company and CMI Industry Americas Inc., for an aggregate value not exceeding ₹ 100 crores during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm’s length pricing basis and in the ordinary course of business.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Managing Director and Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalising the terms and conditions, methods and modes in respect of executing necessary documents including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any other Officer / Authorised Representative of the Company, without being required to seek further consent from the members and that the members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect.”

**11. Approval for Material Related Party Transaction(s) with CMI Energy France SAS**

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

**“RESOLVED THAT** pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“the Listing Regulations”**), as amended from time to time, provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (**“the Act”**), provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 (**“the Rules”**) (including any statutory modification(s), clarification(s), substitution(s) or re-

enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and / or permission(s), as may be required and based on the recommendations of the Audit Committee and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "**the Board**"), which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and CMI Energy France SAS, fellow Subsidiary Company and accordingly a 'Related Party' of the Company, on such terms and conditions as detailed in the Explanatory Statement and as may be mutually agreed between the Company and CMI Energy France SAS, for an aggregate value not exceeding ₹ 50 crores during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Managing Director and Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalising the terms and conditions, methods and modes in respect of executing necessary documents including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any other Officer / Authorised Representative of the Company, without being required to seek further consent from the members and that the members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

**12. Approval for Material Related Party Transaction(s) with John Cockerill Renewables**

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

**"RESOLVED THAT** pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Listing Regulations**"), as amended from time to time, provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**"), provisions of the Companies (Meetings of Board and its Powers) Rules, 2014 ("**the Rules**") (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof for the time being in force), the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and / or permission(s), as may be required and based on the recommendations of the Audit Committee

and the Board of Directors of the Company, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "**the Board**"), which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and John Cockerill Renewables, fellow Subsidiary Company and accordingly a 'Related Party' of the Company, on such terms and conditions as detailed in the Explanatory Statement and as may be mutually agreed between the Company and John Cockerill Renewables, for an aggregate value not exceeding ₹ 50 crores during the financial year 2022-23, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is being carried out at an arm's length pricing basis and in the ordinary course of business.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Managing Director and Chief Financial Officer of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalising the terms and conditions, methods and modes in respect of executing necessary documents including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any other Officer / Authorised Representative of the Company, without being required to seek further consent from the members and that the members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respect."

**13. To consider and ratify the remuneration payable to Cost Auditor for the financial year 2022-23**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), clarification(s), substitution(s) or re-enactment(s) thereof, for the time being in force) and as approved by the Board of Directors, on the recommendations of the Audit Committee, the remuneration of ₹ 2,70,000/- (Rupees Two Lakhs Seventy Thousand only) (plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the audit) be paid to M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 00294) appointed by the Board of Directors of the Company to conduct the audit of the cost accounting records of the Company for the financial year 2022-23 be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, the Chief Financial Officer and the Company Secretary of the Company be and are hereby severally authorised to do all acts, deeds, matters and things 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 John Cockerill India Limited**

**Haresh Vala**  
Company Secretary

Mumbai  
May 26, 2022

**Registered office :**

Mehta House, Plot No. 64,  
Road No. 13, MIDC, Andheri (East),  
Mumbai 400 093  
**Tel. No.:** 022-66762727 | **Fax No.:** 022-66762737/38  
**CIN:** L99999MH1986PLC039921  
**Email:** investors@johncockerillindia.com  
**Website:** www.johncockerillindia.com

**NOTES :**

- A Member entitled to attend and vote at the Annual General Meeting (“AGM” / “Meeting”) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a Member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.** Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution / authority, as applicable.  
  
**A person can act as proxy on behalf of members not exceeding 50 (fifty) in number and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or member. The holder of the proxy shall prove his / her identity at the time of attending the AGM.**
- Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto.
- Corporate Members are required to send a certified true copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative(s) to attend and vote on their behalf at the AGM.
- Members, Proxies and Authorised Representatives are requested to bring to the AGM, the copy of the Annual Report and Attendance Slip, duly completed and signed mentioning therein details of their shareholding, DP ID and Client ID / Folio Number.
- The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“**the Act**”) in respect of the business under Item Nos. 4 to 13 set out above and the relevant details of the Directors seeking appointment / re-appointment at this AGM as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**the Listing Regulations**”) and the Secretarial

Standard on General Meetings issued by The Institute of the Company Secretaries of India (“**SS-2**”) are annexed hereto. Requisite declarations have been received from the Directors seeking appointment / re-appointment.

- In compliance with the Circulars issued by Ministry of Corporate Affairs (“**MCA**”) and Securities and Exchange Board of India (“**SEBI**”), this Notice calling the AGM together with the Annual Report 2021-22 is being sent only through electronic mode to those members whose email addresses are registered with the Company / Depository Participants (“**DPs**”) for communication purpose unless any Member has requested for a physical copy of the same. Members whose email address is not registered with the Company / DPs, physical copies of the Notice and Annual Report 2021-22 are being sent by the mode permitted under the Act. Members may also note that the Notice and Annual Report 2021-22 has also been uploaded on the website of the Company at www.johncockerillindia.com, website of BSE Limited at www.bseindia.com.
- The Register of Members and Share Transfer Books of the Company will remain closed from July 26, 2022 to August 3, 2022, both days inclusive, for determining the names of the members eligible for dividend on the Equity Shares, if declared at the AGM.
- Dividend of ₹ 2/- per equity share of face value of ₹ 10/- each for the year ended March 31, 2022, as recommended by the Board, if approved at the AGM, in respect of equity shares held in electronic form will be payable to the beneficial owners of shares as on July 25, 2022 as per the downloads furnished to the Company by the Depositories for this purpose and in physical mode, if their names appear in the Company’s Register of Members as on July 25, 2022.
- The dividend, if approved, will be paid by crediting into the bank account, as provided by NSDL and CDSL through ECS or NECS or electronic transfer, of those members holding shares in electronic form / demat. In respect of members holding shares in physical form or in case of ECS, NECS or electronic payment rejected, dividend will be paid by dividend warrant or demand draft.
- The Company’s Registrar & Transfer (“**R & T**”) Agent for its Share Registry Work (Physical and Electronic) are Bigshare Services Private Limited, having their office premises at Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri East, Mumbai 400 093. Their registered email address is investor@bigshareonline.com.
- For receiving all communication (including Annual Report) from the Company electronically :
  - Members holding share(s) in physical mode and who have not registered / updated their e-mail address with the Company are requested to register / update the same by writing to the R & T Agent at their registered email address or by sending mail to investors@johncockerillindia.com; and
  - Members holding share(s) in electronic mode are requested to register / update their e-mail address with their respective DPs.
- In case of joint holders, the Member whose name appears as first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
- The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the Directors

are interested, and other documents as referred in the Notice are available for inspection by the Members at the Registered Office of the Company during business hours on all working days except Saturdays, Sundays and National Holidays up to the date of the AGM.

14. Members holding shares in single name are advised to avail the facility of nomination in respect of the shares held by them pursuant to the provisions of Section 72 of the Act. Members holding the shares in physical form desiring to avail this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to the R & T Agent of the Company. Members holding the shares in electronic mode may contact their respective DPs for availing this facility.
15. MCA has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"). As per these Rules, dividends which are not encashed / claimed by the shareholder for a period of seven consecutive years shall be transferred to the Investor Education and Protection Fund ("IEPF") Authority. The IEPF Rules also mandate the Companies to transfer the shares of shareholders whose dividends remain unpaid / unclaimed for a period of seven consecutive years to the demat account of IEPF Authority.
16. Members are requested to note that, dividends if not encashed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the IEPF. The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).
17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed Companies to issue securities in dematerialised form only while processing service requests viz. issue of duplicate securities certificate; claim for unclaimed suspense account; renewal / exchange of securities certificate; consolidation of securities certificates / folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Investors Section available on the website of the Company and is also available on the website of the R & T Agent. It may be noted that any service request can be processed only after the folio is KYC Compliant.
18. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
19. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of the Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised

form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or its R & T Agent for assistance in this regard.

20. **SEBI HAS MANDATED SUBMISSION OF PAN BY EVERY PARTICIPANT IN THE SECURITIES MARKET. MEMBERS HOLDING SHARES IN ELECTRONIC FORM ARE, THEREFORE, REQUESTED TO SUBMIT THEIR PAN DETAILS TO THEIR DEPOSITORY PARTICIPANTS. MEMBERS HOLDING SHARES IN PHYSICAL FORM ARE REQUESTED TO SUBMIT THEIR PAN DETAILS TO THE COMPANY'S R & T AGENT.**
21. The Company has made special arrangement with the R & T Agent for registration of email addresses in terms of the MCA Circulars for Members who wish to receive the Annual Report along with the AGM Notice electronically and to cast their vote electronically.
22. **Process for registration of e-mail addresses :**

The process to be followed for one-time registration of e-mail address (for shares held in physical form or in electronic form) is as follows :

To facilitate the Members to receive notice, documents, Annual Reports and other communications electronically, the Company has made special arrangements with its R & T Agent, Bigshare Services Private Limited for registration of e-mail addresses in terms of the MCA circulars.

  - Visit the link : <https://www.bigshareonline.com/InvestorRegistration.aspx>
  - Select the name of the Company from drop-down : John Cockerill India Limited
  - Enter details in respective field such as DP ID and Client ID (if shares held in electronic form) / Folio No. (if shares held in physical form), Shareholder name, PAN, mobile number and e-mail address
  - System will send One Time Password (OTP) on mobile number and e-mail address
  - Enter OTP received on mobile number and e-mail address and after clicking on confirmation, click on Submit.

Those Members who have already registered their e-mail addresses are requested to keep their e-mail addresses validated / updated with their DPs / R & T Agent to enable servicing of notices / documents / Annual Reports and other communications electronically to their e-mail address in future.
23. Members are requested to address all correspondences, including shareholding related documents and dividend matters to the Company's R & T Agent.
24. Members holding the shares in dematerialised form are requested to intimate the change of bank mandates, address, name, bank details, nomination, e-mail address, etc., if any, to their respective DPs.
25. Members holding shares in physical form are requested to intimate changes, if any, pertaining to their name, address, e-mail address, telephone number, bank details to the Company's R & T Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021, as per instructions mentioned in the

form. The said form can be downloaded from the Investors Section on the Company's website and is also available on the website of the R & T Agent at [www.bigshareonline.com](http://www.bigshareonline.com).

26. Non-Resident Indian Members are requested to immediately inform the Company or its R & T Agent or the concerned DP, as the case may be, about the change in residential status on return to India for permanent settlement and the particulars of the NRE account with a bank in India, if not furnished earlier.
27. Members desirous of getting any information about the accounts and / or operations of the Company are requested to write to the Company at least seven days before the date of the AGM, to enable the management to keep the information ready at the AGM.
28. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the Members at the Registered Office of the Company during business hours on all working days, except Saturdays, Sundays and National Holidays, up to the date of the AGM and also at the AGM.
29. A brief resume of each of the Directors proposed to be appointed / re-appointed at this AGM, nature of their expertise in specific functional areas, name of the Companies in which they hold directorship and membership / chairmanship of Board Committees, shareholding and relationship between directors *inter se* as stipulated under Regulation 36 of the Listing Regulations and other requisite information as per Clause 1.2.5 of SS-2 on General Meetings, are provided as Appendix A to the Notice.
30. **Voting through electronic means :**

Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Act read with the Rules made thereunder, as amended from time to time, Regulation 44 of the Listing Regulations and SS-2, read with the circular of SEBI on e-Voting Facility provided by the Listed Entities dated December 9, 2020, the Company is providing its members facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means ("**e-voting**"). Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("**remote e-voting**").

The Company has engaged the services of National Securities Depository Limited ("**NSDL**") as the agency to provide e-voting facility.

The manner of voting, including voting remotely by (a) Individual Shareholders holding shares of the Company in demat mode, (b) Shareholders other than individuals holding shares of the Company in demat mode and shareholders holding shares of the Company in physical mode and (c) Members who have not registered their e-mail address, is provided in the instructions given below.

The remote e-voting facility will be available during the following voting period :

<b>Commencement of remote e-voting</b>	<b>9.00 am (IST) on July 30, 2022</b>
<b>End of remote e-voting</b>	<b>5.00 pm (IST) on August 2, 2022</b>

The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by NSDL upon the expiry of the aforesaid period.

Voting rights of a Member / Beneficial Owner (in case of electronic shareholding) shall be in proportion to his / her / its shareholding in the paid-up equity share capital of the Company as on the cut-off date, that is, July 27, 2022 ("**cut-off date**"). A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting. A person who is not a Member of the Company as on the cut-off date, should treat the Notice for information purpose only.

The Board of Directors of the Company has appointed M/s. I. Qureshi & Associates, Practicing Chartered Accountants (Membership No. 036915) as the Scrutinizer to scrutinize the remote e-voting and voting process at the AGM in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the said purpose.

### **Information and Instructions relating to e-voting**

#### **How to vote electronically using NSDL e-voting system?**

The way to cast vote electronically on NSDL e-voting system consists of "Two Steps" which are as mentioned below :





#### **Step 1 : Access to NSDL e-voting system**

##### **A) Login method for e-voting for individual shareholders holding securities in demat mode**

In terms of SEBI Circular dated December 9, 2020 on e-voting facility provided by listed Companies, e-voting process has been enabled to all the individual shareholders holding securities in demat mode, by way of single login credential, through their demat accounts / websites of Depositories / DPs 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. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-voting facility.

Login method for individual shareholders holding securities in demat mode is given below :

<b>Type of shareholders</b>	<b>Login Method</b>
Individual shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. If you are already registered for <b>NSDL IDeAS facility</b>, please follow the below steps :               <ol style="list-style-type: none"> <li>a. Visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a personal computer or on a mobile.</li> <li>b. Once the home page of e-Services is launched, click on the "<b>Beneficial Owner</b>" icon under "Login" which is available under "<b>IDeAS</b>" section.</li> </ol> </li> </ol>

Type of shareholders	Login Method
	<p>c. A new Section will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</p> <p>d. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page.</p> <p>e. Click on options available against Company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to NSDL e-Voting website for casting your vote during the remote e-Voting period.</p> <p>f. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS” portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>. Please follow steps given above in points ‘a’ to ‘f’.</p> <p>2. <b>e-Voting website of NSDL</b></p> <p>a. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a personal computer or on a mobile.</p> <p>b. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section.</p> <p>c. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</p> <p>d. After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on options available against Company name or <b>e-Voting service provider - NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders can also download NSDL Mobile App ‘NSDL Speede’ facility for seamless voting experience.</p> <p><b>NSDL Mobile App is available on</b></p> <p> <b>App Store</b>     <b>Google Play</b></p> <p>      </p>

Type of shareholders	Login Method
Individual shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their User ID and Password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi / Easiest, the user will also be able to see the e-Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual shareholders (holding securities in demat mode) login through their Depository Participants	<ol style="list-style-type: none"> <li>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility.</li> <li>Once login, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</li> <li>Click on Company name or <b>e-Voting service provider-NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> </ol>

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

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

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

**B) Login method for shareholders other an individual shareholder holding securities in demat mode and shareholders holding securities in physical mode**

**How to log-in to NSDL e-voting website?**

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

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

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	User ID
For members who hold shares in demat account with NSDL	8 character DP ID followed by 8 digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your User ID is IN300***12*****.
For members who hold shares in demat account with CDSL	16 digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your User ID is 12*****.
For members holding shares in physical form	EVEN, followed by Folio Number registered with the Company. For example, if your EVEN is 101456, then User ID is 101456001***.

5. Password details for shareholders other than individual shareholders are given below :
  - a) If you are already registered for e-voting, then you can use your existing password to log in and cast your vote.
  - b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'?
    - (i) If your e-mail address is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail address. Trace the e-mail sent to you by

NSDL from your mailbox. Open the e-mail and open the attachment (it will be a .pdf file). The password to open the file is your 8 digit Client ID for your NSDL account, the last 8 digit of CDSL Client ID or Folio Number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- (ii) If your e-mail address is not registered, please follow the detailed procedure with registration of e-mail address as mentioned in Note No. 22 of this Notice.
6. If you are unable to retrieve or have not received your 'initial password' or have forgotten your password :
  - a) Click on the '**Forgot User Details / Password?**' (for those holding shares in demat accounts with NSDL or CDSL) option available on [www.evoting.nsd.com](http://www.evoting.nsd.com)
  - b) Click on '**Physical User Reset Password?**' (for those holding shares in physical mode) option is also available on [www.evoting.nsd.com](http://www.evoting.nsd.com)
  - c) If you are still unable to get your password following the aforesaid options, you can send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number / folio number, your PAN, your name and your registered address.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
7. After entering your password, agree to the terms and conditions by checking the box.
8. Next, click on the 'Login' button.
9. After you click on the 'Login' button, the homepage of e-voting will open.

**Step 2 : Cast your vote electronically on NSDL e-voting system**

**How to cast your vote electronically on NSDL e-voting system?**

1. After successful login at Step 1, you will be able to see all the Companies 'EVEN' in which you are holding shares and whose voting cycle is in active status.
2. Select the 'EVEN' of the Company for which you wish to cast your vote during the remote e-voting period.
3. Now you are ready for e-voting as the voting page opens.
4. Cast your vote by selecting appropriate options, i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote, and click on 'Submit'. Also click on 'Confirm' when prompted.
5. Upon confirmation, the message, 'Vote cast successfully', will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Please remember that you are not allowed to modify your vote once you confirm your vote on a resolution.



### General guidelines for shareholders :

1. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG format) of the relevant Board Resolution / Authority letter, etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by e-mail to iqureshiassociates@yahoo.co.in or investors@johncockerillindia.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter, etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the 'Forgot User Details / Password?' or 'Physical User Reset Password?' option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for shareholders and e-voting user manual for shareholders available in the download section of www.evoting.nsdl.com, or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to evoting@nsdl.co.in or contact Mr. Amit Vishal, Asst. Vice President – NSDL or Mr. Sanjeev Yadav, Asst. Manager – NSDL at evoting@nsdl.co.in or at NSDL, 4<sup>th</sup> Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400 013.
4. The facility for ballot / polling paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by remote e-voting shall be able to vote at the AGM through ballot / polling paper.
5. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
6. The voting rights of the members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. July 27, 2022.
7. Any person, holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting, then he / she can use his / her existing User ID and password for casting their vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of individual shareholders holding shares in demat mode who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date i.e.

July 27, 2022 may follow steps mentioned under "Access to NSDL e-voting system".

8. The Scrutinizer shall after the conclusion of voting at the AGM, first scrutinize the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make and submit, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or the Managing Director, who shall countersign the same and declare the result of the voting forthwith.
9. The Results of voting shall be declared within two working days of the conclusion of the AGM of the Company and subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to have been passed on the date of the Meeting i.e. August 3, 2022.
10. The Results declared along with the consolidated Scrutinizer's Report will be available on the Company's website at www.johncockerillindia.com and on NSDL's website at www.evoting.nsdl.com. The results shall simultaneously be communicated to BSE Limited.

### Process for those shareholders whose email address are not registered with the Depositories for procuring user id and password and registration of email address for e-voting for the resolutions set out in this Notice :

1. In case, shares are held in physical mode, please provide Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), Aadhar (self attested scanned copy of Aadhar card) by email to investors@johncockerillindia.com and investor@bigshareonline.com.
2. In case, shares are held in demat mode, please provide DP ID – Client ID (16 digit DP ID + Client ID or 16 digit beneficiary ID), Name, Client Master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), Aadhar (self attested scanned copy of Aadhar card) by email to investors@johncockerillindia.com and investor@bigshareonline.com. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for individual shareholders holding securities in demat mode.
3. Alternatively, shareholder / member may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI Circular dated December 9, 2020 on e-voting facility provided by listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email address correctly in their demat account in order to access e-voting facility.

## ANNEXURE TO THE NOTICE

### Re-appointment of Mr. Jean Gourp as Director

Mr. Jean Gourp (DIN 02268912), Non-Executive Director of the Company, retires by rotation and, being eligible, has offered himself for re-appointment.

### The information in pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standard-2 on General Meetings (SS-2):

Mr. Jean Gourp, aged 50 years, is an engineer with a degree in mechanical and production engineering from I.N.S.A. Toulouse. He studied engineering and business management at the University of Surrey, Great Britain and detains an Executive MBA from INSEAD business school. He is having international experience in engineering, manufacturing, sales and general management. Mr. Gourp joined the Company in 2008 as Chief Operating Officer and was then elevated to the position of Deputy Managing Director before becoming Managing Director in 2011 until 2013.

Mr. Jean Gourp was a part of John Cockerill (then CMI) and FPE integration team and played a key role in smooth transformation of the Company after the acquisition.

In his earlier assignments, Mr. Gourp had spent over a year as Managing Director of CMI Stalproekt in Moscow. He was also associated with Fives Stein Co. in France for nearly four years as erection & commissioning manager and later on as sales and process engineer before being seconded to their Shanghai joint venture for five years as Deputy Managing Director. He was also associated with Fives Stein India as technical manager.

In 2013, Mr. Jean Gourp joined the Services branch of the Group as Vice-President and focused on the strategic development of the portfolio of activities. From 2019, Mr. Jean Gourp had taken charge of the Environment branch of the Group with the aim to expand the group's position on environmental markets. In his current assignment, Mr. Jean Gourp is the President John Cockerill Asia Pacific and is based in Singapore.

He does not hold any shares in the Company and is not related to any other Director of the Company.

Save and except for Mr. Jean Gourp, none of the other Directors / Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 3 of the Notice.

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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT') AND SECRETARIAL STANDARD-2 ON GENERAL MEETINGS ('SS-2') :

### ITEM NO. 4

### Re-appointment of Mr. Vivek Bhide (DIN 02645197) as the Managing Director of the Company

Mr. Vivek Bhide (DIN 02645197) was appointed as the Managing Director of the Company *w.e.f.* February 8, 2020 for a period of 3 years. The present term of Mr. Vivek Bhide as Managing Director of the Company will expire on February 7, 2023.

In view of his significant and valuable contribution to the Company and considering the future business plans of the Company, it is imperative that the Company should continue to benefit from his stewardship so as to achieve the growth plans so contemplated. Keeping the above in mind, as recommended by the Nomination and Remuneration Committee, the Board of Directors at the meeting held on May 26, 2022 have recommended the re-appointment of Mr. Vivek Bhide, as Managing Director of the Company, for a further period of 5 (five) years commencing from February 8, 2023 on the terms and conditions including the proposed remuneration for a period of 3 (three) years as set out in the resolution at Item No. 4 of the accompanying Notice.

### The information in pursuance of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 :

Mr. Vivek Bhide, aged 55 years, has over 27 years of experience in the chemicals and industrial manufacturing domain. Mr. Bhide holds Bachelor of Technology Degree in Mechanical Engineering from the Indian Institute of Technology, Mumbai. He also holds the Master of Science Degree in Statistics from the University of Delaware. He has a Certificate in Disruptive Strategy from the Harvard Business School.

Mr. Vivek Bhide started his career in the process engineering and R & D domain with DuPont in the U.S. where he was instrumental in spearheading multiple projects across manufacturing, new product development and analytical science. He then joined Koch Industries where he worked on developing strategies for new business opportunities in interior paint, commercial fabrics, countertops and stone flooring. Mr. Bhide moved

back to India with DuPont India to lead the packaging and the industrial polymers business for the South Asia region. As a senior leader, he has worked with Danaher Group for Gilbarco Veeder Root India and Fortive India. In his last assignment, he was the Group President of Fortive India where he managed a global engineering centre.

Mr. Bhide has strong leadership qualities and has grown well in his career. His geographical exposure covers India and overseas markets enabling him to gain hands-on exposure of cross-cultural working.

Mr. Bhide specialises in Strategy Development, Marketing Management, Technology Management, Manufacturing Management, New Business Development and Leadership Development.

He is also a Director of CMI India Engineering Private Limited. Mr. Bhide is a member of the Stakeholders Relationship Committee, Corporate Social Responsibility Committee, and Risk Management Committee and is the Chairman of Borrowing Committee and Banking Operations Committee of the Company.

He does not hold any shares in the Company and is not related to any other Director of the Company.

Mr. Vivek Bhide is a Key Managerial Personnel of the Company as per Section 203(1)(iii) of the Act.

Mr. Bhide satisfies all the conditions set out in Part I of Schedule V of the Act and is eligible for re-appointment.

As required under the provisions of the Act, approval of the members is being sought for the re-appointment for a term of 5 (five) years and the remuneration for a term of 3 (three) years payable to Mr. Vivek Bhide as Managing Director of the Company functioning in a professional capacity.

The approval of the members is sought for his remuneration for a term of 3 (three) years in the manner stipulated in Section II of Part II of Schedule V of the Act. Schedule V of the Act permits the Companies to pay managerial remuneration in excess of the limits stipulated in Section 197 of the Act subject to satisfaction of certain conditions prescribed therein.

The statement as required under Section II of Part II of Schedule V of the Act is given below :

<b>I. General Information</b>					
1.	Nature of Industry	The Company is engaged in the business of designing, manufacturing and installation of cold rolling mills, galvanizing lines, colour coating lines, tension levelling lines, skin pass mills, acid regeneration plants, wet flux lines and pickling lines for ferrous and non-ferrous industries worldwide.			
2.	Date or expected date of commencement of commercial production	May 28, 1986			
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable			
4.	Financial performance based on given indicators	<b>Particulars</b>	<b>2021-22</b>	<b>2020-21</b>	<b>2019-20</b>
		(₹ in lakhs)			
		Revenue from Operations (Net)	38,278.44	19,805.83	37,156.95
		Other Income	645.17	229.81	1,518.55
		Total Revenue	38,923.61	20,035.64	38,675.50
		Profit / (Loss) before depreciation, finance cost and tax	1,593.91	(2,498.90)	3,766.89
	Profit / (Loss) after tax	464.02	(2,906.21)	2,374.50	
5.	Foreign investments or collaborations, if any	Except the shareholding of John Cockerill SA (formerly Cockerill Maintenance and Ingenierie SA), parent Company, which holds 75% of the Company's equity capital, the Company does not have any foreign direct investment or collaboration.			
<b>II. Information about the Appointee :</b>					
1.	Background details	A brief profile of Mr. Vivek Bhide is given herein above.			
2.	Past remuneration	The remuneration drawn by Mr. Vivek Bhide from the Company during the past 2 (two) years is as follows :			
		<b>Year</b>	<b>₹ in lakhs</b>		
		2020-21	342.17		
	2021-22	386.13			
3.	Recognition or awards	Nil			
4.	Job profile and his suitability	<p>Mr. Vivek Bhide has strong leadership qualities and has grown well in his career. His global exposure covers India and overseas markets enabling him to gain hands on exposure of cross-cultural working.</p> <p>Mr. Vivek Bhide with his qualification and vast experience in strategy development, marketing management, technology management, manufacturing management, new business development and leadership development is expected to add considerable value to the Company as its Managing Director.</p>			
5.	Remuneration proposed	The remuneration proposed is for a period of 3 (three) years and is set out in the resolution at Item No. 4.			
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	While deciding the remuneration payable to Mr. Bhide, the Nomination and Remuneration Committee and the Board <i>inter alia</i> considered the compensations levels for similar positions in the Engineering industry and comparable organisations, his role and responsibilities, the performance expected, the current and forecast business conditions, etc. and have concluded that the proposed remuneration is appropriate and reasonable.			

7.	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Besides the present / proposed remuneration, Mr. Vivek Bhide does not have any other pecuniary relationship with the Company or relationship with any of the managerial personnel.
<b>III. Other Information</b>		
1.	Reasons of loss in the previous year, and lower profits in 2021-22.	<ul style="list-style-type: none"> <li>- Economic slowdown in Indian and global market due to COVID-19</li> <li>- Lower margins on projects under execution due to highly competitive environment</li> <li>- Slower growth in the order entries due to volatile business environment.</li> </ul>
2.	Steps taken or proposed to be taken for improvement	All efforts are now being focused on timely execution of the large orders secured recently, to improve the order book by sourcing new orders from domestic as well as overseas customers and improving operational efficiency. The manufacturing facilities have been restructured for better productivity and cost-savings. Greater emphasis is placed on optimisation of various processes to improve operational efficiency across the Company. These proactive steps are aimed at improving profitability in the face of a challenging environment in the steel industry.
3.	Expected increase in productivity and profits in measurable terms	The Company has turned around in the recent months; barring unforeseen circumstances, the Company hopes to increase the revenue and profits significantly, with improved margins in the years to come.

**Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings ("SS-2") regarding Director seeking appointment / re-appointment**

**Mr. Vivek Bhide**

Age	55 years
Qualifications	Bachelor of Technology Degree in Mechanical Engineering from the Indian Institute of Technology, Mumbai Master of Science Degree in Statistics from the University of Delaware Certificate in Disruptive Strategy from the Harvard Business School
Experience	27 years
Terms and conditions of appointment	<p>Tenure of the re-appointment of Mr. Vivek Bhide as Managing Director shall be for a period of 5 (five) years <i>w.e.f.</i> February 8, 2023.</p> <p>The Managing Director will be employed on whole time basis and will not be permitted to undertake any other business, work or public office, honorary or remunerative, except with the permission of the Board.</p> <p>The Managing Director shall be entitled to such other privileges, allowances, facilities and amenities in accordance with the rules and regulations as may be applicable to other employees of the Company and as may be decided by the Board, within the overall limits prescribed under the Act.</p> <p>He will cease to be a Director on cessation of his employment with the Company.</p> <p>The re-appointment shall be governed by Section 196, 197, 203 read with Schedule V of the Act and Rules made thereunder.</p> <p>The separation from this engagement could be effected by either side by giving six months' notice.</p>
Last drawn remuneration	₹ 386.13 lakhs for 2021-22
Date of first appointment on the Board	February 8, 2020
No. of shares held	Nil
Relationship with Directors, Managers & Key Managerial Personnels	Not Related
Number of Board Meetings attended during FY 2021-22	5
Other Directorships	1. CMI India Engineering Private Limited
Chairman / Member of the Committees of Board of other companies	Nil

Pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Act read with Schedule V of the Act and the Rules framed thereunder, the approval of the members is sought on the resolution set out at Item No. 4 of this Notice.

In accordance with the said resolution, within the aforesaid limits, the amount of salary package, perquisites / benefits and performance linked incentive payable to Mr. Bhide for a period of 3 (three) years (including the types and amount of each type of Perquisites / Benefits / Allowances) will be decided by the Board of the Directors based on the recommendations of the Nomination and Remuneration Committee, at such time or times, as it may deem fit, in its sole and absolute discretion.

Your Directors recommend Resolution No. 4 as a Special Resolution for approval by the members of the Company.

Save and except for Mr. Vivek Bhide, none of the other Directors / Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

## **ITEM NOS. 5 TO 12 :**

### **Approval for Material Related Party Transactions**

The Group has adopted the strategy of "One Metals" whereby multiple Business Units collaborate with one another, with clearly identified scope-lines. The Company is considered as the Indian hub integral to the vision of the Group's strategy. This has helped the Company to get substantial orders from the parent Company, John Cockerill SA (formerly CMI SA) and other Related Parties.

The projects with John Cockerill SA will help the Company to establish itself in some of the countries which are viewed as having high potential for the products of the Company and where the Company has not done business in the past. Also, some of the projects will enable the Company to enter into business territories which were hitherto not explored by the Group and establish new references which will also help grow its business in its traditional markets like India, Africa and South East Asia. The scope of such collaborative efforts could include joint marketing, joint engineering and design, joint manufacture and also assist mutually in erection, commissioning, etc. in various geographies of the world.

The Company has entered into Brand Fee Agreement with John Cockerill SA for the payment of brand fees @ 0.6% of the external sales and Technical Royalty Agreement with John Cockerill SA for the payment of 3% technical royalty fees on those portions of contracts assigned to the Company through John Cockerill SA. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), as amended from time to time, approval of the members of the Company is required for payment of brand usage or royalty when it exceeds 2% of the annual consolidated turnover of the Company as per the last audited financial statements.

Section 188 of Companies Act, 2013 ("the Act") read with Rules 15 and 16 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time, prescribes certain procedure for approval of related party transactions. Regulation 23 of the Listing Regulations, states that effective from April 1, 2022, all Material Related Party Transactions ("RPT") shall require prior approval of the shareholders by means of an Ordinary Resolution, even if such transaction(s) are in ordinary course of business and at an arms' length pricing basis. A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ₹ 1,000 crores or 10% of the annual consolidated turnover of a listed entity as per the last audited financial statements of the listed entity, whichever is lower.

Since the aggregate value of the RPT of the Company with various Related Parties is expected to exceed the threshold of 10% of the turnover of the Company during the financial year 2022-23, the Company is approaching the members for approval of the material RPTs.

The value of RPTs with various Related Parties for the financial year 2022-23 from April 1, 2022 till the date of this Notice has not exceeded the threshold limit and the Company will ensure that the same does not exceed the said threshold up to the date of this AGM i.e. August 3, 2022.

The members may note that entering into RPTs is a common practice amongst Companies to optimise synergies, They allow sharing of resources including material, production capacity, talent, knowledge, etc. and serve in the best interest of the stakeholders of such Companies, as long as the same are done on an arms' length basis and in the ordinary course of business to enhance shareholders' value. The Company foresees significant benefits accruing to it through its collaboration with John Cockerill SA and other Related Parties and hence the material RPTs are recommended for approval of the members.

The quantum of the benefits realised by the Company from these RPTs are subject to multiple variables including market circumstances, demand and supply, seasonal and geographical variations and other external conditions that will impact each Company's ability to realise synergy benefits. Hence, while the objective is to ensure equitable sharing of benefits between the Related Parties, the quantum of benefits realised by each Related Party may vary based on time, market conditions and opportunities.

The Management has provided the Audit Committee with relevant details of the proposed RPTs including material terms. The Audit Committee, after reviewing all necessary information, has granted its approval for entering into the below mentioned RPTs. The Audit Committee has noted that the said transaction(s) will be at arms' length basis and will be in the ordinary course of business. The RPTs carried out with the Related Parties will be reported on a quarterly basis to the Board of Directors of the Company (including the Audit Committee of the Board).

## Item No. 5

The relevant information pertaining to transactions with John Cockerill SA as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below :

Sr. No.	Particulars	Details of proposed RPTs between the Company and John Cockerill SA
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	John Cockerill SA is the Holding Company and holds 74.89% of the issued and paid-up capital of the Company.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	<p>The Company will enter into contracts with John Cockerill SA for sale and purchase of goods, supply of services and reimbursement of expenses for the joint projects under the leadership of John Cockerill SA. The projects will allow the Company to establish its competitiveness in markets where due to language or reference, the Company has no reach.</p> <p>The Company and John Cockerill SA have entered into :-</p> <ol style="list-style-type: none"> <li>Brand Fee Agreement for the payment of brand fees @ 0.6% of the external sales; and</li> <li>Technical Royalty Agreement for the payment of 3% technical royalty fees on those portions of contracts assigned to the Company through John Cockerill SA.</li> </ol> <p>The aggregate value of the RPTs with John Cockerill SA will not exceed ₹ 400 crores during the financial year 2022-23.</p>
c.	Tenure of the proposed RPTs	Upto March 31, 2023
d.	Value of the proposed RPTs	Estimated amount upto ₹ 400 crores.
e.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	104.71%
2.	Justification for the proposed RPTs	The projects will allow the Company to establish its competitiveness in markets where due to language barriers or non-availability of past references, the Company is not able to reach out to potential customers on its own. The transactions are also aimed at achieving synergies and economies of scale, reduce operational costs, strengthen sustainability, etc. The transactions are under the strategy of "One Metals" whereby multiple Business Units collaborate with one another, with clearly identified scope-lines to optimise the capacity utilisation.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company	
a.	Details of source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments : - Nature of indebtedness - Cost of funds - Tenure	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
d.	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPTs.	

Sr. No.	Particulars	Details of proposed RPTs between the Company and John Cockerill SA
4.	A copy of the valuation or other external party report, if any such report has been relied upon	The pricing mechanism for the RPTs would be as per arms' length criteria based on the market price or alternative pricing method of relevant materials and / or services. The transactions do not contemplate any valuation.
5.	Name of the Director or KMP who is related, if any	Mr. Yves Honhon is a Common Director in the Company and John Cockerill SA. Mr. Joao Felix Da Silva and Mr. Jean Gourp, Directors of the Company are employees of John Cockerill SA. Their interest or concern or that of their relatives is limited only to the extent of their Directorship / employment position in the Company and John Cockerill SA.
6.	Any other information that may be relevant	All relevant information as mentioned in the Explanatory Statement setting out material facts pursuant to Section 102(1) of the Act, forming part of this Notice.

As per Regulation 23 of the Listing Regulations, all entities / persons that are directly / indirectly Related Parties of the Company shall not vote on the resolution wherein approval of material Related Party Transactions is sought from the members. Accordingly, all Related Parties of the Company, including, among others, John Cockerill SA and John Cockerill Automation Private Limited and the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

Based on the recommendations of the Audit Committee, your Directors recommend Resolution No. 5 as an Ordinary Resolution for approval by the unrelated members of the Company.

Save and except Mr. Yves Honhon, Director of John Cockerill SA and Mr. Joao Felix Da Silva and Mr. Jean Gourp, employees of John Cockerill SA and, all by virtue of their respective positions in the Group, none of the other Directors / Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 5 of the Notice.

#### Item No. 6

The relevant information pertaining to transactions with John Cockerill Automation Private Limited as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below :

Sr. No.	Particulars	Details of proposed RPTs between the Company and John Cockerill Automation Private Limited ("JC Auto")
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	JC Auto is a part of the Promoter Group and holds 0.11% of the issued and paid-up capital of the Company. JC Auto is also a fellow subsidiary of the Company.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company will enter into contracts with JC Auto for sale and purchase of goods, supply of services and reimbursement of expenses.  The aggregate value of the RPTs with JC Auto will not exceed ₹ 60 crores during the financial year 2022-23.
c.	Tenure of the proposed RPTs	Upto March 31, 2023
d.	Value of the proposed RPTs	Estimated amount upto ₹ 60 crores.
e.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	15.67%
2.	Justification for the proposed RPTs	The transactions are aimed at achieving synergies and economies of scale, reduce operational costs, strengthen sustainability, etc. The transactions are under the strategy of "One Metals" whereby multiple Business Units collaborate with one another, with clearly identified scope-lines to optimise the capacity utilisation.

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details of proposed RPTs between the Company and John Cockerill Automation Private Limited (“JC Auto”)</b>
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company	
a.	Details of source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments : - Nature of indebtedness - Cost of funds - Tenure	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
d.	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPTs.	
4.	A copy of the valuation or other external party report, if any such report has been relied upon	The pricing mechanism for the RPTs would be as per arms' length criteria based on the market price or alternative pricing method of relevant materials and / or services. The transactions do not contemplate any valuation.
5.	Name of the Director or KMP who is related, if any	Mr. Joao Felix Da Silva and Mr. Jean Gourp, Directors of the Company are also Directors of JC Auto. Their interest or concern or that of their relatives is limited only to the extent of their Directorship in the Company and JC Auto.
6.	Any other information that may be relevant	All relevant information as mentioned in the Explanatory Statement setting out material facts pursuant to Section 102(1) of the Act, forming part of this Notice.

As per Regulation 23 of the Listing Regulations, all entities / persons that are directly / indirectly Related Parties of the Company shall not vote on the resolution wherein approval of material Related Party Transactions is sought from the members. Accordingly, all Related Parties of the Company, including, among others, John Cockerill SA and JC Auto and the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

Based on the recommendations of the Audit Committee, your Directors recommend Resolution No. 6 as an Ordinary Resolution for approval by the unrelated members of the Company.

Save and except Mr. Joao Felix Da Silva and Mr. Jean Gourp, Directors of JC Auto, both by virtue of their Directorship in the Company and JC Auto, none of the other Directors / Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 6 of the Notice.

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

The relevant information pertaining to transactions with John Cockerill Trading (Beijing) Company Limited as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below :

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details of proposed RPTs between the Company and John Cockerill Trading (Beijing) Company Limited (“JC Beijing”)</b>
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	JC Beijing is a fellow Subsidiary of the Company and John Cockerill SA holds 100% of the capital of JC Beijing.



<b>Sr. No.</b>	<b>Particulars</b>	<b>Details of proposed RPTs between the Company and John Cockerill Trading (Beijing) Company Limited (“JC Beijing”)</b>
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company will enter into contracts with JC Beijing for sale and purchase of goods, supply of services and reimbursement of expenses.  The aggregate value of the RPTs with JC Beijing will not exceed ₹ 200 crores during the financial year 2022-23.
c.	Tenure of the proposed RPTs	Upto March 31, 2023
d.	Value of the proposed RPTs	Estimated amount upto ₹ 200 crores.
e.	Percentage of the Company’s annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	52.25%
2.	Justification for the proposed RPTs	The transactions are aimed at achieving synergies and economies of scale, reduce operational costs, strengthen sustainability, etc. The transactions are under the strategy of “One Metals” whereby multiple Business Units collaborate with one another, with clearly identified scope-lines to optimise the capacity utilisation.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company	
a.	Details of source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments : - Nature of indebtedness - Cost of funds - Tenure	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
d.	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPTs.	
4.	A copy of the valuation or other external party report, if any such report has been relied upon	The pricing mechanism for the RPTs would be as per arms’ length criteria based on the market price or alternative pricing method of relevant materials and / or services. The transactions do not contemplate any valuation.
5.	Name of the Director or KMP who is related, if any	There are no common Directors or KMP in the Company and JC Beijing.
6.	Any other information that may be relevant	All relevant information as mentioned in the Explanatory Statement setting out material facts pursuant to Section 102(1) of the Act, forming part of this Notice.

As per Regulation 23 of the Listing Regulations, all entities / persons that are directly / indirectly Related Parties of the Company shall not vote on the resolution wherein approval of material Related Party Transactions is sought from the members. Accordingly, all Related Parties of the Company, including, among others, John Cockerill SA and John Cockerill Automation Private Limited and the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

Based on the recommendations of the Audit Committee, your Directors recommend Resolution No. 7 as an Ordinary Resolution for approval by the unrelated members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 7 of the Notice.

**Item No. 8**

The relevant information pertaining to transactions with John Cockerill UVK GmbH as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below :

<b>Sr. No.</b>	<b>Particulars</b>	<b>Details of proposed RPTs between the Company and John Cockerill UVK GmbH ("JC UVK")</b>
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	JC UVK is a fellow Subsidiary of the Company and John Cockerill SA holds 100% of the capital of JC UVK.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company will enter into contracts with JC UVK for sale and purchase of goods, supply of services and reimbursement of expenses.  The aggregate value of the RPTs with JC UVK will not exceed ₹ 100 crores during the financial year 2022-23.
c.	Tenure of the proposed RPTs	Upto March 31, 2023
d.	Value of the proposed RPTs	Estimated amount upto ₹ 100 crores.
e.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	26.12%
2.	Justification for the proposed RPTs	The transactions are aimed at achieving synergies and economies of scale, reduce operational costs, strengthen sustainability, etc. The transactions are under the strategy of "One Metals" whereby multiple Business Units collaborate with one another, with clearly identified scope-lines to optimise the capacity utilisation.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company	
a.	Details of source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments :  - Nature of indebtedness - Cost of funds - Tenure	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
d.	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPTs.	
4.	A copy of the valuation or other external party report, if any such report has been relied upon	The pricing mechanism for the RPTs would be as per arms' length criteria based on the market price or alternative pricing method of relevant materials and / or services. The transactions do not contemplate any valuation.
5.	Name of the Director or KMP who is related, if any	There are no common Directors or KMP in the Company and JC UVK.
6.	Any other information that may be relevant	All relevant information as mentioned in the Explanatory Statement setting out material facts pursuant to Section 102(1) of the Act, forming part of this Notice.

As per Regulation 23 of the Listing Regulations, all entities / persons that are directly / indirectly Related Parties of the Company shall not vote on the resolution wherein approval of material Related Party Transactions is sought from the members. Accordingly, all Related Parties of the Company, including, among others, John Cockerill SA and John Cockerill Automation Private Limited and the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

Based on the recommendations of the Audit Committee, your Directors recommend Resolution No. 8 as an Ordinary Resolution for approval by the unrelated members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 8 of the Notice.

## Item No. 9

The relevant information pertaining to transactions with CMI Engineering (Beijing) Company Limited as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below :

Sr. No.	Particulars	Details of proposed RPTs between the Company and CMI Engineering (Beijing) Company Limited ("CMI Beijing")
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	CMI Beijing is a fellow Subsidiary of the Company and John Cockerill SA holds 60% of the capital of CMI Beijing.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company will enter into contracts with CMI Beijing for sale and purchase of goods, supply of services and reimbursement of expenses.  The aggregate value of the RPTs with CMI Beijing will not exceed ₹ 100 crores during the financial year 2022-23.
c.	Tenure of the proposed RPTs	Upto March 31, 2023
d.	Value of the proposed RPTs	Estimated amount upto ₹ 100 crores.
e.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	26.12%
2.	Justification for the proposed RPTs	The transactions are aimed at achieving synergies and economies of scale, reduce operational costs, strengthen sustainability, etc. The transactions are under the strategy of "One Metals" whereby multiple Business Units collaborate with one another, with clearly identified scope-lines to optimise the capacity utilisation.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company	
a.	Details of source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments : - Nature of indebtedness - Cost of funds - Tenure	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
d.	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPTs.	
4.	A copy of the valuation or other external party report, if any such report has been relied upon	The pricing mechanism for the RPTs would be as per arms' length criteria based on the market price or alternative pricing method of relevant materials and / or services. The transactions do not contemplate any valuation.
5.	Name of the Director or KMP who is related, if any	There are no common Directors or KMP in the Company and CMI Beijing.
6.	Any other information that may be relevant	All relevant information as mentioned in the Explanatory Statement setting out material facts pursuant to Section 102(1) of the Act, forming part of this Notice.

As per Regulation 23 of the Listing Regulations, all entities / persons that are directly / indirectly Related Parties of the Company shall not vote on the resolution wherein approval of material Related Party Transactions is sought from the members. Accordingly, all Related Parties of the Company, including, among others, John Cockerill SA and John Cockerill Automation Private Limited and the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

Based on the recommendations of the Audit Committee, your Directors recommend Resolution No. 9 as an Ordinary Resolution for approval by the unrelated members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 9 of the Notice.

#### Item No. 10

The relevant information pertaining to transactions with CMI Industry Americas Inc. as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below :

Sr. No.	Particulars	Details of proposed RPTs between the Company and CMI Industry Americas Inc. ("CMI Americas")
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	CMI Americas is a fellow Subsidiary of the Company and John Cockerill SA holds 100% of the capital of CMI Americas.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company will enter into contracts with CMI Americas for sale and purchase of goods, supply of services and reimbursement of expenses.  The aggregate value of the RPTs with CMI Americas will not exceed ₹ 100 crores during the financial year 2022-23.
c.	Tenure of the proposed RPTs	Upto March 31, 2023
d.	Value of the proposed RPTs	Estimated amount upto ₹ 100 crores.
e.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	26.12%
2.	Justification for the proposed RPTs	The transactions are aimed at achieving synergies and economies of scale, reduce operational costs, strengthen sustainability, etc. The transactions are under the strategy of "One Metals" whereby multiple Business Units collaborate with one another, with clearly identified scope-lines to optimise the capacity utilisation.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company	
a.	Details of source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments : - Nature of indebtedness - Cost of funds - Tenure	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
d.	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPTs.	
4.	A copy of the valuation or other external party report, if any such report has been relied upon	The pricing mechanism for the RPTs would be as per arms' length criteria based on the market price or alternative pricing method of relevant materials and / or services. The transactions do not contemplate any valuation.
5.	Name of the Director or KMP who is related, if any	There are no common Directors or KMP in the Company and CMI Americas.
6.	Any other information that may be relevant	All relevant information as mentioned in the Explanatory Statement setting out material facts pursuant to Section 102(1) of the Act, forming part of this Notice.

As per Regulation 23 of the Listing Regulations, all entities / persons that are directly / indirectly Related Parties of the Company shall not vote on the resolution wherein approval of material Related Party Transactions is sought from the members. Accordingly, all Related Parties of the Company, including, among others, John Cockerill SA and John Cockerill Automation Private Limited and the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

Based on the recommendations of the Audit Committee, your Directors recommend Resolution No. 10 as an Ordinary Resolution for approval by the unrelated members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 10 of the Notice.

#### Item No. 11

The relevant information pertaining to transactions with CMI Energy France SAS as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below :

Sr. No.	Particulars	Details of proposed RPTs between the Company and CMI Energy France SAS ("CMI France")
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	CMI France is a fellow Subsidiary of the Company and John Cockerill SA holds 100% of the capital of CMI France.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company will enter into contracts with CMI France for sale and purchase of goods, supply of services and reimbursement of expenses.  The aggregate value of the RPTs with CMI France will not exceed ₹ 50 crores during the financial year 2022-23.
c.	Tenure of the proposed RPTs	Upto March 31, 2023
d.	Value of the proposed RPTs	Estimated amount upto ₹ 50 crores.
e.	Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	13.06%
2.	Justification for the proposed RPTs	The transactions are aimed at achieving synergies and economies of scale, reduce operational costs, strengthen sustainability, etc. The transactions are under the strategy of "One Metals" whereby multiple Business Units collaborate with one another, with clearly identified scope-lines to optimise the capacity utilisation.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company	
a.	Details of source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments : - Nature of indebtedness - Cost of funds - Tenure	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	
d.	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPTs.	
4.	A copy of the valuation or other external party report, if any such report has been relied upon	The pricing mechanism for the RPTs would be as per arms' length criteria based on the market price or alternative pricing method of relevant materials and / or services. The transactions do not contemplate any valuation.

Sr. No.	Particulars	Details of proposed RPTs between the Company and CMI Energy France SAS (“CMI France”)
5.	Name of the Director or KMP who is related, if any	There are no common Directors or KMP in the Company and CMI France.
6.	Any other information that may be relevant	All relevant information as mentioned in the Explanatory Statement setting out material facts pursuant to Section 102(1) of the Act, forming part of this Notice.

As per Regulation 23 of the Listing Regulations, all entities / persons that are directly / indirectly Related Parties of the Company shall not vote on the resolution wherein approval of material Related Party Transactions is sought from the members. Accordingly, all Related Parties of the Company, including, among others, John Cockerill SA and John Cockerill Automation Private Limited and the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

Based on the recommendations of the Audit Committee, your Directors recommend Resolution No. 11 as an Ordinary Resolution for approval by the unrelated members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 11 of the Notice.

#### Item No. 12

The relevant information pertaining to transactions with John Cockerill Renewables as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 is given below :

Sr. No.	Particulars	Details of proposed RPTs between the Company and John Cockerill Renewables (“JC Renewables”)
1.	Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs	
a.	Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	JC Renewables is a fellow Subsidiary of the Company and John Cockerill SA holds 100% of the capital of JC Renewables.
b.	Type, material terms, monetary value and particulars of the proposed RPTs	The Company will enter into contracts with JC Renewables for sale and purchase of goods, supply of services and reimbursement of expenses.  The aggregate value of the RPTs with JC Renewables will not exceed ₹ 50 crores during the financial year 2022-23.
c.	Tenure of the proposed RPTs	Upto March 31, 2023
d.	Value of the proposed RPTs	Estimated amount upto ₹ 50 crores.
e.	Percentage of the Company’s annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs	13.06%
2.	Justification for the proposed RPTs	The transactions are aimed at achieving synergies and economies of scale, reduce operational costs, strengthen sustainability, etc. The transactions are under the strategy of “One Metals” whereby multiple Business Units collaborate with one another, with clearly identified scope-lines to optimise the capacity utilisation.
3.	Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company	
a.	Details of source of funds in connection with the proposed transaction	Not Applicable
b.	Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments :  - Nature of indebtedness - Cost of funds - Tenure	
c.	Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	

Sr. No.	Particulars	Details of proposed RPTs between the Company and John Cockerill Renewables (“JC Renewables”)
d.	The purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPTs.	Not Applicable
4.	A copy of the valuation or other external party report, if any such report has been relied upon	The pricing mechanism for the RPTs would be as per arms' length criteria based on the market price or alternative pricing method of relevant materials and / or services. The transactions do not contemplate any valuation.
5.	Name of the Director or KMP who is related, if any	There are no common Directors or KMP in the Company and JC Renewables.
6.	Any other information that may be relevant	All relevant information as mentioned in the Explanatory Statement setting out material facts pursuant to Section 102(1) of the Act, forming part of this Notice.

As per Regulation 23 of the Listing Regulations, all entities / persons that are directly / indirectly Related Parties of the Company shall not vote on the resolution wherein approval of material Related Party Transactions is sought from the members. Accordingly, all Related Parties of the Company, including, among others, John Cockerill SA and John Cockerill Automation Private Limited and the Directors and Key Managerial Personnel of the Company will not vote on this resolution.

Based on the recommendations of the Audit Committee, your Directors recommend Resolution No. 12 as an Ordinary Resolution for approval by the unrelated members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 12 of the Notice.

#### ITEM NO. 13

##### **Ratification of remuneration payable to the Cost Auditor**

The Company is required, under the provisions of Section 148(3) of the Companies Act, 2013 (“the Act”), read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, to have the audit of its cost records conducted by a Cost Accountant in practice.

The Board of Directors, on the recommendation of the Audit Committee, at its meeting held on May 26, 2022, had approved the appointment and remuneration of M/s. Kishore Bhatia & Associates, Cost Accountants, Mumbai (Firm Registration No. 00294) as Cost Auditor to conduct the audit of the cost accounting records of the Company for the financial year 2022-23.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the remuneration payable to the Cost Auditor, as recommended by the Audit Committee and approved by the Board of Directors of the Company, has to be ratified by the members of the Company.

The Board, subject to ratification by the members, has approved remuneration of ₹ 2.70 lakhs (previous year ₹ 2.30 lakhs) plus reimbursement of out-of-pocket expenses, for conducting the cost audit for the financial year 2022-23.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 13 of the Notice for ratification of the remuneration payable to the Cost Auditor, as above.

Your Directors recommend Resolution No. 13 as an Ordinary Resolution for approval by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution set out at Item No. 13 of the Notice.

**By Order of the Board of Directors  
For John Cockerill India Limited**

**Haresh Vala**  
Company Secretary

Mumbai  
May 26, 2022

##### **Registered office :**

Mehta House, Plot No. 64,  
Road No. 13, MIDC, Andheri (East),  
Mumbai - 400 093

**Tel. No.:** 022-66762727 | **Fax No.:** 022-66762737/38

**CIN:** L99999MH1986PLC039921

**Email:** investors@johncockerillindia.com

**Website:** www.johncockerillindia.com

**APPENDIX A**

**Details of the Directors proposed to be appointed / re-appointed pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings**

<b>Name of the Director</b>	<b>Mr. Jean Gourp</b>	<b>Mr. Vivek Bhide</b>
<b>Director Identification Number</b>	02268912	02645197
<b>Date of Birth</b>	January 15, 1972	December 26, 1966
<b>Date of first appointment on the Board of the Company</b>	June 25, 2020	February 8, 2020
<b>Qualifications</b>	<p>Engineer with a degree in Mechanical and Production engineering from I.N.S.A. Toulouse. Studied Engineering and Business Management at University of Surrey, Great Britain.</p> <p>Executive MBA from INSEAD business school.</p>	<p>Bachelor of Technology Degree in Mechanical Engineering from the Indian Institute of Technology, Mumbai.</p> <p>Master of Science Degree in Statistics from the University of Delaware.</p> <p>Certificate in Disruptive Strategy from the Harvard Business School.</p>
<b>Experience (including expertise in specific functional area) / Brief Resume</b>	Mr. Gourp is having experience in manufacturing, sales and general management.	Mr. Bhide has over 27 years of experience in the chemical and industrial manufacturing domain. He has strong leadership qualities and has grown well in his career. His global exposure covers India and overseas markets enabling him to gain hands on exposure of cross-cultural working.
<b>Shareholding in the Company (as on the date of the Notice)</b>	Nil	Nil
<b>Relationship with other Director / Key Managerial Personnel of the Company</b>	Not related to any Director / Key Managerial Personnel	Not related to any Director / Key Managerial Personnel
<b>List of Directorships held in other Companies (as on the date of the Notice)</b>	<ul style="list-style-type: none"> <li>▪ John Cockerill Automation Private Limited</li> </ul>	<ul style="list-style-type: none"> <li>▪ CMI India Engineering Private Limited</li> </ul>
<b>Chairman / Member of the Committees of the Boards of other Companies in which he / she is a Director</b>	None	None
<b>Terms and conditions of appointment / re-appointment</b>	As per the Resolution No. 3 of the Notice read with the Explanatory Statement thereto.	As per the Resolution No. 4 of the Notice read with Explanatory Statement thereto.
<b>No. of Board Meetings attended during the year (FY 2021-22)</b>	5	5
<b>Remuneration last drawn (including sitting fees, if any) (FY 2021-22)</b>	Nil	₹ 386.13 lakhs
<b>Details of remuneration proposed to be paid</b>	Nil	As mentioned in the Resolution No. 4 of the Notice and as may be decided by the Board within the overall limits approved by the members.



# Directors' Report

Dear Members,

The Board of Directors of the Company are pleased to present the Thirty-Sixth Annual Report of John Cockerill India Limited ("the Company") on the business and operations of the Company, together with the audited financial statements of the Company for the year ended March 31, 2022.

## FINANCIAL PERFORMANCE

(₹ in lakhs)

Particulars	Financial Year 2021-2022	Financial Year 2020-2021
<b>Total Income</b>	<b>38,923.61</b>	20,035.64
Profit before depreciation and amortisation expense, finance costs and tax expense	<b>1,593.91</b>	(2,498.90)
Less :		
Depreciation and amortisation expense	<b>466.17</b>	503.32
Finance costs	<b>684.82</b>	18.70
<b>Profit / (Loss) before Tax</b>	<b>442.92</b>	(3,020.92)
Less : Tax expense :		
Current tax	<b>(7.75)</b>	-
Deferred tax	<b>(13.35)</b>	(114.71)
<b>Profit / (Loss) for the year</b>	<b>464.02</b>	(2,906.21)
Other comprehensive income for the year, net of tax	<b>39.68</b>	(59.17)
Total comprehensive income for the year	<b>503.70</b>	(2,965.38)

## OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE

### Operating Review

At the beginning of the financial year in April 2021, India was impacted with the 2<sup>nd</sup> wave of COVID-19 pandemic with nearly 7 million new cases being reported in April 2021. The 2<sup>nd</sup> wave started to recede from June 2021 onwards but continued till September 2021 with less than 30,000 cases being reported per day. Thus, for a significant part of the year, the overall economic activity in the country was highly impacted. However, since the project activities at our major customer sites were running, in spite of significant disruptions in the supply chain, the equipment deliveries for the major running projects have been completed to the extent of more than 85%. As a result of increased business activities, the revenue from operations has increased to ₹ 382.78 crores in FY 2021-22 from ₹ 198.06 crores in FY 2020-21 and the Company have managed to achieve profit before tax of ₹ 4.43 crores in FY 2021-22 as against loss of ₹ 30.21 crores in FY 2020-21.

### Business Prospects

In March 2022, the Company has won the largest order in its history for a value of more than ₹ 1,000 crores for supply of 2 processing lines to ArcelorMittal Nippon Steel India Limited. With the return of economic activity, the overall steel demand has been increasing gradually. With the Indian steel industry demonstrating a V-shaped recovery in steel production and special emphasis from the Government on infrastructure development through schemes such as PM Gati Shakti Plan, National Infrastructure Pipeline ("NIP"), Bharatmala Project etc., steel production is poised for significant growth in coming years. The existing customers of the Company such as Tata Steel and JSW have announced significant capital expenditure plans of more than ₹ 35,000 crores, a bulk of which will be spent on capacity expansion. Under the "Panchamrita plan" laid before United Nations Framework Convention (CoP26) in

November 2021, India has announced its targets to reduce the carbon intensity of its economy by 45% in 2030. This will open up opportunities for the Company to provide solutions in "De-carbonisation" of steel manufacturing process and use of green Hydrogen in steel making process. The Company is observing this market and is geared up to grab the opportunities with support from John Cockerill SA, its majority shareholder.

The Company is actively pursuing further new orders worth a few hundred crores from some domestic and overseas customers, which are in advanced stages. Apart from this, the Company is working on several back-up opportunities worth sizeable amounts, where technical and commercial discussions are going on with various prospective customers.

### Material Changes and Commitments

There are no material changes and commitments affecting the financial position of the Company which has occurred between the close of the financial year on March 31, 2022 to which the financial statements relates and date of this report. There has been no change in the nature of business of the Company.

### DIVIDEND

The Board of Directors, at its meeting held on May 26, 2022, have recommended a final dividend for the financial year 2021-22 at the rate of ₹ 2/- per equity share having face value of ₹ 10/- each amounting to ₹ 98.76 lakhs. The dividend will be paid after approval of the members at the ensuing Annual General Meeting ("AGM") of the Company. The Tax Deducted at Source ("TDS") will be deducted by the Company, wherever applicable, as per the provisions of the Income Tax Act, 1961.

The Board of Directors decided not to transfer any amount to the General Reserve for the year under review.

## GROUP ACTIVITIES

The name of the Holding Company has changed from Cockerill Maintenance and Ingénierie SA (CMI SA) to John Cockerill SA. The registered office address of John Cockerill SA has also been changed to Rue Jean Potier 1, 4100 Seraing, Belgium. John Cockerill SA is part of the John Cockerill Group having interest in sectors like Energy, Defence, Industry, Environment and Services. The Company is a part of the Industry Sector of the John Cockerill Group.

The Company continues to have close, collaborative relationship with customers supported by an extended global manufacturing network aligned with customer locations. John Cockerill Group focuses on R & D activities, investments have been made to support long-term profitable growth and extending help to the customers in value creation.

The John Cockerill Group has been extremely supportive of their Indian operations and continues to provide constant support in terms of technology, research and development, systems, manufacturing, human resources, etc.

## COMPANY'S RESPONSE TO COVID-19

Globally COVID-19 crisis continued to impact during the part of the year 2021-22 as well. The unprecedented health crisis triggered by the COVID-19 pandemic not only posed a significant threat to human life but also impacted livelihood. After combating the first wave of coronavirus, the second and third wave continued to impact life and business. Vaccination has had a crucial role in restricting the impact of COVID-19, restoring confidence in the economy, and decreasing the effects of coronavirus on India's economy.

The Company embarked on a voluntary vaccination drive covering the employees and their family members by providing vaccines in collaboration with top-quality healthcare organisation to ensure the good health and well-being of its people. This was timely and appreciated by the families as well and it gave an impetus to our employees to come to work.

Both the factories worked efficiently during the year despite the continuation of COVID-19 pandemic. Safety measures and processes have been installed and improved upon at all factories and work sites. Necessary safety and hygiene protocols like wearing of face masks, social distancing norms, workplace sanitation and employee awareness programmes were followed in compliance with the regulations of the local authorities. While "work-from-home" has been discontinued and all employees are now working from offices, the related infrastructure has been preserved and the Company is geared up to adopt to a flexible working mode whenever required.

## SUBSIDIARY COMPANIES AND FINANCIAL STATEMENTS

The Company does not have any subsidiaries and hence no details need be provided in Form AOC-1.

In accordance with the provisions of Section 136 of the Companies Act, 2013 ("the Act"), the audited financial statements and related information of the Company are available on the website of the Company at [www.johncockerillindia.com](http://www.johncockerillindia.com).

## SHARE CAPITAL

The paid-up equity share capital of the Company as on March 31, 2022 is ₹ 493.78 lakhs. During the year under review, the Company has neither issued any shares (including shares with differential voting rights) nor granted stock options or sweat equity.

## DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposit within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

## TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company was not required to transfer any amount to Investor Education and Protection Fund ("IEPF") during the year under review.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not provided any loan or guarantee or made investments covered under the provisions of Section 186 of the Act and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations").

## CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Corporate Social Responsibility ("CSR") Policy of the Company is in alignment with the requirements of the Act. Pursuant to the provisions of Section 135 of the Act, the Company has constituted a CSR Committee to monitor the CSR activities of the Company, details of which are provided in the Corporate Governance Report, forming part of this Report.

The Company is committed to CSR and strongly believes that the business objectives of the Company must in congruence with the legitimate development needs of the society in which it operates. During the year under review, the Company incurred CSR expenditure of ₹ 40.15 lakhs - which was more than the statutory minimum of ₹39.34 lakhs required to be spent by the Company. The Company has supported educational opportunities for children and youth, as well as those coming from a disadvantaged background. The Company believes that these CSR initiatives should be sustainable and with the long-term purpose of improving the quality of living for the less privileged and for increasing social assets. The funds are being carefully spent on such CSR projects that will result in the ultimate objectives stated in the Company's CSR policy. The Annual Report on CSR is attached as Annexure 1.

The CSR projects of the Company are focused in the areas of environment and sustainability, healthcare, promotion of education and skill development. The Company has created a tab on the home page of the Company's website for CSR related information to be displayed. The information related to CSR Committee, CSR policy and the projects undertaken by the Company are updated there regularly.

The Chief Financial Officer of the Company has certified to the Board that the funds disbursed for CSR activities were utilized for that purpose.

Due to various waves of COVID-19 pandemic, movement of CSR team faced many challenges in the year 2020-21, despite best efforts, while executing various CSR projects undertaken by the Company which resulted into a shortfall from the amount prescribed under the Act. The shortfall amount of ₹ 59.39 lakhs were transferred to Unspent CSR account to be spent on ongoing projects identified by the Company for health and education in a phased manner. The CSR Committee recommended the annual action plan which was approved by the Board. During the year under review, the Company had spent ₹ 14.16 lakhs out of the unspent amount of ₹ 59.39 lakhs. The balance unspent amount of ₹ 45.23 lakhs will be spent in the next two years.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Retirement by rotation

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Jean Gourp (DIN 02268912), Non-Executive Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting ("AGM") of the Company and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

### Changes in Board

During the year under review, Dr. Urjit Patel (DIN 00175210) resigned as a Director of the Company with effect from January 31, 2022. The Board of Directors of the Company, placed on record its appreciation for the contribution made by Dr. Urjit Patel as Director of the Company during his short association with the Company.

The Board at its meeting held on March 18, 2022, on the recommendation of the Nomination and Remuneration Committee appointed Mr. Praveen Kadle (DIN 00016814) as Additional Director of the Company with effect from April 1, 2022. As mandated by Regulation 17(1C) of the Listing Regulations, applicable from January 1, 2022, the appointment of Mr. Praveen Kadle was approved by the members of the Company through Postal Ballot on April 22, 2022. The details of Postal Ballot process and results is provided in the Corporate Governance Report, which forms part of this Report.

### Re-appointment of Managing Director

The current term of Mr. Vivek Bhide as the Managing Director of the Company will expire on February 7, 2023. At the meeting held on May 26, 2022, the Board of Directors, acting on the recommendation of the Nomination and Remuneration Committee, have approved his re-appointment for a further period of 5 (five) years, on revised terms of remuneration for a period of 3 (three) years, etc., subject to the approval of the members of the Company, and of the Central Government, if required. The necessary resolution for his re-appointment is being placed before the members for approval. The Board recommends the re-appointment of Mr. Vivek Bhide to the members for their approval at the ensuing AGM.

Detailed profile of the Directors seeking appointment / re-appointment along with other necessary details as required are provided in the Notice of the Thirty-Sixth Annual General Meeting of the Company.

Apart from the aforesaid changes, there are no changes in the Directors and Key Managerial Personnel of the Company. The details of the number and dates of meetings held by the Board and its Committees, attendance of Directors and remuneration paid to them are given separately in the Corporate Governance Report which forms a part of this Report.

### Key Managerial Personnel

The following were the Key Managerial Personnel ("KMP") of the Company, in full compliance with the provisions of Section 203 of the Act during the year ended March 31, 2022 :

- |      |                  |                         |
|------|------------------|-------------------------|
| i)   | Mr. Vivek Bhide  | Managing Director       |
| ii)  | Mr. Kiran Rahate | Chief Financial Officer |
| iii) | Mr. Haresh Vala  | Company Secretary       |

### Declaration by the Independent Directors

All the Independent Directors have submitted the declaration of their independence, stating that they continue to fulfil the criteria of

independence as required pursuant to Section 149 of the Act and the Listing Regulations. The Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further the Board after taking these declaration / disclosures on record and acknowledging the veracity of the same, opined that the Independent Directors are persons of integrity and possess the relevant expertise and experience, fulfils the conditions specified in the Listing Regulations and the Act for appointment of Independent Directors and are independent of the management.

The Independent Directors have confirmed that their names have been included in the data bank of Independent Directors as prescribed under the Act.

### Performance Evaluation of the Board

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an evaluation of its own, its Directors individually as well as the evaluation of its working of its Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

The Board and the Nomination and Remuneration Committee confirmed that the performance evaluation was completed during the year under review.

### Feedback Mechanism

Chairman held a one-on-one meeting with each of the individual Independent Directors as a part of self-appraisal and peer-group evaluation; the engagement and impact of individual Director was reviewed on parameters such as attendance, knowledge and expertise, inter-personal relationship, engagement in discussion and decision-making process, actions oriented and others. The Directors were also asked to provide their valuable feedback and suggestions on the overall functioning of the Board and its Committees and the areas of improvement for a higher degree of engagement with the Management.

### Meeting of Independent Directors

The Independent Directors of the Company met on February 3, 2022 without the presence of the Chairman, Managing Director, other Non-Independent Directors or any other managerial personnel.

### Familiarisation Programme for Directors

The Company has in place a familiarisation programme for the Directors (including Independent Directors) to familiarise them with their roles, rights, responsibilities, nature of the Industry, Company's strategy, business plan, operations, markets, products, etc. The details of the Company's familiarisation programme is available on the Company's website at [www.johncockerillindia.com](http://www.johncockerillindia.com), and is also dealt in detail in the Corporate Governance Report.

### Remuneration Policy

The Company follows a policy on the remuneration of the Directors and Senior Management employees. The policy is approved by the Nomination and Remuneration Committee and the Board. The main objective of the said policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and Senior Management employees. The remuneration involves a balance between fixed and incentive components, reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The

remuneration policy is available on the website of the Company – www.johncockerillindia.com.

The details of the Remuneration Policy are mentioned in the Corporate Governance Report which forms a part of this Report.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 134 of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that :

- a. in the preparation of the annual accounts, the applicable Accounting Standards have been followed and that no material departures have been made from the same;
- b. they have selected such accounting policies as mentioned in the Notes to the financial statements 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 the end of the financial year and of the Statement of Profit and Loss and Cash Flow of the Company for the year ended on that date;
- c. proper and sufficient care has been taken 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 annual accounts have been prepared on a 'going concern' basis;
- e. proper internal financial controls to be followed by the Company have been instituted, that such internal financial controls are adequate and were operating effectively; and
- f. proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems are adequate and are operating effectively.

## **MEETINGS**

5 (five) Board Meetings were held during the year 2021-22 on May 27, 2021, August 3, 2021, October 28, 2021, February 4, 2022 and March 18, 2022. The Thirty-Fifth Annual General Meeting of the Company was held on August 4, 2021 through video conferencing.

Details of the meetings are provided in the Corporate Governance Report which forms a part of this Report. The intervening gaps between the meetings were within the limits prescribed under the Act and the Listing Regulations.

## **COMMITTEES OF THE BOARD**

The Company has duly constituted the Committees required under the Act read with the applicable Rules made thereunder and the Listing Regulations, and also a few other Committees— though not mandatory. As on March 31, 2022, the following Committees of the Board were functional:

- i. Audit Committee
- ii. Stakeholders Relationship Committee
- iii. Nomination and Remuneration Committee
- iv. Corporate Social Responsibility Committee
- v. Risk Management Committee
- vi. Borrowings Committee
- vii. Banking Operations Committee

The details with respect to the composition of the Committees, their terms of reference and attendance at the meetings of the aforesaid Committees of the Board are given in the Corporate Governance Report which forms a part of this Report.

## **AUDITORS**

### **Statutory Auditors**

At the Thirty-Second AGM held on July 27, 2018, the members of the Company had appointed M/s. S R B C & Co. LLP, Chartered Accountants (ICAI Registration No. 324982E/E300003) as the Statutory Auditors of the Company for an initial term of five years till the conclusion of the Thirty-Seventh AGM of the Company to be held in the year 2023. In accordance with the Companies Amendment Act, 2017, enforced by the Ministry of Corporate Affairs on May 7, 2018, the appointment of the Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Statutory Auditors have confirmed that they comply with all the requirements and criteria and are qualified to continue to act as the Statutory Auditors of the Company.

M/s. S R B C & Co. LLP have issued their Independent Auditors Report on the financial statements for the financial year ended March 31, 2022 and they have made no qualification, reservation or adverse remark or disclaimer in their Report. The Notes thereto are self-explanatory and do not require any explanations from the Board.

During the year under review, the Statutory Auditors have not reported any instances of fraud committed against the Company by its Officer or employees as specified under Section 143(12) of the Act and therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### **Cost Auditor**

Pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board, on the recommendation of the Audit Committee, appointed M/s. Kishore Bhatia & Associates, Cost Accountants (Firm Registration No. 000294) as the Cost Auditors of the Company for conducting the cost audit for the financial year 2022-23 and has recommended their remuneration to the shareholders of the Company for their ratification at the ensuing AGM. M/s. Kishore Bhatia & Associates have given their consent to act as Cost Auditors and confirmed that their appointment is within the limits of Section 139 of the Act. They have also certified that they are free from any disqualifications specified under Section 141 of the Act. The Audit Committee has also received a certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company. Pursuant to the Companies (Cost Records and Audit) Rules, 2014, the Cost Audit Report for the financial year ended March 31, 2021, was filed with the Central Government before the due date.

During the year under review, the Cost Auditor had not reported any matter under Section 143(12) of the Act, and therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

### **Secretarial Auditor**

The Board had appointed M/s. VKM & Associates, a firm of Company Secretaries in Practice (Certificate of Practice No. 4279) to carry out the Secretarial Audit of the Company under the provisions of Section 204 of the Act. The Company had received consent from M/s. VKM & Associates to act as the Secretarial Auditor for conducting the audit of the Secretarial records for the financial year ended March 31, 2022.

The Secretarial Audit Report for the financial year ended March 31, 2022 has been annexed as Annexure 2 to this Report.

The Company has undertaken an audit for the financial year ended March 31, 2022 for all applicable compliances as per applicable SEBI Regulations / circulars / guidelines issued thereunder, pursuant to requirement of the Listing Regulations. The Annual Secretarial Compliance Report duly issued by M/s. VKM & Associates has been annexed as Annexure 3 to this Report.

There is no qualification, reservation, adverse remark or disclaimer by the Secretarial Auditor in their Secretarial Audit Report and therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

## HUMAN RESOURCES AND PARTICULARS OF EMPLOYEES

The Company believes that one of its biggest assets is its human resources. The Company is committed to the holistic development including mental health and well-being of its employees. The Company believes that human resources contribute a lot towards the success of the organisation and hence the Company puts in a lot of emphasis in nurturing this valuable asset. An organisational culture that encourages employees for active and energetic participation can go a long way towards the growth of the organisation and the Company puts in all the necessary efforts to create such a culture. A detailed note on Human Resources is provided in the Management Discussion and Analysis ("MDA") Report, which forms part of this Report.

The statement of disclosures of remuneration as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, is annexed as Annexure 4 and forms an integral part of this Report.

The information regarding employee remuneration as required pursuant to Rule 5(2) and 5(3) of the above Rules is available for inspection. A statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules will be provided upon request. In terms of first proviso to 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. Any member interested in obtaining a copy thereof may write to the Company Secretary.

None of the employees listed in the said Annexure is related to any Director of the Company. None of the employees holds (by himself or along with his / her spouse and dependent children) more than 2% of the equity shares of the Company.

### Health and Safety

The Company is committed to Health and Safety of its employees, contractors and visitors. The details on Health and Safety are provided in the MDA Report, which forms part of this Report.

### Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH") and the Rules made thereunder, the Company has adopted a policy for the same. The Company has constituted an Internal Committee with internal members, and Mrs. Gauri Nilakantan (who has extensive experience in this field) as an external member of the Committee.

All employees, especially women employees, were made aware of the Policy and the manner in which the complaints can be lodged.

The following is reported pursuant to Section 22 of the POSH and Regulation 34(3) read with sub-clause 10(l) of Clause C of Schedule V of the Listing Regulations for the year ended March 31, 2022 :

a.	Number of complaints of sexual harassment received / filed during the year	Nil
b.	Number of complaints disposed of during the year	Nil
c.	Number of complaints pending for more than ninety days	Nil
d.	Number of complaints pending as on end of financial year	Nil
e.	Number of workshops or awareness programs carried out	2
f.	Nature of action taken by the employer or District officer	Not Applicable

During the year under review, no case of sexual harassment in the Company was reported.

## RISK MANAGEMENT

As per the amended Listing Regulations, constitution of a Risk Management Committee is not mandated to the Company. However, in line with the best global practices, and aligned with the Risk Management Policy of John Cockerill SA (the holding Company), the Board of Directors has voluntarily constituted a Risk Management Committee in 2014, has evolved a Risk Management Policy, and has developed the operating guidelines governing the functioning of this Committee.

The Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans, risk reporting and carries out other related activities. The purpose of the Committee is to assist the Audit Committee in fulfilling its oversight responsibilities with regard to enterprise risk management.

The composition and terms of reference of the Risk Management Committee are covered under the Corporate Governance Report, which forms part of this Report. Important elements of risk are discussed in the MDA Report, which forms part of this Report.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The establishment of an effective internal control system is essential for sustainable growth and long-term improvements in corporate value, and accordingly, the Company works to strengthen such structures. The Company believes that a strong internal control framework is an important pillar of Corporate Governance.

The current system of internal financial controls is aligned with the requirements of the Act and is in line with globally accepted risk-based framework as issued by the Committee of Sponsoring Organisations (CoSO) of the Treadway Commission. The framework includes entity-level policies, processes and Standard Operating Procedures (SOP). Compliance with these policies and procedure is ingrained into the management review process. Moreover, the Company regularly reviews them to ensure both the relevance and comprehensiveness of the internal financial controls.

The Company periodically assesses the design as well as operational effectiveness of its internal controls across multiple functions and locations through internal audit exercises. Based on the assessment of internal audit function, process owners undertake corrective action in their respective areas, and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. Based on its evaluation (as provided under Section 177 of the Act and Clause 18 of the Listing Regulations), the Audit Committee has concluded that as on March 31, 2022, the Internal Financial Controls were adequate and operating effectively.

M/s. S R B C & Co. LLP, Statutory Auditors of the Company have audited the financial statements included in this Annual Report and have issued a report on the internal controls over financial reporting (as defined in Section 143 of the Act).

The details and the process of internal control systems, as implemented by the Company, are provided in the MDA Report, which forms part of this Report.

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

The Company has over the years, established a reputation for conducting business with integrity and displays zero tolerance for any unethical behaviour. The Company believes that potential risk of fraud, corruption and unethical behaviour could adversely impact the Company's business operations, performance and reputation. With a view to create ethical environment and to mitigate the risk of fraud, a Whistle Blower Policy has been laid down to provide for adequate safeguard against victimization of Directors and employees who use the mechanism. The Whistle Blower Policy can be assessed on the Company's website at <https://johncockerillindia.com/financialreport.aspx?Subcat=Whistleblower%20Policy&InvestorType=Policies>.

The policy encourages Directors, employees and third parties to bring to the Company's attention, any instances of illegal or unethical conduct, actual or suspected incidents of fraud, actions that affects the operational and financial integrity and actual or suspected instances of leak of unpublished price sensitive information that could adversely impact the operations, business performance and / or reputation.

During the year under review, the employees were encouraged to report any incidents and were informed about the availability of direct access / approach to the Chairman of the Audit Committee, wherever necessary. It is confirmed that no personnel of the Company, in the context of whistle blowing, has been denied access to the Chairman of the Audit Committee.

### **CODE OF CONDUCT**

The Company has laid down a robust Code of Conduct, which is based on the principles of ethics, integrity and transparency. More details about the Code of Conduct are given in the Corporate Governance Report.

### **COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by The Institute of Company Secretaries of India, that such systems are adequate and are operating effectively. During the year under review, the Company was in compliance with the Secretarial Standards i.e. SS-1 and SS-2, relating to "Meetings of the Board of Directors" and "General Meetings" respectively.

### **INSURANCE**

The Company has taken adequate insurance coverage of all its assets and inventories against various types of risks viz. fire, floods, earthquake, cyclone, etc. and also transit insurance to cover the risk during transportation of goods from its plants to customer project sites.

Directors' & Officers' Liability (D & O) policy covers the Directors and Officers of the Company against the risk of third-party claims arising out of their actions / decisions in the normal course of discharge of their duties, which may result in financial loss to any third party.

The employees of the Company are covered under various employee benefit Group insurance schemes that provide cover for Hospitalization, Accidental Disability and Death.

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

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions, which is available on the Company's website at <https://johncockerillindia.com/financialreport.aspx?Subcat=RPT%20Policy%20as%20per%20LODR&InvestorType=Policies>

All the related party transactions entered into by the Company during the financial year were on arm's length basis and in the ordinary course of business and adhered to the applicable provisions of the Act and the Listing Regulations. There were no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or others, which may have a potential conflict with the interest of the Company at large. No material contracts or arrangements with related parties were entered during the year. All related party transactions were presented to the Audit Committee and the Board. Omnibus approval is obtained for the transactions which are repetitive in nature and also for the transactions which are not foreseen (subject to financial limit).

A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

John Cockerill SA (formerly CMI SA) is the Holding Company of the Company, and all the subsidiaries of John Cockerill SA are treated as related parties of the Company. Such related party transactions, including those with the Holding Company and fellow subsidiaries, which have been carried out during the current year and previous year are mentioned in the Annual Report in accordance with the Indian Accounting Standards 24 on Related Party Transactions notified by the Companies (Indian Accounting Standards) Rules, 2015, as amended, and are not repeated in this Report of the Directors. None of the related party transactions entered into by the Company was in conflict with the Company's interests.

In compliance with the provisions of Regulation 34(3) read with Schedule V(A) of the Listing Regulations read with Section 134(3)(h) of the Act, it is confirmed that no loans or advances in the nature of loans have been received or paid to the Holding Company or any Fellow Subsidiary or any Director or to any firms or companies in which a Director is interested and no investments have been made in the shares of the Holding Company or any of its subsidiaries. The Company does not have any subsidiaries. The Company has no investments. The prescribed disclosure in Form AOC-2 in terms of Section 134 of the Act is not required.

At the Thirty-Fifth AGM held on August 4, 2021, the members of the Company approved the material related party transactions with CMI SA

(name changed to John Cockerill SA), John Cockerill Automation Private Limited and Beijing Cockerill Trading Company Limited (name changed to John Cockerill Trading (Beijing) Company Limited) for transactions over a period of 3 years which are to be considered material in terms of the Listing Regulations.

The approval of the members of the Company is sought in terms of the Listing Regulations for the payment of Brand fee @ 0.6% of the external sales and for the payment of 3% technical royalty fees to John Cockerill SA on those portions of contracts assigned to the Company through John Cockerill SA and also for other Related Party Transactions with various Related Parties.

None of the Directors and the Key Managerial Personnel has any pecuniary relationship or transactions with the Company.

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

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

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

The information pertaining to energy conservation, technology absorption, foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014 are provided in Annexure 5, and forms an integral part of this Report.

#### **CORPORATE GOVERNANCE**

The Company believes in attainment of highest levels of transparency in all facets of its operations and maintains an unwavering focus on imbuing good Corporate Governance practices. The Company continues to strengthen its governance principles to generate long-term value for its various stakeholders on a sustainable basis through ethical leadership both at the Board and at the Management levels.

A report on Corporate Governance, and a Certificate from M/s. S R B C & Co. LLP, Chartered Accountants, Statutory Auditors of the Company regarding the compliance with the conditions of Corporate Governance, as stipulated under the Schedule V of the Listing Regulations, is attached to the Report of Corporate Governance.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 read with Schedule V of the Listing Regulations is presented in a separate section, forming part of this Annual Report.

#### **GREEN INITIATIVES**

During the year under review, the Company has continued the “digital platforms” for various meetings including the Board and Committee meetings, internal meetings and meetings with external stakeholders such as customers and vendors. This has helped the Company to reduce multiple sector travel from Europe and from within India for the Directors and others – several times a year – thereby reducing gas / carbon emission and dissemination of information in paper form for various meetings. All the employees, the Board members and external stakeholders have adapted to the new tools & platforms quickly and the experience of adopting a nearly “all-digital” process for all meetings keeps getting better.

#### **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, copies of the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 are placed on the website of the Company - [www.johncockerillindia.com](http://www.johncockerillindia.com). This extract is also annexed as Annexure 6 and forms an integral part of this Report.

#### **ACKNOWLEDGEMENT**

The Directors place on record their deep appreciation to every member of John Cockerill family for the hard work, dedication and commitment, to whom the credit for the Company’s achievements goes, particularly during this unprecedented time. The Directors would also like to acknowledge the valuable contribution by the Company’s Promoters, John Cockerill SA, in achieving continuous improvement in business practices.

The Company looks upon its suppliers, distributors, retailers, business partners and others associated with it as Partners in its progress, and the Board places on record its appreciation for the support and co-operation from all of them. The Directors take this opportunity to express their deep sense of gratitude to the Banks, Auditors, Government and Regulatory authorities, both at Central and State level, for their continued guidance and support.

The Directors also wish to place on record their appreciation of the contributions made by employees at all levels and look forward to their support in future as well.

And to the shareholders, the Directors are deeply grateful for the confidence and faith reposed by them.

**For and on behalf of the Board**

**Joao Felix Da Silva**  
Chairman  
DIN 07662251

Mumbai  
May 26, 2022

**Annual Report on Corporate Social Responsibility activities for the financial year April 1, 2021 to March 31, 2022**

1. Brief outline on CSR policy of the Company : The Company undertakes its CSR activities for the development of the society. The developmental interventions focus on Education, Health and Environment. The vision is to actively contribute to the social and economic development of the communities in which the Company operates, and in doing so, to build a better, sustainable way of life for the weaker sections of the society.
2. **Composition of CSR Committee and Attendance :**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings attended during the year
1.	Ms. Roma Balwani	Chairperson / Independent Director	1	1
2.	Mr. Jean Gourp*	Member / Non-Executive Director	1	1
3.	Mr. Vivek Bhide	Member / Managing Director	1	1

\* Mr. Jean Gourp had been appointed as a member of the CSR Committee in place of Mr. Yves Honhon effective from April 1, 2021.

3.	Web-link where composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company	www.johncockerillindia.com
4.	Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)	Not Applicable
5.	Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any	Not Applicable
6.	Average net profit of the Company as per Section 135(5) of the Act	₹ 1,967.21 lakhs
7.	(a) Two percent of average net profit of the Company as per Section 135(5) of the Act	₹ 39.34 lakhs
	(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years	Nil
	(c) Amount required to be set off for the financial year, if any	Nil
	(d) Total CSR obligation for the financial year (7a + 7b + 7c)	₹ 39.34 lakhs

8. (a) CSR amount spent or unspent for the financial year

Total amount spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 40,15,030	Not Applicable				

- (b) Details of CSR amount spent against ongoing projects for the financial year : **Not Applicable**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes / No)	Location of the Project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of implementation - Direct (Yes / No)	Mode of implementation - Through implementing Agency	
				State	District						Name	CSR Registration No.



(c) Details of CSR amount spent against other than ongoing projects for the financial year :

Name of the Project	COVID Relief
Item from the list of activities in Schedule VII to the Act	(i)
Local Area (Yes / No)	Yes
Location of the Project	Hedavali
State	Maharashtra
District	Raigad
Amount spent in the current financial year (in ₹)	₹ 20,40,000
Mode of implementation - Direct (Yes / No)	No
Mode of implementation – Through implementing Agency	
Name	Doctors For You
CSR Registration No.	CSR00000608

Name of the Project	Eradicating hunger, poverty and malnutrition
Item from the list of activities in Schedule VII to the Act	(i)
Local Area (Yes / No)	Yes
Location of the Project	Hedavali
State	Maharashtra
District	Raigad
Amount spent in the current financial year (in ₹)	₹ 5,75,030
Mode of implementation - Direct (Yes / No)	Yes
Mode of implementation – Through implementing Agency	Not Applicable
Name	
CSR Registration No.	

Name of the Project	Promoting Education
Item from the list of activities in Schedule VII to the Act	(ii)
Local Area (Yes / No)	Yes
Location of the Project	Mumbai
State	Maharashtra
District	Mumbai
Amount spent in the current financial year (in ₹)	₹ 9,00,000
Mode of implementation - Direct (Yes / No)	No
Mode of implementation – Through implementing Agency	
Name	Rotary Club of Powai Charitable Trust
CSR Registration No.	CSR00006930

Name of the Project	Ensuring environment sustainability
Item from the list of activities in Schedule VII to the Act	(iv)
Local Area (Yes / No)	Yes
Location of the Project	Mumbai
State	Maharashtra
District	Mumbai
Amount spent in the current financial year (in ₹)	₹ 500,000
Mode of implementation - Direct (Yes / No)	No
Mode of implementation – Through implementing Agency	
Name	Rotary Club of Powai Charitable Trust
CSR Registration No.	CSR00006930

- (d) Amount spent in Administrative Overheads : Nil
- (e) Amount spent on Impact Assessment, if applicable : Not Applicable
- (f) Total amount spent for the financial year (8b+8c+8d+8e) : ₹ 40,15,030
- (g) Excess amount for set off, if any

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	39,34,000
(ii)	Total amount spent for the financial year	40,15,030
(iii)	Excess amount spent for the financial year [(ii)-(i)]	81,030
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	81,030

- 9 (a) Details of Unspent CSR amount for the preceding three financial years :

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2020-21	₹ 59,39,350	₹ 14,16,000	Not Applicable			₹ 45,23,350

- (b) Details of CSR amount spent in the financial year for ongoing project of the preceding financial year(s) :

The Company had unspent amount of ₹ 59,39,350 which was transferred to the Unspent CSR Account as per Section 135(6) of the Act on April 27, 2021. Out of the unspent amount, the following amounts were spent towards ongoing CSR projects.

Project ID	Long Term 001
Name of the Project	Health camps
Financial Year in which the project was deemed	2021-22
Project duration	3 years
Total amount allocated for the project (in ₹)	33,00,000
Amount spent on the project in the reporting financial year (in ₹)	10,98,000
Cumulative amount spent at the end of the reporting financial year (in ₹)	10,98,000
Status of the project - Completed / Ongoing	Ongoing

Project ID	Long Term 002
Name of the Project	Education support to the underprivileged
Financial Year in which the project was deemed	2021-22
Project duration	3 years
Total amount allocated for the project (in ₹)	26,39,350
Amount spent on the project in the reporting financial year (in ₹)	3,18,000
Cumulative amount spent at the end of the reporting financial year (in ₹)	3,18,000
Status of the project - Completed / Ongoing	Ongoing

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

(a)	Date of creation or acquisition of the capital asset(s)	
(b)	Amount of CSR spent for creation or acquisition of capital asset	
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address, etc.	
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset)	

11. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5) : **Not Applicable**

**On behalf of CSR Committee**

**Vivek Bhide**  
Managing Director  
DIN 02645197

**Roma Balwani**  
Chairperson of the Committee  
DIN 00112756

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies**  
**(Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,

**The Members,**

**JOHN COCKERILL INDIA LIMITED**

Mehta House, Plot No. 64,  
 Road No. 13, MIDC Andheri (East), Mumbai-400093.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **"JOHN COCKERILL INDIA LIMITED"** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of :

1. The Companies Act, 2013 (the Act) and the Rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. 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, 2009 – Not applicable as the Company has not issued any shares during the year under review;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- Not applicable as the Company has not issued any shares / options to directors /

employees under the said guidelines / regulations during the year under review;

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any debt securities which were listed during the year under review;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfers Agents) Regulations, 1993;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisted / propose to delist its equity shares from any Stock Exchange during the year under review;
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review.
6. Other Laws applicable to the Company :
- i. The Factories Act, 1948.
  - ii. The Payment of Wages Act, 1936.
  - iii. The Minimum Wages Act, 1948.
  - iv. The Employee Provident Fund and Miscellaneous Provisions Act, 1952.
  - v. The Payment of Gratuity Act, 1972.
  - vi. The Bombay Shops and Establishments Act, 1948.
  - vii. The Maharashtra Labour Welfare Fund Act, 1953.
  - viii. The Environment (Protection) Act, 1986.
  - ix. The Industrial Dispute Act, 1947.

We have also examined compliance with the applicable clause of the following ;

- I. The Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that :-

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

following changes in the Board of Directors have taken place :

- Appointment of Dr. Urjit Patel as an Additional (Non-Executive and Independent) Director of the Company effective from 1<sup>st</sup> April, 2021. Dr Patel resigned on 31<sup>st</sup> January, 2022.
- Appointment of Mr. Praveen Purushottam Kadle as Non-Executive (Independent) Director of the Company effective from 1<sup>st</sup> April, 2022.

The aforementioned changes were carried out in conformity and compliance with the provisions of the Act.

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

- Decisions at the Board Meetings and Committee Meetings were taken unanimously and are captured and recorded as part of the Minutes of the meetings.

We 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.

**For VKM & Associates  
Company Secretaries**

**(Vijay Kumar Mishra)  
Partner**

**C.P. No. 4279**

**UDIN : F005023D000396337**

Place: Mumbai

Date: 26/05/2022

**Note :** *This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.*

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#### **"ANNEXURE A"**

**To,**

**The Members,**

**JOHN COCKERILL INDIA LIMITED**

Mehta House, Plot No. 64,  
Road No.13, MIDC Andheri (East),  
Mumbai - 400 093.

Our report of even date is to be read along with this letter :

#### **Management's Responsibility**

1. It is the responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

#### **Auditor's Responsibility**

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 the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events, etc.

5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

#### **Disclaimer**

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For VKM & Associates  
Company Secretaries**

**(Vijay Kumar Mishra)  
Partner**

**C.P. No. 4279**

**UDIN : F005023D000396337**

Place: Mumbai

Date: 26/05/2022

Annual Secretarial Compliance Report for the year ended 31<sup>st</sup> March, 2022

To,

**JOHN COCKERILL INDIA LIMITED**

Mehta House, Plot No. 64,  
Road No. 13, MIDC  
Andheri (East), Mumbai-400093

We, VKM &amp; Associates have examined :

- (a) all the documents and records made available to us and explanation provided by **JOHN COCKERILL INDIA LIMITED** ("the listed entity"),
- (b) the filings / submissions made by the listed entity to the stock exchange,
- (c) website of the listed entity,
- (d) any other document / filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31<sup>st</sup> March, 2022 ("Review Period") in respect of compliance with the provisions of :

- (a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
- (b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI").

The specific Regulations, whose provisions and the circulars / guidelines issued thereunder, have been examined, include :-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (iii) The following are the details of actions taken against the listed entity / its promoters / directors / material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts / Regulations and circulars / guidelines issued there under :

Sr. No.	Action taken by	Details of Violation	Details of Action taken	Comments on the Actions taken by the Company
1.	<b>BSE Limited</b>	<b>Delay of 1 day in uploading Annual Report on the BSE website under Regulation 34 of LODR Regulations.</b>	<b>Penalty of ₹ 2,000 charged by BSE for late submission.</b>	<b>Due to oversight, there was a delay and the Company paid the penalty.</b>

- (iv) The listed entity has taken the following actions to comply with the observations made in previous reports :

Sr. No.	Observations in the previous Reports	Observations made in the Secretarial Compliance Report for the year ended 31 <sup>st</sup> March, 2021	Actions taken by the Listed Entity; if any	Comments on the Actions taken by the Company
<b>Not Applicable</b>				

- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- (h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

and based on the above examination, we hereby report that, during the Review Period :

- (i) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued there under, except in respect of matters specified below : **No deviations observed**

Sr. No.	Compliance Requirements (Regulations / Circulars / Guidelines including specific clauses)	Deviations	Observations / Remarks
	.....		

- (ii) The listed entity has maintained proper records under the provisions of the above Regulations and circulars / guidelines issued there under in so far as it appears from my / our examination of those records.

**For VKM & Associates  
Company Secretaries**

**(Vijay Kumar Mishra)  
Partner**

**C.P.No. 4279**

**UDIN : F005023D000351985**

Place: Mumbai

Date: 26/05/2022

**Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 and  
Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Sl. No.	Requirement	Information	Ratio
(i)	The ratio of the remuneration of Executive Director to the median remuneration of the employees of the Company for the financial year.	<b>Director</b> Mr. Vivek Bhide, Managing Director	50.45 : 1
(ii)	The percentage increase in remuneration of Executive Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	<b>Executive Director</b> Mr. Vivek Bhide, Managing Director	8.00%
		<b>CFO &amp; CS</b>	
		Mr. Kiran Rahate, Chief Financial Officer	7.00%
		Mr. Haresh Vala, Company Secretary	7.94%
<b>Note :</b>			
1. The Independent Directors are entitled to sitting fees and commission as per the statutory provisions and within the limits approved by the shareholders. The Non-Executive Non Independent Directors representing John Cockerill SA, are not entitled to sitting fees or any commission. The details of remuneration of Non-Executive Directors are provided in the Corporate Governance Report. The ratio of remuneration and percentage increase for Non-Executive Directors remuneration is therefore not considered for the above purpose.			
2. The increase in remuneration is effective from April 1 of every year.			
(iii)	The percentage increase in the median remuneration of employees in the financial year.	7.92%	
(iv)	The number of permanent employees on the rolls of the Company as on March 31, 2022.	401 Employees	
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The average percentage increase in the salaries of employees other than the managerial personnel in the last financial year was 7.89% while the increase in remuneration of managerial personnel was 8%. The salary increases during this year reflects the Company's reward philosophy as well as the results of the benchmarking exercise.	
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company.	Affirmed	

**Information under Section 134(3)(m) of the Companies Act, 2013 read with  
Rule 8(3) of the Companies (Accounts) Rules, 2014**

**A. CONSERVATION OF ENERGY**

Energy conservation is a continuous process and is one of the prime areas for control of cost. Steps taken by the Company are as under :

**(a) Energy Conservation Measures taken :**

- The lights and cooling temperature in the offices / plants have been rationalized.
- Installed Automatic power factor controller at Hedavali to improve the power factor and also reduce harmonics.
- Successfully installed LED yard lights for Taloja and Hedavali. This has saved around ₹ 1,00,000/- per year in electricity consumption.

**(b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy :**

- Study is being carried out to install motion sensors at office area where the power can be switched off automatically when there is no person, thus, saving electricity.
- Feasibility of installing POWERBOT – an instrument which gives real time power factor and electricity consumption online is being worked upon. This will further improve the electrical power consumption.

**(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods :**

The above measures have resulted in reduction of energy consumption and power expenses.

**(d) Total Energy Consumption and Energy Consumption per unit of production is as follows:**

Power and Fuel consumption	2021-22	2020-21
<b>i. Electricity :</b>		
a. Purchased		
Units (Total)- KWH	<b>14,89,638</b>	14,62,664
Total Amount (₹ in lakhs)	<b>142.70</b>	141.22
Rate / Unit (₹)	<b>9.58</b>	9.65
Consumption per unit of production	<b>Not Applicable</b>	Not Applicable
b. Own generation (DG set)		
Units (Total) – KWH	<b>65,937</b>	37,300
Total Amount (₹ in lakhs)	<b>18.97</b>	9.48
Rate / Unit (₹)	<b>28.77</b>	25.41
Consumption per unit of production	<b>Not Applicable</b>	Not Applicable

Power and Fuel consumption	2021-22	2020-21
<b>ii. Coal :</b>	<b>Not Applicable</b>	Not Applicable
<b>iii. Furnace Oil / H.S.D. :</b>		
Purchased – Diesel		
Units (Total) – Litres	<b>19,829</b>	12,581
Total Amount (₹ in lakhs)	<b>18.53</b>	9.76
Rate / Unit (₹)	<b>93.47</b>	77.56
Consumption per unit of production	<b>Not Applicable</b>	Not Applicable
<b>iv. Others :</b>	<b>NIL</b>	NIL

**B. TECHNOLOGY ABSORPTION :****RESEARCH AND DEVELOPMENT (R&D) :**

1. Specific areas in which R&D (Innovations) carried out by the Company :

- Blowstab HSS optimisation.
- Sink roll scrapper modification for Continuous Galvanising Line.
- Level 2 system optimisation for Pickling Line, Continuous Galvanising Line.
- Improvement of belt wrapper arrangement for overwinding in Continuous Galvanising Line.
- Scrap baller arrangement.
- Narrow width mill modernisation (includes automation, mill production enhancement, reduction in downtime).
- Chocking / dechocking for Mill rolls.

2. Benefits derived as a result of above R&D :

- Optimization of weights and manufacturing process for various equipments with improved technological parameters and cost competitiveness.
- Optimization of process performances allowing more effectiveness of lines and equipments.
- Safety is of paramount importance and hence the Company has focussed on safety of operations, processes, machinery and most importantly of human beings as a result of above developments.

3. Future Plan of Action :

- Introduction of new products and processes :
  - a. Reheating Furnace.
- Ongoing value engineering and development in the existing products and processes in various areas in which the Company is operating :
  - a. Manufacture of critical assemblies such as 'air knife' / trimmer – chopper / rotary shears, etc. for worldwide projects.



- Migration to 3D Modelling from conventional 2D drafting.
  - Use of Advanced software for Line layout and piping.
4. Expenditure on R&D :
- Capital : Nil
  - Recurring : Expenses incurred are charged to normal heads and not allocated separately.
  - Total : Not determinable.
  - Total R&D expenditure as a percentage of total turnover : Not determinable.

**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :**

1. Efforts in brief, made towards technology absorption, adaptation and innovation :
- Participating in national / international technical conferences, seminars and exhibitions.
  - Imparting training to personnel by product line experts, mostly from John Cockerill Group, in various manufacturing techniques, manufacturing technologies, latest products / designs and assembly practices.

2. Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, saving in foreign exchange, etc.

The above measures helped in offering lean equipments to our customers with improved technology and to improve the quality of finished products.

3. Information regarding technology imported during the last 5 years : NIL

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

(₹ in lakhs)

	<b>2021-22</b>	<b>2020-21</b>
Foreign Exchange earned	<b>6,898.70</b>	4,954.10
Foreign Exchange outflow	<b>5,594.86</b>	2,667.59

Activities relating to exports and export plans :

The Company makes continuous efforts to explore new foreign markets for products and services and makes its presence felt in the global markets through the assistance of its parent Company, as needed.

## Form No. MGT-9

**Extract of Annual Return as on the financial year ended March 31, 2022**  
**[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the**  
**Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS**

i.	CIN	L99999MH1986PLC039921
ii.	Registration Date	May 28, 1986
iii.	Name of the Company	John Cockerill India Limited
iv.	Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
v.	Address of the Registered office and contact details	Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri (East), Mumbai 400 093 Tel : 022 66762727, Fax : 022 66762737
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited Office No. S6-2, 6 <sup>th</sup> Floor, Pinnacle Business Park Next to Ahura Centre, Mahakali Caves Road Andheri (East), Mumbai 400 093 Tel : 022 62638200, Fax : 022 62638299

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

All the business activities contributing 10% or more of the total turnover of the Company, on standalone basis, are as under :

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the Company
1.	Manufacturer of Cold Rolling & Processing Equipments	2923	100%

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

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	John Cockerill SA (formerly Cockerill Maintenance and Ingénierie SA) Rue Jean Potier 1, 4100 Seraing, Belgium	N. A.	Holding Company	74.89%	2(46)

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	5500	0	5500	0.11	5500	0	5500	0.11	0.00
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(1)</b>	<b>5500</b>	<b>0</b>	<b>5500</b>	<b>0.11</b>	<b>5500</b>	<b>0</b>	<b>5500</b>	<b>0.11</b>	<b>0.00</b>

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>(2) Foreign</b>									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	3697700	0	3697700	74.89	3697700	0	3697700	74.89	0.00
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-total (A)(2)</b>	<b>3697700</b>	<b>0</b>	<b>3697700</b>	<b>74.89</b>	<b>3697700</b>	<b>0</b>	<b>3697700</b>	<b>74.89</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>3703200</b>	<b>0</b>	<b>3703200</b>	<b>75.00</b>	<b>3703200</b>	<b>0</b>	<b>3703200</b>	<b>75.00</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	80571	0	80571	1.63	0	0	0	0	(1.63)
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	100	0	100	0.01	100	0	100	0.01	0.00
h) Alternate Investment Funds	10399	0	10399	0.21	10399	0	10399	0.21	0.00
i) Others - Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1)</b>	<b>91070</b>	<b>0</b>	<b>91070</b>	<b>1.84</b>	<b>10499</b>	<b>0</b>	<b>10499</b>	<b>0.21</b>	<b>(1.63)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	39807	1300	41107	0.83	34824	1300	36224	0.73	(0.10)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	550350	33512	583862	11.82	647858	32712	680470	13.78	1.96
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	251793	0	251793	5.10	245293	0	245293	4.97	(0.13)
c) Others (specify)									
Hindu Undivided Family	230077	0	230077	4.66	232704	0	232704	4.71	0.05
Clearing Members	2245	0	2245	0.05	3315	0	3315	0.07	0.02
Non-Resident Individuals	14298	750	15048	0.30	6467	750	7217	0.15	(0.16)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
IEPF	19091	0	19091	0.39	18891	0	18891	0.38	(0.01)
Foreign Portfolio Investor (Individual)	320	0	320	0.01	0	0	0	0	(0.01)
<b>Sub-total (B)(2)</b>	<b>1107981</b>	<b>35562</b>	<b>1143543</b>	<b>23.16</b>	<b>1189352</b>	<b>34762</b>	<b>1224114</b>	<b>24.79</b>	<b>1.63</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>1199051</b>	<b>35562</b>	<b>1234613</b>	<b>25.00</b>	<b>1199851</b>	<b>34762</b>	<b>1234613</b>	<b>25.00</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>4902251</b>	<b>35562</b>	<b>4937813</b>	<b>100.00</b>	<b>4903051</b>	<b>34762</b>	<b>4937813</b>	<b>100.00</b>	<b>0.00</b>

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	John Cockerill Automation Private Limited	5500	0.11	0.00	5500	0.11	0.00	0.00
2.	John Cockerill SA	3697700	74.89	0.00	3697700	74.89	0.00	0.00
	<b>TOTAL</b>	<b>3703200</b>	<b>75.00</b>	<b>0.00</b>	<b>3703200</b>	<b>75.00</b>	<b>0.00</b>	<b>0.00</b>

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
No Change during the year					

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

Sl. No.	Name of the shareholder	Shareholding at the beginning and end of the year		Date	Increase / Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the Company				No. of shares	% of total Shares of the Company
1.	Jay Mahendra Shah (HUF)	85193	1.73	No Change			85193	1.73
		<b>As at the end of the year (March 31, 2022)</b>					<b>85193</b>	<b>1.73</b>
2.	Jay Mahendra Shah	81444	1.65	January 14, 2022	6500	Sell	74944	1.52
				March 11, 2022	2000	Buy	76944	1.56
		<b>As at the end of the year (March 31, 2022)</b>		<b>76944</b>	<b>1.56</b>			

Sl. No.	Name of the shareholder	Shareholding at the beginning and end of the year		Date	Increase / Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total Shares of the Company				No. of shares	% of total Shares of the Company
3.	PGIM India Trustees Private Limited A/c PGIM India Mid Cap Opportunities Fund	80571	1.63	April 9, 2021	2452	Buy	83023	1.63
				July 28, 2021	20000	Sell	63023	1.28
				July 30, 2021	20000	Sell	43023	0.87
				August 4, 2021	43023	Sell	0	0.00
		<b>As at the end of the year (March 31, 2022)</b>						<b>0</b>
4.	Anand Mahendra Shah (HUF)	78966	1.60	February 11, 2022	767	Sell	78199	1.58
		<b>As at the end of the year (March 31, 2022)</b>						<b>78199</b>
5.	Datta Mahendra Shah	77035	1.56	No Change			77035	1.56
		<b>As at the end of the year (March 31, 2022)</b>						<b>77035</b>
6.	Suchita Anand Shah	48302	0.98	March 11, 2022	2000	Sell	46302	0.94
		<b>As at the end of the year (March 31, 2022)</b>						<b>46302</b>
7.	Mahendra H. Shah (HUF)	33033	0.67	No Change			33033	0.67
		<b>As at the end of the year (March 31, 2022)</b>						<b>33033</b>
8.	Anand Mahendra Shah	30012	0.61	No Change			30012	0.61
		<b>As at the end of the year (March 31, 2022)</b>						<b>30012</b>
9.	Jeet Anand Shah	15000	0.30	No Change			15000	0.30
		<b>As at the end of the year (March 31, 2022)</b>						<b>15000</b>
10.	Jigney Sudhir Bhachech	13817	0.28	No Change			13817	0.28
		<b>As at the end of the year (March 31, 2022)</b>						<b>13817</b>
11.	Poha Emerging Companies Fund	10399	0.21	No Change			10399	0.21
		<b>As at the end of the year (March 31, 2022)</b>						<b>10399</b>

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

Sl. No.	For each of the Directors and KMP	Shareholding		Cumulative Shareholding during the year		
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company	
1.	<b>Mr. Joao Felix Da Silva - Chairman</b>					
	At the beginning of the year		Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)		No change			
	At the end of the year		Nil	0.00	Nil	0.00

Sl. No.	For each of the Directors and KMP	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
<b>2.</b>	<b>Mr. Yves Honhon – Non-Executive Director</b>				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
<b>3.</b>	<b>Mr. Vivek Bhide – Managing Director</b>				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
<b>4.</b>	<b>Dr. Urjit Patel – Independent Director (resigned effective from January 31, 2022)</b>				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
<b>5.</b>	<b>Mr. N. Sundararajan – Independent Director</b>				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
<b>6.</b>	<b>Ms. Roma Balwani – Independent Director</b>				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
<b>7.</b>	<b>Mr. Nandkumar Dhekne – Independent Director</b>				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00

Sl. No.	For each of the Directors and KMP	Shareholding		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
8.	<b>Mr. Jean Gourp – Non-Executive Director</b>				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
9.	<b>Mr. Kiran Rahate – Chief Financial Officer</b>				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00
10.	<b>Mr. Haresh Vala – Company Secretary</b>				
	At the beginning of the year	Nil	0.00	Nil	0.00
	Date wise increase / decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	No change			
	At the end of the year	Nil	0.00	Nil	0.00

## V. INDEBTEDNESS

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

(₹ in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
Addition	275.00	-	-	275.00
Reduction	275.00	-	-	275.00
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Managing Director	Total Amount
		Mr. Vivek Bhide	
1.	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	332.44	332.44
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	34.93	34.93
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	--	--
2.	Stock Option	--	--
3.	Sweat Equity	--	--
4.	Commission		
	- as % of profit	--	--
	- others, specify...	--	--
5.	Others	18.76	18.76
	<b>Total (A)</b>	<b>386.13</b>	<b>386.13</b>
	Ceiling as per the Act	Not Applicable	Not Applicable

The amended Schedule V of the Companies Act, 2013 deals with the conditions for appointment and payment of remuneration to managerial personnel. The provisions of Schedule V provides that in respect of the remuneration paid to a managerial person functioning in a professional capacity and fulfilling certain other conditions, the Company can pay remuneration in accordance with the terms and conditions approved by the members by way of special resolution, without obtaining the approval of Central Government. In terms of the said notification, the approval of the Central Government is not required for the remuneration paid to Mr. Vivek Bhide as the Managing Director. The remuneration paid to Mr. Vivek Bhide is as per the terms and conditions and within the limits approved by the members at the Thirty-Fourth Annual General Meeting of the Company held on August 27, 2020.

### B. Remuneration to other Directors :

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Name of Director				Total Amount
		Mr. N. Sundararajan	Ms. Roma Balwani *	Mr. Nandkumar Dhekne	Dr. Urjit Patel #	
1.	<b>Independent Directors</b>					
	Fee for attending board / committee meetings	10.50	9.80	12.80	2.00	35.10
	Commission	6.00	6.00	6.00	5.00	23.00
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (1)</b>	<b>16.50</b>	<b>15.80</b>	<b>18.80</b>	<b>7.00</b>	<b>58.10</b>
2.	<b>Other Non-Executive Directors</b>					
	Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	<b>Total (B)=(1+2)</b>	<b>16.50</b>	<b>15.80</b>	<b>18.80</b>	<b>7.00</b>	<b>58.10</b>

\* Sitting fees of ₹ 50,000 for a meeting attended in the financial year 2020-21 was claimed in the financial year 2021-22.

# Commission to Dr. Urjit Patel was decided on proportionate basis for the period of his association with the Company during the financial year 2021-22.

Commission approved for the year 2021-22 and payable in 2022-23 is within the ceiling limits under the Companies Act, 2013.



C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD :

(₹ in lakhs)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Chief Financial Officer	Company Secretary	Total Amount
		Mr. Kiran Rahate	Mr. Haresh Vala	
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	60.38	29.38	89.76
	(b) Value of perquisites under Section 17(2) of the Income-tax Act, 1961	1.87	1.45	3.32
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify..	-	-	-
5.	Others	1.87	1.45	3.32
	<b>Total</b>	<b>64.12</b>	<b>32.28</b>	<b>96.40</b>

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
<b>B. DIRECTORS</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None

# Management Discussion and Analysis

## INDUSTRY STRUCTURE AND DEVELOPMENTS :

### Economic Environment :

The initial few months of FY 2021-22 saw the world and India come out of the COVID-19 crisis with a slow but steady economic recovery, aided by a concerted focus on vaccination, liquidity push by Reserve Bank of India ("RBI"), policy support and significant investments in infrastructure as announced in India Budget 2021-22. The proposed investments in infrastructure cover a wide range such as roads, railways, urban transportation, power, ports and shipping and petroleum & natural gas. As a result, by July 2021, the Indian economy started rebounding, and the steady revival of domestic demand growth has helped the steel industry.

Post the Covid crisis, the current world order has been substantially altered. There is a trend towards a multipolar world and the power centre of the global economy is steadily shifting to Asia. In this new era, India has begun to prioritize economic expansion, sustainable growth and influence on the world stage.

India's GDP is expected to grow at 8.9% in 2021-22 as against 9.2% estimated earlier. However, this is still better than China (8.02%) and US (5.97%) in 2021. The instability caused by the pandemic has created a space for an aspiring and emerging India to take center stage and help shape a new world with a better future for all. Therefore, it is expected that the Indian steel industry's growth will remain strong in 2022, overcoming the previous years' challenges.

Advantage India			
Robust Demand	Increasing investments	Policy Support	Competitive Advantage
India's is the 2 <sup>nd</sup> largest consumer of steel in the world.	Steel industry is witnessing consolidation of players, which has led to investment by companies from other sectors. The ongoing consolidation presents an opportunity to global players to enter the Indian market.	In October 2021, the government announced guidelines for the approved specialty steel production-linked incentive (PLI) scheme.	While India ranks 7 <sup>th</sup> in the list of countries with the largest iron ore reserves with estimated reserves of 5.5 billion tons, India has scored higher in terms of production. It is the world's fourth-largest producer of the metal after Australia, Brazil and China.
India's finished steel consumption is anticipated to increase to 230 MT by 2030-31 from 86.3 MT in FY22 (till January).		With over 35% y-o-y increase in capex and a proposed infrastructure spend of over ₹ 10 lakh crore in Budget 2022-23, the Union government has reinforced its commitment to using infrastructure as a force multiplier for sustained economic growth.	As of December 2021, India was the world's 2 <sup>nd</sup> largest producer of crude steel with an output of 118.1 MT.

However right when the global and the Indian economies seemed to be at the cusp of witnessing green shoots of recovery after leaving the worst of the COVID-19 pandemic behind (despite uncertainties associated

with subsequent waves of infection and rising global inflationary pressures), the Russia-Ukraine crisis has emerged. Consequently, prices of crude oil and gas, food grains such as wheat and corn, and several other commodities have shot up. The conflict has also brought in severe financial sanctions and political pressures on Russia from the rest of the world, primarily the Western economies. It is obvious that these will likely have unpredictable and undesired implications on the global financial system and economy.

The next few months will be critical for India's economy as the government and the RBI work at balancing the stress on inflation, currency, external debt, and fiscal deficit. The good news is, India has endured the pandemic for over two years and has come out of it more resilient. The hope is that the current pressures on the economy too shall be tackled well and will pass!

### Steel Scenario and Outlook :

The steel industry is one of India's core industries, contributing to more than 2% of GDP. As envisaged in the National Steel Policy, the government aims to achieve steel production capacity of 300 MTPA by 2030-31 and become self-reliant in manufacturing a few special grades. The planned capacity expansion and demand growth is expected to need ₹ 10 lakh crore incremental capital infusion and 30 GW power supply to the steel business. India's steel industry employs more than 20 lakh individuals through direct and indirect positions. It is expected to grow to generate 36 lakh employments by 2031, thereby adding to the country's economic success directly (total value creation) and indirectly by building incremental buying power through the generation of employment.

In FY21, the production of crude steel and finished steel was at 102.49 MT and 94.66 MT (million tons) respectively. According to CARE Ratings, crude steel production is expected to reach 112-114 MT, an increase of 8-9% YoY in FY22. In FY22, demand for steel is expected to increase by 17% to 110 MT. The growth in the Indian steel sector has been driven by the domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

Steel industry and its associated mining and metallurgy sectors have seen major investments and developments in the recent past : Tata Steel announced to invest ₹ 3,000 crore (US\$ 404.46 million) in Jharkhand to expand capacities over the next three years. ArcelorMittal and Nippon Steel Corp.'s joint venture in India announced a plan to expand its operations in the country by investing ~ ₹ 1 trillion (US\$ 13.34 billion) over 10 years and JSW Steel has announced investments of ₹ 150 billion (US\$ 19.9 million) to build a steel plant in Jammu and Kashmir and boost manufacturing in the region. In totality, Indian steel companies have firmed their plans to invest ~ ₹ 60,000 crore (US\$ 8.09 billion) over the next three years — this is the biggest private sector investment plan announced in recent times.

The central government's call for Atmanirbhar Bharat has given a whole new dimension to the nation. For the Steel sector, one of the recent Government initiatives has been the "Production - Linked incentive (PLI) scheme" for speciality steel. The scheme is expected to attract investment worth ~ ₹ 400 billion (US\$ 5.37 billion) and expand speciality steel capacity by 25 MT, from 18 MT in FY21 to 42 MT by FY27.

The importance that has been given to the infrastructure and the National Infrastructure Pipeline (NIP) has created a huge demand for steel. With the policies that are being implemented by the government, India is surely poised to reach 300 MT capacity before 2030.

The government announced budget for 2022-23 with a total spend of ₹ 39.45 trillion (US\$ 526.98 billion), up by 4.6% from the revised estimate for 2021-22 with a significant portion allocated for infrastructure. This is expected to benefit steel industry.

While the impact of the COVID-19 pandemic continues to be felt in the sector, narrowing fiscal deficit from 9.3% in FY 2020-21 to 6.8% in FY 2021-22 and further to 6.4% in FY 2022-23 would certainly provide some relief for the industry. In order to reach the expected 255 MT of crude steel production by 2030-31, production needs to grow at a CAGR of about 7.2%. Construction remains to be the biggest sector driving the demand for steel by contributing about 62% of demand. Despite all the hiccups, construction is expected to re-bound and grow by around 7% in the near term as projected by industry think tanks. The government's focus on developing the infrastructure sector and the on-going and planned initiatives such as the Bharatmala programme for development of roads, Sagarmala programme for port-led industrial development, the Urja Ganga Gas Pipeline Project, Smart Cities project and projects under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) will all contribute to growth of the steel sector.



### Steel Production in India increased to 10.8 million tons in January 2022 from 8.3 million tons in April 2021.

#### Review of Operations :

The Company registered a healthy growth of more than 93.27% in its operating revenue from ₹ 198.06 crores in FY 2020-21 to ₹ 382.78 crores in FY 2021-22. In terms of Profit before Tax, the Company has achieved a turn-around from a loss of ₹ 30.21 crores in FY 2020-21 to a profit of ₹ 4.43 crores in FY 2021-22.

The delays in crystallization and confirmation of some major new orders had an adverse impact in terms of under-utilization of the Company's engineering and manufacturing resources for a significant part of the current financial year.

However, closer to the end of the financial year, the Company added 2 new customers to its portfolio. The new orders won during the year amount to ₹ 1,150 crores which is the highest in the history of the Company. The Company is focused on offering solutions leveraging its superior products and technology, and grow into the next level, to address the requirements of the global steel industry. The initiatives started in the earlier years now show a sign of fruition as can be seen from the order entry and the opportunity pipeline.

#### Opportunities and Threats :

As of December 2021, India was the world's 2<sup>nd</sup> largest producer of crude steel, with an output of 118.1 MT. In FY 2021-22 (till January), the production of crude steel and finished steel stood at 98.39 MT and 92.82 MT, respectively. In FY 2021-22, crude steel production in India is

estimated to increase by 18%, to reach 120 MT, driven by rising demand from customers. The growth in the Indian steel sector has been driven by domestic availability of raw materials such as iron ore and cost-effective labour. Consequently, the steel sector has been a major contributor to India's manufacturing output.

The Indian steel industry is modern with state-of-the-art steel mills. It has always strived for continuous modernization of older plants and up-gradation to higher energy efficiency levels. This paves the way for deployment of latest technologies for de-carbonization of steel manufacturing process. The Company has initiated discussions with various Indian steel manufacturers in this direction.

The Ukraine-Russia war has clouded India's growth outlook as well. For India, which has been battling inflation for a while now, this situation is making matters worse. Higher fuel and fertilizer prices will reduce government revenues and increase subsidy costs. Furthermore, capital outflows and rising import bills will weigh on the current account balance and currency valuation.

Not just India, but almost all emerging economies are reeling under these external shocks. We, however, believe that India's underlying economic fundamentals are strong and despite the short-term turbulence, the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency, all leading to accelerated economic growth. Furthermore, the emphasis on manufacturing in India, various government incentives and rising services exports on the back of stronger digitization and technology transformation drive across the world will aid in growth. Also, several spillover effects of geopolitical conflicts could enhance India's status as a preferred alternate investment destination.

On the global stage, India's diplomatic efforts are driven by the philosophy of 'Vasudhaiva Kutumbakam' - the world is one family. This is the kind of narrative that the world needs during such difficult times. Indeed, India's call for renewed and reformed multilateralism is resonating with global leaders and policymakers.

In the past few years, major structural reforms have been launched by the Indian government to boost the long-term outlook of the economy. The government's vision to catalyze India's transformation is evident in the launch of several initiatives including the Gati Shakti National Master Plan and the Atmanirbhar Bharat mission.

The government has also announced the National Infrastructure Pipeline to boost infrastructure development.

On the back of these factors, we expect India to grow in the next few years steadily. This will likely mean that the baton for the fastest-growing emerging country will be passed on from China to India in the coming years. Indeed, the pandemic has been an inflection point for India to introspect on its potential as a global leader, especially coming at a time when the country is celebrating its 75 years of independence this year.

#### Risk Management :

The Company has an elaborate Risk Management System in place. A bottom-up approach with wide participation from the employees and the management in the risk management exercise enables the Company to identify and evaluate the current and emerging risks and to take the mitigating measures. The Company has identified 24 areas of risks that are broadly classified as Operational and Non-Operational Risks. These risks are further classified and evaluated in terms of their probability of occurrence, potential impact and extent of existing control.

The Risk Management strategy as broadly approved by the Audit Committee, is being monitored and reviewed by the Risk Management Committee, whose resultant recommendations are implemented by the Company's management. The management presents the risk management report along with planned mitigation measures to the Audit Committee on annual basis.

As the Company is a supplier to steel industry, the market risk, to a large extent, is driven by macro-economic conditions and capex allocation by the steel manufacturers. Volatility in the steel prices, increasing container freight rates and overall inflation in the economy pose risk for the Company when it bids for projects on fixed price basis. To improve its competitiveness in a very price-sensitive market, the Company has embarked on its journey for continuous improvement across all its functions such as design, manufacturing, purchasing, project management, IT, etc. and a number of Kaizen projects have been initiated to achieve the targeted improvements in productivity and cost reduction. Volatility in foreign exchange rates and disruptions to our cashflows are also identified as potential risks and mitigation measures are evaluated.

During the year under review, the meeting of the Risk Management Committee was held on May 12, 2021.

#### Finance :

While the Company has remained DEBT FREE throughout the COVID-19 pandemic, the Company continues to monitor its working capital situation very closely. Available cash and its deployment are closely monitored, and continuous efforts are made to realize its receivables in a timely manner. The financial management system aims to ensure that the advances received from the customers are deployed for the respective projects in the most efficient manner. All the statutory obligations including employees' salaries, taxes, etc. are discharged within the respective due dates. The capital expenditure plan is prepared on annual basis, periodically reviewed with careful evaluation of the need and cost-benefit analysis and implemented with close monitoring. During the year under review, the Company has received approval from its Lead Banker for enhancement of credit limits from ₹ 291 crores to ₹ 347.50 crores. As on date of this report, the Company has introduced 2 new banks (Axis Bank and SBM Bank (India) Limited) into the Consortium of lending banks.

The key financial ratios for the year ended March 31, 2022 as compared to the previous financial year are as under :

Ratio	March 31, 2022	March 31, 2021	% Variance
Return on Net Worth	2.57%	(16.58)%	116%
Return on Investment	4.57%	(14.95)%	131%
Return on Capital Employed	1.99%	(17.83)%	111%
Current Ratio	1.60	1.41	13%
Liquid Ratio	1.52	1.35	12%
Operating Profit Margin	(0.54)%	(16.80)%	97%
Net Profit Margin	1.25%	(15.02)%	108%

During the year under review, the operations of the Company have increased significantly as compared to previous year which was impacted by COVID-19 pandemic. The Company has earned profit in the current year as against loss in the previous year. Due to this, there is a significant variance in the financial ratios as compared to the previous year.

#### Human Resources Management and Industrial Relations :

The Company has always attached high priority to the health and safety of its employees. We are happy to inform you that post-Covid, our

office and workshops are operating at full capacity while continuing to maintain stringent safety and health guidelines. All our employees are fully vaccinated.

Technology utilized across the Company has allowed its employees to continue to collaborate and communicate regularly with the customers and among themselves, regardless of their physical location, with relatively little disruption.

Efforts will continue in ensuring that John Cockerill India workforce is well supported, remains competent and dedicated in all areas of business, and always ready to meet all challenges.

During the year, 4 Townhall meetings were conducted for the employees; during the Annual Awards held in April 2022, 17 of the employees were recognized for their work and achievements that showcased the 5 fundamental values of John Cockerill Group.

The Company once again demonstrated its capacity to win the 'John Cockerill Audience Award' for the fifth time, competing amongst all the companies and units of the Group all over the world.

During the year, 'PULSE' - The John Cockerill survey which helps to understand the emerging needs of its main asset : its employees, was conducted from October 18 to November 10, 2021. The survey received 100% participation from the employees of the Company. The results of the survey were shared with all employees.

The result showed significant improvement as compared to the 2014, 2016 and 2018 results. Three of the strongest points that came across in this survey were 'Vision' - 'Sustainable Engagement' and 'Survey Follow up' and as compared to the high performing company norms, John Cockerill India Limited was most favorable in 'Career and Development'.

To continue ensuring maximum employee satisfaction, a team has been constituted to further identify action points for progressive development in the categories 'Company Culture' and 'Management and Leadership'.

The permanent employee strength of the Company was 401 as on March 31, 2022. Human Resources department continues to lead enhancements and standardization of the Performance Management process. The department provides innovative and responsive training programs, and this year has clocked 6083 manhours of training inclusive of the training hours on safety.

The industrial relations continued to be cordial at all levels throughout the year. The Directors wish to thank all the Employees - both Management and Workmen of the Company - for their contribution, support, and continued co-operation throughout the year.

#### Health and Safety :

As on March 31, 2022, the Company is pleased to inform that the plants at Taloja and Hedavali have achieved 3173 and 1456 days respectively without Lost time Accident (LTA). At the project sites, the Company have achieved 750 days without Lost time Accident (LTA).

The Company continues to adopt a proactive approach to occupational health and safety through a "hierarchy of controls" which are deployed in a seamless manner i.e., elimination / substitution of unsafe conditions, deployment of engineering control and administrative controls and using the appropriate PPE for carrying out hazardous tasks.

During this year, 1204 training hours were clocked towards safety meetings, trainings and toolbox talk along with health-related talks / awareness programs.

On April 28 & 29, 2021, the Company celebrated 'World Safety Day'. Various safety related programs were organized ensuring Covid protocols during the 51<sup>st</sup> National Safety Week starting from March 4 to March 11, 2022. This year the emphasis being on "Nurture Young Minds – Develop Safety Culture" at all locations. During the Safety Week, the Managing Director Mr. Vivek Bhide launched the '10 Golden Rules for Safety at Work' to further demonstrate the emphasis that the Company places on 'Employee Safety'.

The Machine Shop department at Taloja Plant won the "Housekeeping Contest" while the Assembly department won the award for the "Best Presentation" relating to Safety and Health improvements implemented at the departmental / shop level. Quiz and Poster competitions were also conducted at all locations.

#### **Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :**

During the year under review, no cases of sexual harassment were reported in the Company.

As per the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH"), the Company has a robust mechanism in place to redress any complaints reported. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under POSH. The Internal Committee (IC) is composed of internal members and an external member who has extensive experience in the field.

Frequent communication of this Policy is done through various programs and at regular intervals to the employees. Third party workshops and awareness programs are organized for sensitizing the employees with the provisions of the said Act.

As on March 31, 2022, there were 381 male and 20 female employees in the Company.

#### **Information Technology :**

After the 2<sup>nd</sup> COVID wave started to recede and offices and plants were allowed to work with full capacity, all our employees have been working from their respective locations. Though the work-from-home (WFH) infrastructure is no longer required, all the investments made such as laptops, internet connectivity, firewalls, etc. have been fully retained and deployed within the office infrastructure. This provides us with a flexibility to re-install the WFH infrastructure at a short notice if required in future. During FY 2021-22, we have strengthened our IT network security by investment in new firewall and Trend Micro Deep Security on all our servers.

#### **Internal Control Systems :**

Over the years, the Company has developed robust Internal Controls over Financial reporting (IFC) ensuring the reliability and accuracy of the accounting system and the related financial reporting. The Internal Control System provides for well-documented systems, policies and procedures that are aligned with the John Cockerill Group standards

and processes. It also adheres to local statutory requirements for orderly and efficient conduct of business, safeguarding of Company's assets, the detection and prevention of frauds and errors, adequacy and completeness of accounting records and timely preparation of reliable financial information.

The efficacy of the internal checks and control systems are validated by Internal Auditors as well as Statutory Auditors. Its design and framework is regularly evaluated for adequacy and effectiveness. The Internal Control mechanism operates through a set of policies and Standard Operating Procedures (SOPs). The Controls defined in the framework are applied to all levels – Entity Level, Process Level and System Level. The management assesses the appropriateness and effectiveness of the controls in place on yearly basis. To this end, the Company uses a standardized methodology to identify the processes relevant to IFC, define the required controls and document them in accordance with uniform requirements. This is then followed up with a review of the defined controls that is performed using a risk-based approach. The process controls are self-evaluated as well as reviewed by the Internal Auditors and the Statutory Auditors. The measurement plans are laid out and monitored regularly to overcome deficiencies as detected during self-evaluation or reviews by the Auditors. The Risk Management Committee and Audit Committee review the adequacy of design and the effectiveness of the internal control systems, significant audit observations and monitor the implementation of remedial measures. The Internal Auditors have assessed the effectiveness of internal financial controls for the year ended March 31, 2022 and based on the assessment, reported that the same are adequate and working effectively.

To provide reasonable assurance that assets are safeguarded against loss or damage and that accounting records are reliable for preparing financial statements, the Management maintains a system of accounting and controls, including an internal audit process. Internal controls are evaluated by the Internal Auditors and supported by the Management reviews. The Internal Audit plan is finalized based on current perception of internal control risk and compliance requirement in consultation with operating divisions. All audit observations and follow up actions / resolutions thereon are tracked by the Internal Auditors and reported to the Audit Committee.

#### **Cautionary Statement :**

The Statements made in this Report are forward-looking and are made based on certain assumptions and expectations of future events. The Company cannot guarantee that these forward-looking statements will be realized, though they are set out based on anticipated results and management plans. The Company's actual results, performance or achievements are subject to risk, uncertainties, and even inaccurate assumptions, which could thus differ materially from those projected in any such forward looking statements. The Board of Directors of the Company assumes no responsibility in respect of the forward-looking statements mentioned herein, which may differ in future on account of subsequent developments, events or otherwise and the Company is under no obligation to publicly update any forward-looking statements based on subsequent developments, information, future events or otherwise.

# Corporate Governance Report

**A report on compliance with the Corporate Governance provisions --- as prescribed under Regulation 34(3) read with Clause C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time --- for the financial year 2021-22, is given hereinbelow and forms part of the Report of the Directors to the Members of the Company.**

## Company's Philosophy on Corporate Governance

John Cockerill India Limited's ("the Company") corporate vision is to ensure a sustainable business that encompasses all stakeholders. The Company strives to ensure and offer best practices for its customers, maintain market leadership and at the same time enhance value for every stakeholder. In order to achieve the vision, systematic and rigorous efforts are put in across all the functions within the Company within the ambit of the John Cockerill Group's core values and business ethics.

The Company consistently partners with its customers / suppliers to deliver quality products / services, on time and at competitive prices. The Company strongly believes in ethical conduct of business and maintains transparency and accountability in its activities as well as ensures compliances with all applicable laws. The Company is also aware of the fact that its ability to meet its corporate goals is influenced by the extent to which prudent corporate governance policies are devised and adhered to within the organisation. The Company consistently emphasizes its commitment towards monitoring and continuous upgradation of its corporate governance policy and practice that will define and drive the organisation's performance in line with its core values and commitment to each stakeholder.

The Company always strives to achieve optimum performance at all levels by adhering to good Corporate Governance practices such as :

- Fair and transparent business practices
- Effective management control by the Board
- Adequate representation of Promoters and Independent Directors on the Board
- Monitoring of executive performance by the Board
- Compliance with all applicable laws
- Transparent and timely disclosure of financial and management information
- Protection of rights and interests of all stakeholders
- Effective internal control to manage elements of uncertainty and potential risks inherent in every business decision
- Contributing back to the society at large

The Board of Directors, guided by above philosophy, formulates strategies and policies having focus on optimizing value for various stakeholders like its customers, shareholders, employees and the society at large. The basic philosophy of the Company is aimed at assisting the management of the Company in efficient conduct of its business and in meeting its obligations to all its stakeholders. The Company values and implements ethical and transparent & responsible business practices aimed at building trust amongst various stakeholders.

The Company is in full compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and Regulation 46(2)

(b)(i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("the Listing Regulations"), with regard to Corporate Governance.

## BOARD OF DIRECTORS

The Board provides leadership, strategic guidance and objective judgments in the conduct of the affairs of the Company. The Board upholds the vision, purpose and values of the Company and the Group. The Board is entrusted with the ultimate supervision, control and responsibility of the affairs of the Company. The Board consists of renowned specialists who are experts in their respective business / profession and have decades of experience to their credit. The Directors are committed to ethical and lawful conduct of business and possess the ability to steer the affairs of the Company in the right direction. The Board places emphasis on the highest standards of governance practice which allow the Company to carry on its business in long-term interests of all stakeholders.

## Composition of the Board

The composition of the Board ensures a judicious mix of Executive and Non-Executive Directors as well as the combination of Independent and Non-Independent Directors. The composition of the Board primarily takes care of the business needs and stakeholders' interests. The Non-Executive Directors including Independent Directors are well qualified, experienced, competent and highly renowned persons in their respective fields. They take active part in the Board and Committee Meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, policy direction, governance, compliance, etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision-making process of the Board of Directors.

The composition of the Board of Directors, with reference to the number of Executive and Non-Executive Directors, meets the requirements of the provisions of Corporate Governance. The Board is chaired by Non-Executive Chairman, Mr. Joao Felix Da Silva. The strength of the Board of Directors, as on March 31, 2022, is 7 which includes 3 (three) Non-Executive Directors, 3 (three) Independent Directors including 1 (one) Woman Director and 1 (one) Executive Director. One more Independent Director whose term will commence from April 1, 2022, has already been appointed by the Board at its meeting held on March 18, 2022 - to fill the vacancy caused by the resignation of another Independent Director.

The Managing Director is responsible for adhering to the Company's vision and mission, following the Board's strategies, achieving the business plans and project execution, through significant policy decisions and deal with all the critical operational issues having significant business and financial implications. He is also responsible for the overall performance and growth of the Company and for ensuring implementation of the decisions of the Board of Directors and Board Committees. He reports to the Board of Directors. The Holding Company, John Cockerill SA (formerly CMI SA) provides directional guidance through the active involvement of its Group CFO and Director,

the President of the Industry Sector and the Head of their Asia Pacific operations, who all are Directors on the Board of the Company.

The Independent Directors chair the different Committees of the Board and take active part in the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy formulation, governance, compliance, etc. and play critical role on strategic issues, enhancing transparency and adding value to the decision-making process of the Board.

The Nomination and Remuneration Committee (“NRC”) facilitates the Board in identification and selection of the Directors of high integrity with relevant expertise and experience so as to have well diversified Board. The Directors are appointed or re-appointed with the approval of the members of the Company and hold office in accordance with the provisions of the applicable laws. The Independent Directors are appointed for a term of 5 (five) years and are not liable to retire by rotation. The Managing Director is appointed for a term recommended by the NRC and Board with the approval of the members of the Company, not liable to retire by rotation. Non-Executive Directors (except Independent Director) are liable to retire by rotation and are eligible for re-appointment, unless otherwise specifically provided under the Articles of Association or under any statute.

The Company has obtained a certificate from M/s. VKM & Associates, Practicing Company Secretaries confirming that none of the Directors on the Board of the Company is debarred or disqualified from being appointed or continuing as Director of the Company, as per the Guidelines of Securities and Exchange Board of India (“SEBI”), the Ministry of Corporate Affairs (“MCA”) or any such authority. The certificate is annexed to this Report and forms part of this Annual Report.

## INDEPENDENT DIRECTORS

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 (“the Act”) along with the Rules framed thereunder. Further in terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of Independence as defined under Section 149 of the Act and Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management. They have also confirmed that they have enrolled themselves in the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs.

As required under Regulation 46(2)(b) of the Listing Regulations, the Company has issued formal letters of appointment to all the Independent Directors. The terms and conditions of their appointment are posted on the Company’s website and can be accessed at [www.johncockerillindia.com](http://www.johncockerillindia.com).

During the year, Dr. Urjit Patel was appointed as an Independent Director with effect from April 1, 2021 for a term of 5 (five) years. However, due to his new full-time work assignment and time constraints, Dr. Patel resigned as an Independent Director effective from January 31, 2022, before the expiry of his tenure. Necessary intimation along with the copy of the resignation letter of Dr. Urjit Patel was filed with the Stock Exchange. Apart from Dr. Urjit Patel, none of the Independent Directors of the Company had resigned before the expiry of his / her respective tenure.

## Board Meeting Procedure

To ensure effective participation of all Directors, as a matter of practice, an annual calendar for Board, Committees of the Board and General Meeting(s) of the Company are determined and informed to the Directors well in advance. The Company ensures that timely and relevant information is made available to all Directors in advance, to facilitate their effective participation and contribution during meetings and deliberations.

The Board determines strategic policies, approves annual plans & budgets, capital expenditure, new projects, conducts performance review, ensures statutory compliance, risk management, etc. periodically. A minimum of 4 (four) meetings of the Board of Directors are held each year. One meeting is held in each quarter and it is ensured that the gap between two meetings does not exceed 120 days. Various Committees of the Board also meet periodically, as per the statutory requirements. The Company adheres to the Secretarial Standards on Board and Committee Meetings as prescribed by The Institute of Company Secretaries of India (“ICSI”).

The Board has complete access to any information within the Company. Agenda papers containing all necessary information / documents are made available to the Board / Committee Members in advance to enable them to discharge their responsibilities effectively and take informed decisions. The information as mentioned in Part A of Schedule II of the Listing Regulations is placed before the Board at its meeting for its consideration every quarter. The Board periodically reviews compliance reports of all laws applicable to the Company. Considerable time is spent by the Directors on discussions and deliberations at the Board / Committee meetings.

During the year under review, the Board of Directors had 5 (five) meetings - on May 27, 2021, August 3, 2021, October 28, 2021, February 4, 2022 and March 18, 2022. Due to the COVID-19 pandemic and consequent guidelines announced by MCA and SEBI, all the above Board Meetings were held through video conferencing arrangements.

The names and category of the Directors on the Board, their attendance at the Board Meeting held during the year under review and at the last Annual General Meeting (“AGM”), number of Directorships and Committee Chairmanship / Membership held by them in Indian Public Companies as on March 31, 2022, are given below. For reckoning the maximum number of Chairmanships / Memberships in Committees, only two Committees viz. Audit Committee and Stakeholders Relationship Committee of the Board has been considered.

Directors	Category / Position	No. of Board Meetings attended (FY 2021-22)	Attendance at last AGM held on August 4, 2021	No. of Directorships	Committee positions in India	
					Member	Chairman
<b>Non-Executive</b>						
Mr. Joao Felix Da Silva	Promoter Group (Chairman)	5	Yes	1	-	-
Mr. Yves Honhon	Promoter Group	3	Yes	1	1	-
Mr. Jean Gourp	Promoter Group	5	Yes	1	-	-
Mr. N. Sundararajan	Independent	5	Yes	1	-	2
Ms. Roma Balwani	Independent	5	Yes	1	1	-
Mr. Nandkumar Dhekne	Independent	5	Yes	3	1	-
<b>Executive</b>						
Mr. Vivek Bhide	Non-Independent (Managing Director)	5	Yes	1	1	-

During the year, Dr. Urjit Patel was appointed as an Independent Director of the Company with effect from April 1, 2021. Due to his new full-time work assignment and time constraints, Dr. Patel had resigned as an Independent Director from January 31, 2022.

As a replacement of Dr. Urjit Patel, Mr. Praveen Kadle has been appointed on March 18, 2022 as an Independent Director of the Company, with effect from April 1, 2022. The approval of the members of the Company for appointment of Mr. Praveen Kadle has been obtained through Postal Ballot on April 22, 2022.

As per the circulars issued by the MCA and SEBI, the Thirty-Fifth AGM of the Company was held on August 4, 2021 through video conferencing / other audio visual means.

None of the Directors on the Board is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies. The Managing Director does not serve as Independent Director on any Listed Company. Further, none of the Director acts as a member of more than 10 Committees or as a Chairperson of more than 5 Committees (as stipulated in Regulation 26(1) of the Listing Regulations) across all the public Companies in which he / she is a Director. The annual disclosures have been made by the Directors, informing about their other Directorships and Committee positions.

None of the Directors has any inter-se relationship among themselves and with any employees of the Company.

The details of Directors who are Directors of other Listed Companies along with the category, as on March 31, 2022 :

Directors	Name of other Listed Company	Category / Position
Mr. Joao Felix Da Silva	None	Not Applicable
Mr. Yves Honhon	None	Not Applicable
Mr. Jean Gourp	None	Not Applicable
Mr. N. Sundararajan	None	Not Applicable
Ms. Roma Balwani	None	Not Applicable
Mr. Nandkumar Dhekne	Astec Lifesciences Limited Elantas Beck India Limited	Independent Director Independent Director
Mr. Vivek Bhide	None	Not Applicable

#### Separate Meeting of Independent Directors

The role of Independent Directors also includes review of the performance of the Non-Independent Directors (including the Chairman) and the entire Board and also to assess the quality, content and timelines of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

During the year under review, the Independent Directors met amongst themselves without the presence of the Company executives on February 3, 2022.

#### Agenda

All the meetings are conducted as per well designed and structured agenda and in line with the compliance requirement under the Act, Listing Regulations and applicable Secretarial Standards prescribed by ICSI. All agenda items are backed by necessary supporting information and documents which are circulated seven days prior to the Board / Committee Meeting, (except for the critical price sensitive information, which is circulated separately in advance or placed at the meeting) to enable the Board / Committee to take informed decisions. Agenda also includes Minutes of the previous meetings of all the Board Committees, for the information of the Board.



Additional Agenda items in the form of "Other Business" are included with the permission of the Chairman and majority of the Directors present at the meeting. Further, information is also provided to the Board Members on critical matters for their inputs, review and approval. For any business exigencies, the resolutions are passed by circulation and later confirmed at the subsequent Board / Committee meeting.

### **Invitees and Proceedings**

Apart from the Board members and the Company Secretary, the Board and Committee meetings are generally attended by the Chief Financial Officer. Other senior management executives are invited as and when necessary. The Chief Financial Officer briefs the Board on the financial performance of the Company during the previous quarter and trend analysis as compared to the budgets, operational performance and market scenario.

The annual strategic and operating plans of the business are presented to the Board. The quarterly financial results and annual financial statements are first presented to the Audit Committee and subsequently to the Board for their approval. Also, the Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company. Important management issues, material developments and statutory matters are presented to the Committees of the Board and the Committee recommendations are placed before the Board.

The Chairperson of every Board Committee briefs the Board on all the important matters discussed and decided at their respective Committee meetings, which are generally held prior to the Board meeting.

The Company Secretary records the Minutes of the proceedings of every meeting of the Board and Committees. The draft Minutes are circulated to the members of the Board or Committees for their perusal. Comments from the Directors are incorporated in the Minutes and are approved by the members of the Board / Committees. The above steps are completed within the stipulated time prescribed by the Secretarial Standard on Meeting of the Board of Directors.

### **Post Meeting Action and Follow-up system**

Post meetings, all important decisions taken at the meeting are communicated to the concerned officials and departments. "Actions Taken Report" is prepared and reviewed periodically by the Managing Director and the Company Secretary for the actions taken / pending to be taken.

### **Support and Role of Company Secretary**

The Company Secretary is responsible for convening the Board and Committee meetings, preparation and distribution of Agenda and other documents and recording of the Minutes of the meetings. He acts as interface between the Board and the Management and provides required assistance and assurance to the Board and the Management on compliance and governance aspects.

### **Compliance Officer**

Mr. Haresh Vala, Company Secretary is the Compliance Officer for complying with the provisions of the Act, the Listing Regulations and other mandatory compliances.

### **Appointment of New Director**

On the recommendations of the NRC, the Board at its meeting held on March 18, 2022, had approved the appointment of Mr. Praveen Kadle as an Independent Director effective from April 1, 2022, in the vacancy

caused by the resignation of Dr. Urjit Patel. The appointment of Mr. Praveen Kadle has been approved by the members of the Company through Postal Ballot on April 22, 2022.

### **Directors seeking appointment / re-appointment**

Mr. Jean Gourp, Non-Executive Director, retires by rotation and being eligible, has offered himself for re-appointment.

The term of Mr. Vivek Bhide as the Managing Director of the Company expires on February 7, 2023. The Board at its meeting held on May 26, 2022, based on the recommendation of the Nomination and Remuneration Committee, has approved the re-appointment of Mr. Vivek Bhide as Managing Director of the Company for a period of 5 (five) years and remuneration for a period of 3 (three) years with effect from February 8, 2023, subject to the approval of the members of the Company, and of the Central Government, if required.

Brief background information relating to Mr. Jean Gourp and Mr. Vivek Bhide has been given in the Notice convening the AGM.

### **Familiarisation Programme for Directors (including Independent Directors)**

As stipulated by Regulation 25 of the Listing Regulations, the Company familiarizes its Independent Directors on their roles, rights, responsibilities, etc. The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company. All the Directors including the Independent Directors are provided familiarization trainings through various presentations which give them insights to the Company, including nature of industry in which the Company operates, business model of the Company, relevant information to business processes, business development, strategy, and business plan of the Company. This enables the Directors and provides them an opportunity to gain in-depth understanding about the Company and its business potential.

The Company circulates news and articles related to the industry on a regular basis and as a general practice, the Board is updated about the highlights of changes in various applicable laws from time to time.

Details of such familiarization program along with the details of the same and the number of hours attended by the Independent Directors are available on the website of the Company at <http://www.johncockerillindia.com/financialreport.aspx?Subcat=Familiarisation%20Program&InvestorType=Corporate%20Governance>.

### **Board Evaluation**

In compliance with the provisions of the Act and the Listing Regulations, the Board has carried out the annual evaluation process of the Board, its Committees and of the individual Directors.

The NRC have defined the evaluation criteria for the Board, its Committees and Directors. The said criteria provide certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with Code of Conduct, vision and strategy, management actions, etc. The evaluation templates are designed considering the guidelines issued under the Listing Regulations and Secretarial Standards and taking into consideration the suggestions given by the Directors.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The

performance evaluation of the Chairman and the Non-Independent Directors were carried out by the Independent Directors. All Directors also individually reviewed the overall performance of the Board and of the Committees.

The Directors were satisfied with the evaluation results.

As an outcome of the evaluation process, it was noted that the Board as a whole has a composition that is diverse in experience and perspective and fosters lively and constructive debates. The discussion quality is robust, well intended and leads to clear direction and decision. The presentations by the Senior Management provide insights at a deeper level and exposure to functional segments. It was noted that the Board Committees function professionally and smoothly and, besides the Board Committee's terms of reference as mandated by law, important issues are brought up and discussed in the respective Committees. The Board also noted that the extent of information presented at the Board / Committee meetings, helps to assimilate and analyze the issues for discussion during the meetings.

After the conclusion of the evaluation process and after reviewing the findings, the Chairman of the Board has held individual meetings with each Independent Director to get his / her feedback on the functioning of the Board and its constituents, *inter alia*, on the criteria such as level of participation at the meetings of the Board and Committees, independence of judgement exercised by Independent Directors, interpersonal relationship, etc. The Chairman has also given to every Director his own summarized feedback, and the highlights of the evaluation by the other Directors.

### Core skills / expertise / competencies of the Board Members

The members of the Board are committed to ensuring that the Board is in compliance with the highest standard of Corporate Governance. In terms of the requirement of the Listing Regulations, the Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company, as currently available with the Board. The details along with the names of the Directors who have such skill / expertise / competences as on March 31, 2022 are given below :

Strategy and Strategic Planning, Executive Management, International	Developing long term strategies to sustainably grow business, in a profitable manner in a highly competitive, technical and fast changing environment. Ability to envision, long term planning and to drive necessary changes at local as well as international levels.
Financial performance	Ability to read and understand financial statements, analyze key financial numbers and ratios, critically assess financial viability and performance, contribute to financial planning, assess financial controls and oversee capital management and funding arrangements.
Risk and compliance oversight, Governance, Policy Development, Legal	Knowledge and experience of best practices in governance structures, policies and processes including establishing risk and compliance frameworks, identifying and monitoring key risks. Experience in legal processes and skills at interpreting laws / regulations applicable to the Company to enhance the Governance and protect its interest.
Commercial experience, Manufacturing, Engineering, Technology innovation. Client engagement, Marketing	Ability to develop long term plans to sustain and support the business, anticipating future business models / changes in an innovative way. Experience in understanding technology, its purposes and its suitability for the Company. Experience in driving / heading sales and marketing and resulting in continuous improvement of sales and business development.
Human Resources, Corporate Communications, CSR & ESG, Brand Building, Member, Community and Stakeholders engagement	Expertise in people management including but not limited to talent management, employee growth, dispute resolution, inter-personnel relations, liaison with external stakeholders. Responsible business practices which include ESG and social impact. Experience in improving organization's reputation and build brand reputation.
Geographic, gender and cultural diversity	Representation of gender, cultural or such other diversity that expand the Board's understanding and perspective.

Skills / Expertise / Competencies	Mr. Joao Felix Da Silva	Mr. Yves Honhon	Mr. N. Sundararajan	Ms. Roma Balwani	Mr. Nandkumar Dhekne	Mr. Jean Gourp	Mr. Vivek Bhide
Strategy and Strategic planning	√	√	√	√	√	√	√
Policy development			√				√
Executive Management	√	√	√	√	√	√	√
Commercial experience					√	√	√
International	√	√	√	√	√	√	√
Client engagement	√			√	√	√	√
Financial performance	√	√	√		√		√
Risk and compliance oversight		√	√		√		√
Information Technology strategy	√						
Manufacturing	√					√	√

Skills / Expertise / Competencies	Mr. Joao Felix Da Silva	Mr. Yves Honhon	Mr. N. Sundararajan	Ms. Roma Balwani	Mr. Nandkumar Dhekne	Mr. Jean Gourp	Mr. Vivek Bhide
Engineering	√					√	
Technology innovation	√					√	√
Member, Community and stakeholders engagement	√		√	√	√		√
Marketing				√	√		√
Governance		√	√				√
Human Resources					√		√
Corporate Communications				√			
CSR & ESG				√			
Brand Building				√			
Legal			√				
Geographic, gender and cultural diversity	√	√	√	√	√	√	√

### Code of Conduct

The Company has laid down a robust Code of Conduct (“Code”), for its Board Members and all employees of the Company, based on the principles of ethics, integrity and transparency. As the Company continues to strive for the highest standards of excellence, its business practices will continue to be evaluated and improved on a periodic basis. The Company believes in “Zero Tolerance” to bribery and corruption in any form. In line with our governance philosophy of doing business in most ethical and transparent manner, the Board has laid down anti-bribery and corruption directives embedded in the Code. The Code of Conduct is posted on the website of the Company – [www.johncockerillindia.com](http://www.johncockerillindia.com) under the Investors section.

All the Board members and senior management personnel have confirmed compliance with the Code for the financial year 2021-22. A declaration to that effect, signed by Mr. Vivek Bhide, Managing Director is attached at the end of this Report and forms part of the Annual Report of the Company.

Further, the senior management employees of the Company have made disclosure to the effect confirming that there was no material, financial and / or commercial transactions between them and the Company, which could have any potential conflict of interest with the Company at large.

### Code of Internal Control and Conduct for Prevention of Insider Trading

In compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, the Company has adopted the Code of Internal Control and Conduct for Prevention of leakage of Price Sensitive Information and Prevention of Insider Trading to regulate, monitor and report trading in securities of the Company by Directors, Promoters, Designated Persons and specified Connected Persons of the Company and for Fair Disclosure of Unpublished Price Sensitive Information to ensure prohibition of Insider Trading in the Company. The objective of the Code is to prevent purchase and / or sale of shares of the Company by an Insider on the basis of unpublished price sensitive information. The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code.

Under this Code, Designated Persons are prohibited from dealing in the shares of the Company during the closure of Trading Window. They are required to obtain compliance approval when trading in securities beyond a specified limit. They are prohibited from executing a contra trade for a period of six months. They are also required to make relevant periodic disclosures as defined in the Code.

Mr. Hareesh Vala, Company Secretary, has been designated as the Compliance Officer for monitoring compliances with this Code.

### Whistle Blower Policy

The Company believes in honest and ethical conduct from all the employees and others who are directly or indirectly associated with it. To ensure a fraud-free work environment, the Vigil Mechanism approved by the Board provides a formal way for all Directors and employees of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures regarding the unethical behavior, actual or suspected fraud or violation of the Company’s Code of Conduct.

The main objectives of the policy are :

- (i) to protect the brand, reputation and assets of the Company from loss or damage, resulting from suspected or confirmed incidents of fraud / misconduct.
- (ii) to provide guidance to the employees, vendors and customers on reporting any suspicious activity and handling critical information and evidence.
- (iii) to provide healthy and fraud-free work culture.
- (iv) to promote zero tolerance approach towards bribery, corruption, unethical behavior and non-compliance.

Under the Policy, every Director, employee or vendor of the Company has an assured access to the Chairman of the Audit Committee. Details of the Vigil Mechanism are given in the Directors’ Report and no personnel has been denied access to the Audit Committee. The Whistle Blower Policy is available on the Company’s website and can be accessed through the link at <https://www.johncockerillindia.com/financialreport.aspx?Subcat=Whistleblower%20Policy&InvestorType=Policies>. Adequate safeguards have been provided against victimization of persons who use the vigil mechanism. No

person wishing to lodge his / her grievances has been denied access to the Audit Committee.

### **Policy on Protection of Women against Sexual Harassment at Workplace**

The Company is committed to create a healthy, balanced and conducive working environment that enables women employees to work without fear of prejudice, gender bias and sexual harassment and / or any such orientation in implicit or explicit form. Pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the Company has adopted a "Policy on Protection of Sexual Harassment at Workplace" and formed a Committee as prescribed in the Regulation. Through this Policy, the Company seeks to provide protection to its women employees against sexual harassment at the workplace and also provide a mechanism for redressal of complaints related to matters connected therewith or incidental thereto. During the year, no complaint was received under the Policy.

### **COMMITTEES OF THE BOARD**

The Committees of the Board play an important role in the governance structure of the Company and have been constituted to focus on specific areas and make informed decisions within the delegated authority. Each Committee is guided by its terms of reference which provides for composition, scope, powers and duties and responsibilities. The recommendations and / or observations and decisions are placed before the Board for their information or approval. The Chairperson of each Committees updates the Board regarding the discussions held / decisions taken at the Committee Meetings.

During the year under review, there has been no instances of rejection by the Board of any recommendations made by any of its Committees.

#### **(i) Audit Committee – Mandatory Committee**

The Board has constituted a well-qualified and empowered Audit Committee which acts as a link between the Statutory and Internal Auditors and the Board of Directors. The purpose of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities of monitoring financial reporting process, reviewing the Company's established systems and processes of internal financial controls, governance and reviewing the Company's Statutory and Internal Audit activities. All the members of the Committee are Non-Executive Directors with majority of them, including the Chairman being Independent Directors. They possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc. The Company Secretary acts as the Secretary to the Committee.

#### **Composition and Meetings**

The Audit Committee had 4 (four) meetings during the financial year 2021-22 on May 27, 2021, August 3, 2021, October 28, 2021 and February 4, 2022. The composition of the Audit Committee as at March 31, 2022 and attendance of each Committee Member are as under :

<b>Name of the Director</b>	<b>Position</b>	<b>Category</b>	<b>No. of meetings attended</b>
Mr. N. Sundararajan *	Chairman	Independent Director	4 of 4
Mr. Yves Honhon	Member	Non-Executive Director	3 of 4
Mr. Nandkumar Dhekne	Member	Independent Director	4 of 4

\* Mr. N. Sundararajan was appointed as the Chairman of the Committee effective from April 1, 2021.

Mr. Praveen Kadle has been inducted as a member of the Committee in place of Mr. Nandkumar Dhekne who ceased to be a member of the Committee w.e.f. May 26, 2022.

Mr. N. Sundararajan, Chairman of the Audit Committee was present at the last Annual General Meeting for answering the shareholders queries.

#### **Invitees / Participation**

The Managing Director is a permanent invitee to all the meetings of the Audit Committee. The representatives of the Internal Auditors attend all the Audit Committee Meetings and brief the Committee on the points covered in the Internal Audit Report as well as other related issues that come up during the discussions. During the year under review, the representatives of the Statutory Auditors have attended all the Audit Committee meetings, where financial results were approved. The Chief Financial Officer also attends all the Committee meetings to provide inputs on issues relating to internal audit findings, internal controls, accounts, taxation, risk management, etc. Other Directors are always invited to join the meetings, subject to their convenience. Other executives are invited to attend the meeting as and when required.

#### **Terms of Reference**

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Regulations read with Section 177 of the Act. These broadly include :

- (i) review of financial reporting processes;
- (ii) review of risk management, internal control and governance processes;
- (iii) review of quarterly, half yearly and annual financial statements and the auditors' report;
- (iv) interaction with statutory, internal and cost auditors to ascertain their independence and effectiveness of audit process;
- (v) recommendation for appointment, remuneration and terms of appointment of auditors; and
- (vi) carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

- (i) Matters included in the Director's Responsibility Statement.
- (ii) Changes, if any, in the accounting policies.

- (iii) Major accounting estimates and significant adjustments in financial statement.
- (iv) Compliance with listing and other legal requirements concerning financial statements.
- (v) Subject to review and approval by the Board of Directors, review and approve all Related Party Transactions entered into by the Company pursuant to each omnibus or specific approval.
- (vi) 'Qualification' if any, in draft audit report.
- (vii) Scrutiny of inter-corporate loans and investments.
- (viii) Management Discussion and Analysis of the Company's operations.
- (ix) To investigate into substantial default in the payment to depositors / shareholders (non-payment of dividend) and creditors.
- (x) Review of utilization of loans and / or advance from / investment by the Company.
- (xi) Valuation of undertakings or assets of the Company, wherever necessary.
- (xii) Periodical internal audit reports.
- (xiii) Findings of any special investigations carried out either by the Internal Auditors or any external investigating agencies.
- (xiv) Letters of Statutory Auditors to the management on internal control weakness, if any.
- (xv) Major non routine transactions recorded in the financial statements involving exercise of judgement by the management.
- (xvi) Recommend to the Board, the appointment, re-appointment and, if required the replacement or removal of the auditors considering their independence and effectiveness and recommend their audit fees.
- (xvii) Recommend to the Board, the appointment and remuneration of the CFO and the Internal Auditors.
- (xviii) Effectiveness of the system for monitoring compliance with laws and regulations and the results of the Management's investigation and follow-up (including disciplinary action) of any instances of non-compliance.

**(ii) Nomination and Remuneration Committee – Mandatory Committee**

**Composition and Meetings**

The constitution of Nomination and Remuneration Committee ("NRC") is pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations. As on April 1, 2021, the Committee comprised of four Directors with half of them being Independent Directors, including its Chairperson, Ms. Roma Balwani. During the year under review, Regulation 19 of the Listing Regulations was amended with respect to the composition of the Committee which mandated at least two-third of the members in the Committee should be Independent Directors. In order to comply with the amended Regulation 19, the NRC was reconstituted by the Board at its meeting held on October 28, 2021 and Mr. Jean Gourp ceased to be a member of NRC. As on March 31, 2022, the NRC had 3 (three) members

– Ms. Roma Balwani, Chairperson, Mr. Joao Felix Da Silva and Mr. Nandkumar Dhekne as members.

The NRC held 4 (four) meetings during the year on May 27, 2021, October 28, 2021, February 3, 2022 and March 18, 2022. The composition of NRC as on March 31, 2022, and the attendance of the members are as under :

Name of the Director	Position	Category	No. of meetings attended
Ms. Roma Balwani	Chairperson	Independent Director	4 of 4
Mr. Joao Felix Da Silva	Member	Non-Executive Director	4 of 4
Mr. Nandkumar Dhekne	Member	Independent Director	4 of 4
Mr. Jean Gourp *	Member	Non-Executive Director	2 of 2

\* Mr. Jean Gourp ceased to be a member of the NRC effective from October 28, 2021

Ms. Roma Balwani, Chairperson of NRC, was present at the last Annual General Meeting of the Company held on August 4, 2021.

**Invitees / Participation**

The Managing Director is a permanent invitee to all the NRC meetings. The Company Secretary acts as the Secretary to NRC. Other Directors are always invited to join the meetings, subject to their convenience.

**Terms of Reference**

The terms of reference of NRC covers the areas as contemplated under Section 178 of the Act and Regulation 19 of the Listing Regulations. The broad terms of reference of NRC are :

- (i) Formulate criteria for determining qualifications, positive attributes and independence of Directors and oversee the succession management process for the Board and senior management employees;
- (ii) Identification and assessing potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as Directors / Independent Directors on the Board and as Key Managerial Personnel ("KMP");
- (iii) Formulate a policy relating to remuneration for the Directors, Committee and also the Senior Management Employees;
- (iv) Develop a process for evaluation of the Board of Directors including Independent Directors and its Committees;
- (v) Conduct annual performance review of the Managing Director, KMP and Senior Management Employees;
- (vi) Carrying out any other function as is mentioned in the terms of reference of NRC.

**Remuneration Policy**

The Company's remuneration policy is driven by the success and performance of the individual employees as well as their expertise in critical areas of operations of the Company. The policy is designed to create high performance culture and to attract, retain and motivate employees, Directors and other senior management.

The Company's Remuneration Policy is applicable to Directors, KMPs and other senior management personnel of the Company, setting out criteria of identification, appointment, remuneration, evaluation of performance of Directors. The policy is available on the Company's website at <https://johncockerillindia.com/financialreport.aspx?Subcat=Remuneration%20Policy&InvestorType=Policies>.

#### **Non-Executive Directors**

The Non-Executive Independent Directors are paid remuneration based on their contribution and current trend. Sitting fees are paid for attending each meeting of the Board and Committees thereof. Additionally, the Non-Executive Independent Directors are entitled to commission as per the provisions of the Act.

Non-Executive Directors nominated by the Holding Company are not entitled to sitting fees for attending the meetings of the Board or any Committee thereof nor do they receive any commission on net profits.

#### **Senior Management Employees**

The remuneration to senior management employees is divided into two components viz. fixed component of salaries, perquisites and retirement benefits and variable component of performance based incentive.

The Company has arranged / purchased a Directors and Officers Liability Insurance Policy covering all Directors and Officers of the Company in respect of any legal action that might be initiated against any Director or Officer of the Company.

#### **Details of Remuneration paid to the Directors**

##### **(a) Pecuniary relationship and transactions of Non-Executive Directors with the Company**

Except for sitting fees and commission paid to the Non-Executive and Independent Directors for attending the respective meetings of Board / Committees, the Company has not entered into any pecuniary relationship with any Non-Executive Director.

##### **(b) Criteria of making payment to Non-Executive Directors**

- Non-Executive Directors are paid sitting fees for attending the Meetings of the Board and of Committees of which they are members.
- In addition to the sitting fees, the Company also pays commission to Non-Executive Directors for their overall engagement and contribution for the Company's business. The Commission is within regulatory limits, as recommended by the NRC and approved by the Board.
- Overall remuneration shall be reasonable and sufficient to attract, retain and motivate Non-Executive Directors aligned to the requirements of the Company, taking into consideration the challenges faced by the Company and its future growth imperatives. Remuneration paid is reflective of the size of the Company, complexity of the sector / industry / Company's operations.
- The remuneration payable is inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

##### **(c) Details of Remuneration to Non-Executive Directors for the year ended March 31, 2022**

Details of remuneration to Non-Executive Directors during the year ended March 31, 2022 are as under :

Directors	Commission # (₹ in lakhs)	Sitting Fee paid (₹ in lakhs)
Mr. Joao Felix Da Silva *	Nil	Nil
Mr. Yves Honhon *	Nil	Nil
Mr. Jean Gourp *	Nil	Nil
Mr. N. Sundararajan	6.00	10.50
Ms. Roma Balwani <sup>^</sup>	6.00	9.80
Mr. Nandkumar Dhekne	6.00	12.80
Dr. Urjit Patel <sup>\$</sup>	5.00	2.00

\* Mr. Joao Felix Da Silva, Mr. Yves Honhon and Mr. Jean Gourp are not entitled to sitting fees for attending the meetings of the Board or any Committee thereof nor do they receive any commission on net profits.

# Commission is within the limits specified under Section 197 of the Act and will be paid after the financial statements are approved by the members at the Annual General Meeting scheduled to be held on August 3, 2022.

<sup>^</sup> Sitting fees of ₹ 50,000 for a meeting attended in the financial year 2020-21 was claimed in the financial year 2021-22.

<sup>\$</sup> Dr. Urjit Patel ceased to be a Director effective from January 31, 2022 and hence, commission to Dr. Urjit Patel was decided on proportionate basis for the period of his association with the Company during the financial year 2021-22.

None of the Directors holds any shares of the Company as on March 31, 2022.

##### **(d) Remuneration to Managing Director for the year ended March 31, 2022**

The Board, on the recommendations of the NRC, is authorized to decide the remuneration of the Managing Director, subject to the approval of the members and Central Government, if required. The remuneration structure of the Managing Director comprises of Salary, Perquisites, Retirement benefits as per law / rules and Performance Linked Management Incentive (PLMI). There is no separate provision for payment of severance fees in the contract of Mr. Vivek Bhide as Managing Director.

Annual increments are decided by the NRC and recommended to the Board within the salary range approved by the members. The remuneration of Managing Director is arrived after taking into account the Company's overall performance, his contribution for the same and trends in the industry in general, in a manner which will ensure and support a high-performance culture. The Managing Director is entitled to PLMI with target payouts fixed to be paid at the end of the financial year as may be determined by the Board and are based on certain pre-agreed performance parameters. PLMI is computed on the basis of specific targets for the Managing Director.

The terms and conditions of appointment and remuneration of Managing Director may be varied, altered, increased, enhanced or widened from time to time by the Board, as deemed fit, but within the overall limits / parameters approved by the members.

The details of remuneration to Managing Director for the year ended March 31, 2022 is as under :

Name of Managing Director	Salary	Performance incentive	Company's Contribution to Funds	Perquisites and allowances	(₹ in lakhs)	Total Contract Period	Notice period in months
					Total		
Mr. Vivek Bhide	305.14	27.30	18.76	34.93	386.13	February 8, 2020 to February 7, 2023	3

**Notes :**

- (1) All the above components of remuneration, except performance incentive, are fixed in nature.
- (2) The amended Schedule V of the Act deals with the conditions for appointment and payment of remuneration to managerial personnel. The provisions of Schedule V provides that in respect of the remuneration paid to a managerial person functioning in a professional capacity and fulfilling certain other conditions, the Company can pay remuneration in accordance with the terms and conditions approved by the members by way of special resolution, without obtaining the approval of Central Government. In terms of the said notification, the approval of the Central Government is not required for the remuneration paid / payable to Mr. Vivek Bhide as the Managing Director. The remuneration paid to Mr. Vivek Bhide is as per the terms and conditions and within the limits approved by the members at the Thirty-Fourth Annual General Meeting of the Company held on August 27, 2020.

Presently, the Company does not have any stock options scheme.

**(iii) Stakeholders Relationship Committee – Mandatory Committee**

The Stakeholders Relationship Committee is responsible for transfer / transmission of shares, satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services. The roles and responsibilities of the Stakeholders Relationship Committee are as prescribed under Section 178 of the Act and Regulation 20 of the Listing Regulations.

**Composition and Meeting**

Mr. N. Sundararajan, Non-Executive Independent Director is the Chairman of the Committee, and the other members of the Committee are Ms. Roma Balwani and Mr. Vivek Bhide.

The Committee met once during the year on February 3, 2022 which was attended by all the members.

The table below highlights the composition and attendance of the members at the meeting of the Committee :

Name	Position	Category	No. of meetings attended
Mr. N. Sundararajan	Chairman	Independent Director	1 of 1
Ms. Roma Balwani	Member	Independent Director	1 of 1
Mr. Vivek Bhide	Member	Managing Director	1 of 1

The Chairman of the Stakeholders Relationship Committee was present during the last Annual General Meeting of the Company held on August 4, 2021.

**Redressal of Investors' Grievance**

The Company Secretary is designated as the Compliance Officer who oversees the redressal of the investors' grievances.

During the year under review, there were no complaints from the shareholders of the Company. Hence, no complaint / query is remaining unsolved or pending as on March 31, 2022. The Company and its Registrar and Share Transfer Agent, Bigshare Services Private Limited have received letters / requests on various matters such as change of address, change of bank particulars, ECS mandate, nomination requests, KYC compliances, etc. The Board is pleased to report that all requests have been replied on time, except for requests received towards the year-end which were under process as on March 31, 2022.

The Company has a designated e-mail id : investors@johncockerillindia.com for the purpose of registering complaints by shareholders / investors electronically. This e-mail id is displayed on the Company's website at www.johncockerillindia.com.

Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

**(iv) Corporate Social Responsibility Committee – Mandatory Committee**

The Corporate Social Responsibility ("CSR") Committee was constituted in compliance with the provisions of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, to formulate policies, indicate the activities / projects and the amount of expenditure to be incurred in relation to the CSR activities of the Company.

The Company has formulated a CSR policy, and this is available on the website of the Company viz. www.johncockerillindia.com.

**Composition and Meeting**

The Committee is headed by Ms. Roma Balwani, Non-Executive Independent Director. The Committee met once on May 27, 2021. The details of the composition and attendance at meeting as on March 31, 2022 is as under :

Name	Position	Category	No. of meetings attended
Ms. Roma Balwani	Chairperson	Independent Director	1 of 1
Mr. Jean Gourp	Member	Non-Executive Director	1 of 1
Mr. Vivek Bhide	Member	Managing Director	1 of 1

The Company Secretary acts as the Secretary to the Committee.

#### Terms of Reference

The terms of reference of CSR Committee are to :

- Strategize and align to the community where the Company operations are located, provide a framework for the CSR Policy and review it from time to time and recommend it to the Board.
- Provide advise to ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget.
- To ensure CSR activities are in compliance with the laws, rules and regulations governing the CSR and to periodically report to the Board of Directors.

Annual Report on CSR activities is a part of the Directors' Report detailing the CSR projects undertaken by the Company.

#### (v) Risk Management Committee – Non Mandatory Committee

The Risk Management Committee ("RMC") was constituted pursuant to Regulation 21 of the Listing Regulations. SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2021, has amended Regulation 21 of the Listing Regulations, making it mandatory for top 1000 listed Companies determined on the basis of market capitalization at the end of the immediate preceding financial year to have RMC. The Company does not fall within this threshold, but, in the spirit of governance beyond the mandatory limits, the Board of Directors has voluntarily continued with the RMC which was constituted in the year 2014.

The Company has a well-defined Risk Management framework to identify, monitor and minimizing / mitigating risks. The Risk Management framework has been developed and approved by the senior management in accordance with the business strategy.

#### Composition and Meeting

Mr. Nandkumar Dhekne is the Chairman of the RMC. During the year under review, RMC met once on May 12, 2021, which was attended by all the members.

Name	Position	Category	No. of meetings attended
Mr. Nandkumar Dhekne	Chairman	Independent Director	1 of 1
Mr. N. Sundararajan	Member	Independent Director	1 of 1
Mr. Vivek Bhide	Member	Managing Director	1 of 1

Mr. Praveen Kadle was inducted as a member of the Committee w.e.f. May 26, 2022.

#### Terms of Reference

The terms of reference of RMC broadly comprises of :

- To formulate a detailed Risk Management Policy which shall include :
  - A framework for identification of internal and external risks specifically faced by the Company, in particular financial, operational, sectoral, sustainability, information, intellectual property, cyber security risks or any other risk as may be determined by the Committee.
  - Measures for risk mitigation including systems and processes for internal control of identified risks.
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the Risk Management Policy, including evaluating the adequacy of risk management systems.
- To periodically review the Risk Management Policy.
- To keep the Audit Committee informed about the nature and content of its discussions, recommendations and actions to be taken.
- To review the arrangements / actions committed for Risk Transfer (Insurance) and advise on changes and improvements as deemed fit.

During the year under review, RMC reviewed the risk trends, exposure and potential impact analysis carried out by the management.

#### (vi) Borrowings Committee – Non Mandatory Committee

The Borrowings Committee is formed to review, consider and approve, from time to time, borrowing of money within the overall limits and guidelines approved by the Board, execution of documents related to banking arrangements, etc. As on March 31, 2022, the Borrowings Committee comprised of Mr. Vivek Bhide, Managing Director (Chairman of the Committee), Mr. Nandkumar Dhekne, Independent Director, and Mr. Kiran Rahate, Chief Financial Officer, as the other members. Mr. Praveen Kadle was inducted as a member of the Committee w.e.f. May 26, 2022.

#### (vii) Banking Operations Committee – Non Mandatory Committee

The Banking Operations Committee presently comprises of Mr. Vivek Bhide, Managing Director, who is the Chairman of the Committee, and Mr. Kiran Rahate, Chief Financial Officer, as the other member of the Committee. The Committee approves from time to time, the availing of specific banking services with the Banks and nominates / amends the list of signatories for operating of bank accounts, etc. on behalf of the Company.

#### CEO / CFO Certification

The Managing Director and the Chief Financial Officer of the Company have issued a Certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and that these statements represent a true and fair view of the Company's affairs.



## DISCLOSURES

### Disclosure of transactions with Related Parties

All the transactions entered into with related parties as defined under Section 188 of the Act and the Listing Regulations during the financial year 2021-22 were in the ordinary course of business and at arms' length basis. Suitable disclosures as required under Indian Accounting Standards (IndAS-24) have been made in the Notes to the Financial Statements. There were no materially significant transactions with the related parties viz. Promoters, Directors or the Management or their relatives or subsidiaries that had potential conflict with the interests of the Company at large.

The Audit Committee has granted omnibus approval for related party transactions in the ordinary course of business. The summary of the transactions is reviewed on a quarterly basis by the Audit Committee. The Register of Contracts, containing transactions in which Directors are interested, is placed before the Board regularly for their approval.

The policy on related party transactions as approved by the Board is uploaded on the website of the Company and the weblink is <https://johncockerillindia.com/financialreport.aspx?Subcat=RPT%20Policy%20as%20per%20LODR&InvestorType=Policies>.

### Details of non-compliance

Apart from the penalty for late submission of Annual Report by one day, there was no non-compliance during the year and no penalty has been imposed or strictures have been passed on the Company by the Stock Exchange, Securities and Exchange Board of India, Registrar of Companies or any other statutory authority relating to the capital markets during the last three financial years.

### Disclosure of Accounting Treatment

The Financial Statements are prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under the Act read with the relevant Rules thereunder.

The previous year figures have been regrouped / reclassified or restated as per Ind AS, so as to make the figures comparable with the figures of current year. The significant accounting policies which are consistently applied have been set out in the Notes to the financial statements.

### Management Discussion and Analysis

Management Discussion and Analysis (MDA) Report is set out in a separate Section included and forms part of this Annual Report.

### Subsidiary Companies

At present, the Company has no subsidiary and accordingly, the requirement of appointing at least one Independent Director on the Board of Directors of the material unlisted subsidiary is not applicable.

### Credit Rating

The Company does not have any debt instrument or a fixed deposit program or any scheme or proposal involving mobilization of funds either in India or abroad that requires credit rating. The rating for the long term / short term bank facility is CARE BBB+, Stable / CARE A2 by CARE Ratings Limited. The details of credit rating are available on the website of the Company – [www.johncockerillindia.com](http://www.johncockerillindia.com)

## Compliances with Governance framework

The Company has complied with and disclosed all the mandatory corporate governance requirements under Regulations 17 to 27 and sub-regulation (2) of Regulation 46 of the Listing Regulations. Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time to time.

### Website

The Company ensures dissemination of applicable information under Regulation 46(2) of the Listing Regulations on the Company's website – [www.johncockerillindia.com](http://www.johncockerillindia.com). A separate section for the 'Investors' on the website of the Company contains, with a search option, the details relating to the financial results declared by the Company, Annual Reports, shareholding patterns and such other material information which is relevant to the members of the Company.

### Total fees paid to the Statutory Auditors

The Company has paid ₹ 52.57 lakhs as total fees for all the services provided by M/s. S R B C & Co. LLP and all entities in the network firm / network entity of which the statutory auditors are part :

Particulars	Amount (₹ in lakhs)
Fees for audit related services paid to S R B C & Co. LLP (including limited review)	52.57
Other fees paid to firms in the network entity of which S R B C & Co. LLP is a part of	NIL
<b>Total</b>	<b>52.57</b>

## MEANS OF COMMUNICATION

The Company is conscious of the importance of timely dissemination of adequate information to the stakeholders.

**Financial results** : The Company's quarterly, half yearly and annual financial results are sent promptly to the Stock Exchange and published in English newspapers (Business Standard) and a vernacular Marathi newspaper (Loksatta). Simultaneously, they are also uploaded on the Company's website at [www.johncockerillindia.com](http://www.johncockerillindia.com) under the Investors Section.

**Annual Report** : The Annual Report containing, inter alia, Audited financial statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

**Chairman's Speech** : The Chairman's Speech forms part of the Annual Report.

**Filing with the Stock Exchange** : All other periodical compliance matters, requiring filing with the Stock Exchange - like shareholding pattern, corporate governance report, media releases, statement of investor complaints, amongst others, are filed electronically with BSE Limited.

**SEBI Complaints Redress System (SCORES)** : The investor complaints are processed in a centralized web-based complaints redressal system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned Companies and online viewing by investors of actions taken on the complaint and its current status.

During the year under review, no presentation was made to analysts / investors.

In compliance with Regulation 46 of the Listing Regulations, a separate dedicated section (with a search option) under “Investors Relations”, on the Company’s website gives information on various announcements made by the Company, status of unclaimed dividends, shareholding pattern, annual reports, quarterly / half yearly and audited results, credit ratings along with the applicable policies and other relevant information of interest to the investors / public.

The Board of Directors has approved a policy for determining materiality of events for the purpose of making disclosure to the Stock Exchange.

The Company has designated the email address : investors@johncockerillindia.com exclusively for investor communication, and the same is prominently displayed on the Company’s website : www.johncockerillindia.com

## GENERAL BODY MEETINGS

### Details of General Meetings and Special Resolutions passed

The details of Annual General Meetings (“AGMs”) held in last 3 years along with the details of the Special Resolutions, as more particularly set out in the notices of the respective AGMs and passed by the members are as follows :

Year	Location	Date	Time	Whether any Special Resolution passed
2018-2019	Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri East, Mumbai 400 093	August 1, 2019	2.30 p.m.	- Re-appointment of Ms. Roma Balwani (DIN 00112756) as an Independent Director - Commission on Profits to Non-Executive Directors
2019-2020	Through video-conferencing / other audio visual means	August 27, 2020	2.30 p.m.	- Appointment of Mr. Vivek Bhide as the Managing Director of the Company
2020-2021	Through video-conferencing / other audio visual means	August 4, 2021	2.30 p.m.	No special resolution was passed

During the year under review, the Company has approached the shareholders through Postal Ballot.

The details of Resolution passed through Postal Ballot and the voting pattern for the said Resolution is disclosed as under :

Date of Postal Ballot Notice	:	March 18, 2022
Voting Period	:	March 24, 2022 to April 22, 2022
Date of declaration of results	:	April 23, 2022

Sr. No.	Special Resolution	No. of valid votes received	No. and % of votes in favour	No. and % of votes against
1.	Appointment of Mr. Praveen Kadle (DIN 00016814) as an Independent Director of the Company	4164382	4164372 (99.99%)	10 (0.01%)

### Procedure for Postal Ballot

In view of COVID-19 pandemic, MCA vide its General Circulars, had allowed Companies to take all decisions of urgent nature requiring members’ approval through the mechanism of Postal Ballot / e-voting in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue.

Accordingly, pursuant to the provisions of Section 108 and 110 of the Act read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the Listing Regulations, the Resolution as specified in the Notice of Postal Ballot dated March 18, 2022, was transacted through Postal Ballot by way of remote e-voting.

The Company had engaged the services of National Securities Depository Limited (“NSDL”) for providing e-voting facility to the members. The members were provided with the option of exercising their right to vote on the said resolution through e-voting during the period from Thursday, March 24, 2022, to Friday, April 22, 2022. Upon completion of the voting period, the Scrutinizer, Mr. Vijay Kumar Mishra of M/s. VKM & Associates completed the scrutiny of votes cast and submitted his report to the Chairman / Managing Director. The results of the voting were declared on Saturday, April 23, 2022, on the website of the Stock Exchange, the Company and NSDL.

No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Report.

## GENERAL SHAREHOLDER INFORMATION

### 36<sup>th</sup> Annual General Meeting (“AGM”)

Date	:	August 3, 2022
Time	:	2.30 p.m. IST
Venue	:	Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri East, Mumbai 400 093

### Book Closure dates

Dates of Book Closure will be from July 26, 2022, to August 3, 2022 (both days inclusive).

### Financial Year

The Company follows the period from April 1 to March 31 of the next year, as the financial year.

### Financial Calendar 2022-23 (tentative)

First Quarter Results : First / Second week of August 2022  
Half Yearly Results : First / Second week of November, 2022  
Third Quarter Results : First / Second week of February, 2023  
Fourth Quarter and Annual Results : Third / Fourth week of May, 2023

### Dividend

The Board of Directors at its meeting held on May 26, 2022, have recommended, subject to the approval of and declaration by the shareholders at the ensuing AGM, payment of dividend of ₹ 2/- per share, on the equity shares of the Company having face value of ₹ 10/- each (20%). Such dividend shall be payable to the members whose names appear on the Company's Register of Members on July 25, 2022 in respect of physical members and whose name appear in the list of Beneficial Owners on July 25, 2022 furnished by NSDL and CDSL for this purpose. The dividend, if declared at the AGM shall be paid after August 3, 2022.

### Listing on Stock Exchange

The equity shares of the Company are presently listed on BSE Limited (BSE).

The Listing fees for the year 2022-23 has been paid to BSE Limited.

### Stock Code

BSE Limited

Scrip Code : 500147 Scrip Name : COCKERILL

### ISIN Code for Company's equity share

The ISIN no. for dematerialization of the Company's shares with NSDL and CDSL is INE515A01019.

### Corporate Identification Number (CIN)

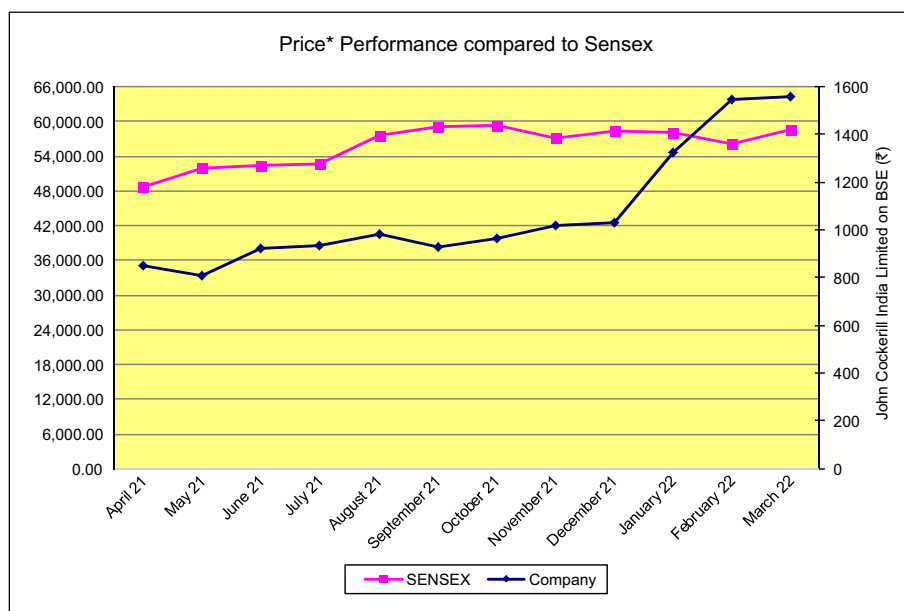
The Company's CIN as allotted by the Ministry of Corporate Affairs is L99999MH1986PLC039921.

### Market Price Data

The high and low prices of the Company's equity shares (face value of ₹ 10/- each) on BSE Limited during the financial year 2021-22 were as under :

Month	High (₹)	Low (₹)	Sensex (closing)
April, 2021	875.00	795.05	48,782.36
May, 2021	990.00	800.00	51,937.44
June, 2021	965.00	765.00	52,482.71
July, 2021	960.00	852.05	52,586.84
August, 2021	1,160.00	901.50	57,552.39
September, 2021	1,043.00	925.00	59,126.36
October, 2021	1,015.00	862.85	59,306.93
November, 2021	1,055.50	925.25	57,064.87
December, 2021	1,472.95	970.00	58,253.82
January, 2022	1,525.00	1,045.05	58,014.17
February, 2022	1,750.00	1,330.00	56,247.28
March, 2022	1,749.90	1,485.10	58,568.51

Performance of the Company's shares in comparison to BSE Sensex is given in the chart below :



\*based on closing price on last trading day of the Month

## Registrar and Share Transfer Agent

Bigshare Services Private Limited  
Unit : John Cockerill India Limited  
Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park  
Next to Ahura Centre, Mahakali Caves Road  
Andheri East, Mumbai 400 093  
Tel. No. : 022-62638200  
Fax No. : 022-62638299  
Email : investor@bigshareonline.com

## Distribution of Shareholding as at March 31, 2022

Range of equity shares held	No. of holders	% of shareholders	No. of equity shares held	% of share capital
Up to 500	4,360	93.97	3,40,110	6.89
501 – 1000	133	2.87	98,682	2.00
1001 – 2000	75	1.62	1,07,100	2.17
2001 – 3000	27	0.58	66,749	1.35
3001 – 4000	9	0.19	33,385	0.68
4001 – 5000	9	0.19	41,651	0.84
5001 – 10000	12	0.26	81,428	1.65
10001 and above	15	0.32	41,68,708	84.42
<b>Total</b>	<b>4,640</b>	<b>100.00</b>	<b>49,37,813</b>	<b>100.00</b>

## Shareholding pattern as at March 31, 2022

Category	No. of shares	% of share capital
Promoters & Promoters Group	37,03,200	75.00
Government Companies, Mutual Funds & Banks	0	0.00
Alternate Investment Funds	10,399	0.21
IEPF	18,891	0.38
Foreign Institutional Investors (FIIs) / OCB	100	0.00
Non Resident Indians	7,217	0.15
Domestic Companies	39,439	0.80
Resident individuals	11,58,567	23.46
<b>Total</b>	<b>49,37,813</b>	<b>100.00</b>

## Dematerialization of shares as at March 31, 2022

Category	No. of equity shares	% of share capital	No. of shareholders	% of shareholders
Electronic Form	49,03,051	99.30	4,392	94.65
Physical Form	34,762	0.70	248	5.35
<b>Total</b>	<b>49,37,813</b>	<b>100.00</b>	<b>4,640</b>	<b>100.00</b>

## Share Transfer System

As mandated by SEBI, securities of the Company can be transferred / traded only in dematerialized form. Further, SEBI vide its circular dated January 25, 2022, mandated that all service requests for issue of duplicate certificate, claim for unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting / consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialized form only. The necessary forms for the above request are available on the website of the Company at [www.johncockerillindia.com](http://www.johncockerillindia.com).

Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

Shareholders should communicate with Bigshare Services Private Limited, the Company's Registrar and Share Transfer Agent at [investor@bigshareonline.com](mailto:investor@bigshareonline.com) quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities.

The average time taken for processing and registration of relodged share transfer requests is less than 15 days. Requests for dematerialization of shares are processed and confirmation thereof is given to the respective Depositories viz National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") within the statutory time limit from the date of receipt of share certificates provided all the documents are complete in all respects.

## Reconciliation of Share Capital Audit

As stipulated by the Securities and Exchange Board of India (“SEBI”), a qualified practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and that total issued and listed capital. This audit is carried out every quarter and the report thereon are submitted to the Stock Exchange, NSDL and CDSL. No discrepancies were noticed during these audits.

## Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity

The Company has not issued GDR / ADR / Warrants or any convertible instruments.

## Unclaimed / Unpaid Dividend

As per the provisions of the Act and the Rules framed thereunder, the dividend which remains unclaimed / unpaid for a period of seven years from the date of its transfer to unpaid dividend account, is required to be transferred to the Investor Education and Protection Fund (“IEPF”) of the Central Government. Shareholders are advised to claim the un-encashed dividend lying in the unpaid dividend account of the Company before the due date. During the year under review, there was no unclaimed dividend which was transferred to the IEPF.

Entitled members are requested to lodge their claims before the last date for claiming unpaid / unclaimed dividend. The details of the unclaimed dividends are available on the Company’s website at [www.johncockerillindia.com](http://www.johncockerillindia.com) and IEPF Authority’s website at [www.iepf.gov.in](http://www.iepf.gov.in)

In compliance with the provisions of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time (“IEPF Rules”), all the shares in respect of which dividend has remained unclaimed or unpaid for a period of seven consecutive years or more are required to be transferred to the demat account of Investor Education and Protection Fund Authority (“IEPFA”).

The shares and unclaimed dividend transferred to IEPFA can however be claimed back by the concerned shareholders from IEPFA after complying with the procedure prescribed under the IEPF Rules. The member / claimant is required to make an online application to IEPFA in web Form No. IEPF-5 (available on [www.iepf.gov.in](http://www.iepf.gov.in)) along with the requisite fee as decided by the IEPFA from time to time. Post making the application, the member shall send the duly signed Form IEPF-5 along with the requisite documents to the Company at its registered office for verification of the claim and payment / transfer of shares by IEPFA. All corporate benefits on such shares viz. bonus shares, split of shares, etc. including dividend shall be credited to the demat account of the IEPFA. The voting rights on such shares shall remain frozen until the rightful owner claims the share.

## Plant Locations

### Unit No. I

A-84, 2/3 MIDC, Taloja Industrial Area,  
District Raigad 410 208, Maharashtra

### Unit No. II

Gat No. 21, 41 and 61, Village Hedavali, Khopoli-Pali Road, Taluka Sudhagad, District Raigad 410 205, Maharashtra

## Commodity price risk or foreign exchange risk and hedging activities

The Company does not have any exposure hedged through commodity derivatives.

The Company has managed foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports.

## Address for correspondence

Members are requested to correspond with the Company’s Registrar and Share Transfer Agent with respect to all queries, requests, information on matters relating to dematerialization of shares, payment of dividend and any other query relating to equity shares of the Company at :

Bigshare Services Private Limited  
Unit : John Cockerill India Limited  
Office No. S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park  
Next to Ahura Centre, Mahakali Caves Road  
Andheri East, Mumbai 400 093  
Tel. No. : 022-62638200  
Fax No. : 022-62638299  
Email : [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

Members are requested to mention their folio number / DP ID and Client ID in case of demat shares, phone or mobile number and their email address while corresponding with the Company and its Registrar and Share Transfer Agent to enable us to contact them and redress their complaints immediately.

The Company has designated [investors@johncockerillindia.com](mailto:investors@johncockerillindia.com) as an exclusive email ID for Investors for the purpose of registering complaints and the same email ID has been displayed on the Company’s website.

Members may also write to or contact the Company Secretary & Compliance Officer for any assistance that they may need. He can be contacted at Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri East, Mumbai 400 093. Tel. No.:022-66762727 Fax No.:022-66762737 Email: [investors@johncockerillindia.com](mailto:investors@johncockerillindia.com).

## DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF LISTING REGULATIONS

The status of compliance with discretionary recommendations of Regulation 27 of the Listing Regulations is provided below :

### • The Board of Directors

The present Chairman is a foreign national and a Non-Executive Director. All Independent Directors significantly contribute to the deliberations of the Board and provide valuable inputs in directing the Company. The Board carefully evaluates the qualifications and experience of every Independent Director at the time of the appointment, and also involves the Independent Directors in various Board Committees, to utilize their expertise and experience in managing the business of the Company.

### • Separate posts of Chairman and Managing Director

The Chairman of the Board is a Non-Executive Director (representing the promoters / principal shareholders) and his position is separate from that of Managing Director, who is a professional (and not connected with the promoters).

### • Audit qualifications

During the year under review, there is no audit qualification on the Company’s financial statements.

### • Reporting of Internal Auditor

The Internal Auditor reports directly to the Audit Committee.

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

We have examined and verified the records of the Board of Directors available and maintained on the online portal of Ministry of Corporate Affairs of **JOHN COCKERILL INDIA LIMITED** (hereinafter known as "the Company"), having its Registered Office at Mehta House, Plot No. 64, Road No.13, MIDC, Andheri (East), Mumbai 400093, Maharashtra, India incorporated vide its Company Registration Number L99999MH1986PLC039921 on 28th May, 1986 under the jurisdiction of Registrar of Companies, Mumbai, Maharashtra.

On the basis of examination and verification, we hereby state that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as the directors of companies by the Securities and Exchange Board of India / MCA or any such statutory authority for the Financial Year ending on 31<sup>st</sup> March, 2022.

The Board of Directors of the Company comprises of 7 (Seven) Directors and the Board is composed as follows :

Sr. No.	Name of the Director	DIN	Type of the Director	Date of Appointment	Status of the Director
1	Sundararajan Natararajan	00051040	Independent Director	28/10/2010	Active
2	Roma Ashok Balwani	00112756	Independent Director	29/10/2014	Active
3	Nandkumar Vasant Dhekne	02189370	Independent Director	07/02/2020	Active
4	Vivek Mukund Bhide	02645197	Executive Director (Managing Director)	08/02/2020	Active
5	Yves Ernest L Honhon	02268831	Non-Executive Director	25/06/2008	Active
6	Joao Felix Da Silva	07662251	Non-Executive Director	30/05/2017	Active
7	Jean Henri Gourp	02268912	Non-Executive Director	25/06/2020	Active

During the year :

1. Mr. Urjit Patel was appointed as Independent Director on 01/04/2021 and resigned on 31/01/2022.

This Certificate is being issued at the request of the Company for the compliance with Para 3(x) (c) (iii) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

**For VKM & ASSOCIATES**  
**Company Secretaries**

**(Vijay Kumar Mishra)**  
**Partner**

**C.P.No. 4279**

**UDIN : F005023D000351952**

Place: Mumbai

Date: 20/05/2022

## Certificate on Compliance with Code of Conduct

To,

**The Shareholders of John Cockerill India Limited**

I, Vivek Bhide, Managing Director, declare that all the Directors and Senior Management Personnel of the Company have affirmed in writing, their compliance with the Company's Code of Conduct, for the year ended March 31, 2022.

**For John Cockerill India Limited**

**Vivek Bhide**

Managing Director

DIN 02645197

Place: Mumbai

Date : May 26, 2022

# INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

## Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

### The Members of John Cockerill India Limited

1. The Corporate Governance Report prepared by John Cockerill India Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2022 as required by the Company for annual submission to the Stock Exchange.

### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include :

- i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
- ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive

directors has been met throughout the reporting period;

- iii. Obtained and read the Register of Directors as on March 31, 2022 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
- iv. Obtained and read the minutes of the following committee meetings held between April 01, 2021 to March 31, 2022 :
  - (a) Board of Directors;
  - (b) Audit Committee;
  - (c) Annual General Meeting (AGM);
  - (d) Nomination and Remuneration Committee;
  - (e) Stakeholders Relationship Committee;
  - (f) Risk Management Committee;
  - (g) Corporate Social Responsibility Committee
- v. Obtained necessary representations and declarations from the directors of the Company including the independent directors.
- vi. Obtained and read the policy adopted by the Company for related party transactions.
- vii. Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee, and also annual general meeting in which these transactions were approved by the shareholders.
- viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management, including that the Company is in process of submitting the secretarial compliance report to stock exchange and the due date for submission of the same is May 30, 2022.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

### Opinion

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2022, referred to in paragraph 4 above.

**Other matters and Restriction on Use**

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come

without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **SRBC & COLLP**

Chartered Accountants

ICAI Firm Registration Number : 324982E/E300003

**per Vinayak Pujare**

Partner

Place of Signature : Mumbai

Membership Number : 101143

Date: May 26, 2022

UDIN : 22101143AJQNBC8571



# INDEPENDENT AUDITOR'S REPORT

To the Members of John Cockerill India Limited

Report on the Audit of the Financial Statements

## Opinion

We have audited the accompanying financial statements of John Cockerill India Limited ("the Company"), which comprise the Balance sheet as at March 31, 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

## Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 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 audit opinion on the financial statements.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2022. 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matter	How our audit addressed the key audit matter
<b>Revenue recognition on contracts with customers as per Ind AS 115 (as described in Note 23 of the financial statements)</b>	
<p>The Company derives its revenues from sale of goods and services pursuant to contracts with customers. Revenue from these contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, 'Revenue from Contracts with Customers'.</p> <p>Due to the nature of the contracts, revenue is accounted over a period of time, using the input method, which requires significant judgments and estimates to be made by Management, including identification of contractual obligations, expected duration and cost of fulfilling the obligations, the Company's right to receive payments for performance completed till date, changes in scope or duration and consequential revisions to contract price or costs, and recognition of liability for lossmaking contracts / onerous obligations. As a result, revenue, costs and profits can vary during project execution, and on reassessment of project estimates.</p> <p>Accordingly, considering the complexities involved, revenue recognition for contracts is considered as a key audit matter.</p>	<p>As part of our audit procedures, we:</p> <ul style="list-style-type: none"> <li>- understood the Company's policies and processes, control mechanisms and methods in relation to the revenue recognition for these contracts and evaluated the design and operating effectiveness of the financial controls through our test of control procedures.</li> <li>- read the accounting policy of the Company relating to revenue recognition, to assess compliance with the requirements of Ind AS 115.</li> <li>- evaluated Management judgments and assumptions for contracts selected on a sample basis, regarding estimates of expected costs-to-complete, timing and recognition of variation orders, and assumptions made in calculating warranty provisions, with underlying data, including the effects of the COVID-19 pandemic.</li> <li>- inspected a sample of underlying customer contracts, evaluated contract terms to assess revenue recognition over a period of time, and tested completeness of costs incurred and compared those with estimated costs (including residual costs-to-complete), in order to determine if significant variations in work-scope, contract duration, cost of key inputs, and foreign exchange rates have been considered in the periodic reassessment of residual costs-to-complete.</li> <li>- evaluated Management's assessments around potential for liquidated damages for projects behind contracted schedule and contingency provisions to mitigate contract-specific financial risks.</li> <li>- read and evaluated the presentation and disclosures as per the requirements of Ind AS 115, of such contracts in the financial statements.</li> </ul>

## Other Information

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.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management for the Financial Statements

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, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order.
  2. As required by Section 143(3) of the Act, we report that:
    - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
    - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
    - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
    - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
    - (e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
    - (f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
    - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
    - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 33 (j) to the financial statements;
      - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 19 to the financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
  - iv.
    - a) The management has represented that, to the best of its knowledge and belief, as disclosed in note 38 (a)(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented that, to the best of its knowledge and belief, as disclosed in note 38 (a)(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
    - c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above contain any material misstatement.
  - v. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **SRBC & COLLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Vinayak Pujare**  
Partner

Place of Signature: Mumbai  
Date: May 26, 2022

Membership Number: 101143  
UDIN: 22101143AJQNIC4474

**Annexure 1 referred to in paragraph under the heading  
“Report on other legal and regulatory requirements” of our report of even date**

**Re: John Cockerill India Limited (“the Company”)**

**In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:**

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified during the year by the Management and no material discrepancies were identified on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified during the year by the Management, except for inventories lying with third parties, and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such physical verification. In our opinion, the frequency of verification by the Management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2022 and discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such confirmations.
- (b) As disclosed in note 36.14 to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.
- (iii) (a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made investment, provided guarantees, provided security and granted

loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirements to report on clause 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Order are not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company and hence not commented upon.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of cold rolling mill complexes, processing lines, chemical equipment industrial furnaces and auxiliary equipment, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (₹ Lakhs)*	Period to which amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	14.35	2018-19 (A.Y)	Commissioner of Income Tax (Appeal), Mumbai

Name of the statute	Nature of the dues	Amount (₹ Lakhs)*	Period to which amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Service Tax – Cenvat Credit (excluding interest and penalty)	5,320.86	2010-11 to June 2017	CESTAT, Mumbai

\*Net of Deposits

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clauses 3(ix)(e) of the Order is not applicable to the Company.
- (f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares / fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

- (xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a),(b) and (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year. In the immediately preceding financial year, the Company had incurred cash losses amounting to ₹ 1,764.51 lakhs.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 39 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans, and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 38(b) to the financial statements.

(b) All amounts that are unspent under sub section (5) of section 135 of Companies Act, 2013, pursuant to any ongoing project, has been transferred to special account in compliance of with provisions of sub section (6) of section

135 of the said Act. This matter has been disclosed in note 38(b) to the financial statements.

For **SRBC & COLLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

Place of Signature: Mumbai  
Date: May 26, 2022

**per Vinayak Pujare**  
Partner  
Membership Number: 101143  
UDIN: 22101143AJQNIC4474

**Annexure 2 to the Independent Auditor's Report of even date on the Financial Statements of  
John Cockerill India Limited**

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

We have audited the internal financial controls of John Cockerill India Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls included obtaining an understanding of internal financial controls with reference to these financial statements, 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.

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

**Meaning of Internal Financial Controls With Reference to Financial Statements**

A company's internal financial control with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to these financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 these Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to these financial statements and such internal financial controls with reference to these financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SRBC & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

**per Vinayak Pujare**  
Partner

Place of Signature: Mumbai  
Date: May 26, 2022

Membership Number: 101143  
UDIN: 22101143AJQNIC4474

# John Cockerill India Limited

## Balance Sheet as at March 31, 2022

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	3	4,839.70	5,100.50
(b) Capital work-in-progress		66.26	34.40
(c) Right-of-use assets	4	276.59	295.57
(d) Intangible assets	5	1.46	4.24
(e) Financial assets			
(i) Trade receivables	6	2,682.69	866.39
(ii) Other financial assets	7	1,428.42	168.53
(f) Income tax assets (Net)	8	320.80	232.95
(g) Other non-current assets	9	452.08	449.02
<b>Total non-current assets</b>		<b>10,068.00</b>	<b>7,151.60</b>
<b>Current assets</b>			
(a) Inventories	10	978.49	1,428.99
(b) Contract assets	11.1	2,668.88	14,788.66
(c) Financial assets			
(i) Trade receivables	6	12,045.30	12,764.53
(ii) Cash and cash equivalents	12	2,908.47	2,228.62
(iii) Bank balances other than (ii) above	13	1,846.62	1,273.46
(iv) Other financial assets	7	269.70	282.24
(d) Other current assets	9	3,253.23	5,888.00
<b>Total current assets</b>		<b>23,970.69</b>	<b>38,654.50</b>
<b>Total Assets</b>		<b>34,038.69</b>	<b>45,806.10</b>
<b>II EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	14	493.78	493.78
(b) Other equity	15	17,535.64	17,031.94
<b>Total Equity</b>		<b>18,029.42</b>	<b>17,525.72</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Lease liabilities	16	-	2.33
(ii) Trade payables	17		
- Total outstanding dues to micro and small enterprises		19.75	5.17
- Total outstanding dues to other than micro and small enterprises		613.32	533.37
(iii) Other financial liabilities	18	87.00	87.00
(b) Provisions	19	286.04	274.16
(c) Deferred tax liabilities (Net)	20	-	-
<b>Total non-current liabilities</b>		<b>1,006.11</b>	<b>902.03</b>
<b>Current liabilities</b>			
(a) Contract liabilities	11.2	6,736.73	14,854.71
(b) Financial liabilities			
(i) Lease liabilities	16	2.32	14.84
(ii) Trade payables	17		
- Total outstanding dues to micro and small enterprises		751.64	1,096.77
- Total outstanding dues to other than micro and small enterprises		6,525.37	10,292.89
(iii) Other financial liabilities	18	105.38	131.92
(c) Provisions	19	535.93	822.23
(d) Current tax liabilities (Net)	21	45.79	53.54
(e) Other current liabilities	22	300.00	111.45
<b>Total current liabilities</b>		<b>15,003.16</b>	<b>27,378.35</b>
<b>Total Liabilities</b>		<b>16,009.27</b>	<b>28,280.38</b>
<b>Total Equity and Liabilities</b>		<b>34,038.69</b>	<b>45,806.10</b>

Summary of significant accounting policies

1 & 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **SRBC & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

For and on behalf of the Board of Directors

**Joao Felix Da Silva**  
Chairman  
DIN: 07662251

**Vivek Bhide**  
Managing Director  
DIN: 02645197

**Jean Gourp**  
Director  
DIN: 02268912

**per Vinayak Pujare**  
Partner  
Membership No. 101143

**Kiran Rahate**  
Chief Financial Officer

**Haresh Vala**  
Company Secretary

Place: Mumbai  
Date: May 26, 2022

Place: Mumbai  
Date: May 26, 2022



# John Cockerill India Limited

## Statement of Profit and Loss for the year ended March 31, 2022

(₹ in lakhs)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>1</b> Revenue from operations	23	<b>38,278.44</b>	19,805.83
<b>2</b> Other income	24	<b>645.17</b>	229.81
<b>3 Total Income (1+2)</b>		<b>38,923.61</b>	20,035.64
<b>4 Expenses</b>			
(a) Construction materials consumed	25.a	<b>26,536.39</b>	13,166.21
(b) Changes in inventories of finished goods and work-in-progress	25.b	<b>204.96</b>	(151.46)
(c) Employee benefits expense	26	<b>4,975.96</b>	4,759.93
(d) Finance costs	27	<b>684.82</b>	18.70
(e) Depreciation and amortisation expense	28	<b>466.17</b>	503.32
(f) Other expenses	29	<b>5,612.39</b>	4,759.86
<b>Total expenses (4)</b>		<b>38,480.69</b>	23,056.56
<b>5 Profit/(loss) before tax (3-4)</b>		<b>442.92</b>	(3,020.92)
<b>6 Tax expense:</b>	30		
(a) Current tax		<b>(7.75)</b>	-
(b) Deferred tax		<b>(13.35)</b>	(114.71)
<b>Total tax expense (6)</b>		<b>(21.10)</b>	(114.71)
<b>7 Profit/(loss) for the year (5-6)</b>		<b>464.02</b>	(2,906.21)
<b>8 Other comprehensive income</b>			
A (i) Items that will not be reclassified to profit or loss:			
Remeasurement of the defined benefit plans		<b>47.99</b>	(118.57)
(ii) Income tax relating to above item	30.2	<b>(12.08)</b>	29.84
		<b>35.91</b>	(88.73)
B (i) Items that will be reclassified to profit or loss:			
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge		<b>5.04</b>	39.50
(ii) Income tax relating to above item	30.2	<b>(1.27)</b>	(9.94)
		<b>3.77</b>	29.56
<b>Total other comprehensive income/(loss) (A+B)</b>		<b>39.68</b>	(59.17)
<b>9 Total Comprehensive income/(loss) for the year (7+8)</b>		<b>503.70</b>	(2,965.38)
<b>10 Earnings per share (of ₹ 10/- each):</b>	31		
(a) Basic (₹)		<b>9.40</b>	(58.86)
(b) Diluted (₹)		<b>9.40</b>	(58.86)

Summary of significant accounting policies

1 & 2

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **SRBC & COLLP**  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E300003

**For and on behalf of the Board of Directors**  
**Joao Felix Da Silva**  
Chairman  
DIN: 07662251

**Vivek Bhide**  
Managing Director  
DIN: 02645197

**Jean Gourp**  
Director  
DIN: 02268912

**per Vinayak Pujare**  
Partner  
Membership No. 101143

**Kiran Rahate**  
Chief Financial Officer

**Haresh Vala**  
Company Secretary

Place: Mumbai  
Date: May 26, 2022

Place: Mumbai  
Date: May 26, 2022

# John Cockerill India Limited

## Statement of changes in equity for the year ended March 31, 2022

### A. Equity share capital

(₹ in lakhs)

Particulars	Amount
<b>Balance as at March 31, 2020</b>	<b>493.78</b>
Change in equity share capital during the year	-
<b>Balance as at March 31, 2021</b>	<b>493.78</b>
Change in equity share capital during the year	-
<b>Balance as at March 31, 2022</b>	<b>493.78</b>

### B. Other equity

(₹ in lakhs)

Particulars	Reserves and surplus			Other comprehensive income	Total
	Securities premium	General reserve	Retained earnings	Effective portion of cash flow hedges	
<b>Balance as at March 31, 2020</b>	<b>1,466.27</b>	<b>9,075.03</b>	<b>9,732.47</b>	<b>(29.56)</b>	<b>20,244.21</b>
Profit/(loss) for the year	-	-	(2,906.21)	-	(2,906.21)
Other comprehensive income for the year, net of income tax	-	-	(88.73)	29.56	(59.17)
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>(2,994.94)</b>	<b>29.56</b>	<b>(2,965.38)</b>
Equity dividend (Amount per share ₹ 5/-)	-	-	(246.89)	-	(246.89)
<b>Balance as at March 31, 2021</b>	<b>1,466.27</b>	<b>9,075.03</b>	<b>6,490.64</b>	<b>-</b>	<b>17,031.94</b>
Profit/(loss) for the year	-	-	464.02	-	464.02
Other comprehensive income/(loss) for the year, net of income tax	-	-	35.91	3.77	39.68
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>-</b>	<b>499.93</b>	<b>3.77</b>	<b>503.70</b>
Equity dividend (Amount per share ₹ nil)	-	-	-	-	-
<b>Balance as at March 31, 2022</b>	<b>1,466.27</b>	<b>9,075.03</b>	<b>6,990.57</b>	<b>3.77</b>	<b>17,535.64</b>

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For **SRBC & CO LLP**

Chartered Accountants

ICAI Firm Registration No. 324982E/E300003

**per Vinayak Pujare**

Partner

Membership No. 101143

Place: Mumbai

Date: May 26, 2022

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

**Joao Felix Da Silva**

Chairman

DIN: 07662251

**Kiran Rahate**

Chief Financial Officer

Place: Mumbai

Date: May 26, 2022

**Vivek Bhide**

Managing Director

DIN: 02645197

**Haresh Vala**

Company Secretary

**Jean Gourp**

Director

DIN: 02268912

# John Cockerill India Limited

## Cash Flow Statement for the year ended March 31, 2022

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A Cash flow from operating activities:</b>		
Profit/(loss) before tax	442.92	(3,020.92)
<b>Adjustments for:</b>		
Depreciation and amortisation expense	466.17	503.32
Bad trade and other receivables, loans and advances written off	21.19	-
Credit balances write back	(177.53)	(2.10)
Allowance for doubtful trade receivables/contract assets (net)	166.37	312.58
Allowance for doubtful advances/deposits/other receivables (net)	13.39	761.45
Reversal of provision for estimated losses on contracts (net)	(0.04)	(0.02)
Reversal of provision for warranties (net)	(230.54)	(135.41)
(Reversal of provision)/Provision for employee benefits (net)	(79.13)	53.06
(Profit)/Loss on disposal/write off of property, plant and equipment (net)	(0.22)	0.07
Interest expense	13.69	6.05
Interest income	(102.16)	(146.40)
Unrealised foreign exchange gain (net)	(317.37)	(237.37)
<b>Operating profit/(loss) before working capital changes</b>	<b>216.74</b>	<b>(1,905.69)</b>
<b>Changes in working capital:</b>		
<b>Adjustments for (increase)/decrease in operating assets:</b>		
Inventories	450.50	(21.91)
Trade receivables	(790.46)	(2,975.82)
Other financial assets	10.10	(217.24)
Contract assets, other assets	14,793.81	(1,076.72)
<b>Adjustments for increase/(decrease) in operating liabilities:</b>		
Trade payables	(4,071.00)	2,407.43
Other financial liabilities	38.78	(145.86)
Contract liabilities, other liabilities	(7,926.03)	1,913.13
<b>Cash generated from/(used in) operations</b>	<b>2,722.44</b>	<b>(2,022.68)</b>
Income tax (paid)/refund (net)	(87.84)	(83.41)
<b>Net cash generated from/(used in) operating activities (A)</b>	<b>2,634.60</b>	<b>(2,106.09)</b>
<b>B Cash flow from investing activities:</b>		
Payments for property, plant and equipment	(211.19)	(52.18)
Proceeds from disposal of property, plant and equipment	1.69	0.01
Interest received	112.41	142.29
Bank balances (including non-current) not considered as Cash and cash equivalents (net)	(1,835.16)	131.17
<b>Net cash generated from/(used in) investing activities (B)</b>	<b>(1,932.25)</b>	<b>221.29</b>

# John Cockerill India Limited

## Cash Flow Statement for the year ended March 31, 2022 (Contd.)

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>C Cash flow from financing activities:</b>		
Interest paid	(11.85)	(1.97)
Payment of lease liabilities (including interest)	(16.69)	(24.96)
Dividend paid (Including changes in unpaid dividend)	2.53	(246.89)
<b>Net cash used in financing activities (C)</b>	<b>(26.01)</b>	<b>(273.82)</b>
<b>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</b>	<b>676.34</b>	<b>(2,158.62)</b>
Cash and cash equivalents as at the beginning of the year	2,228.62	4,378.75
Effect of exchange rate changes on the balances of cash and cash equivalents held in foreign currencies	3.51	8.49
<b>Cash and cash equivalents as at the end of the year (Refer Note 12)</b>	<b>2,908.47</b>	<b>2,228.62</b>

### Changes in liabilities arising from financing activities

(₹ in lakhs)

Particulars	Unpaid dividend	Lease obligation
<b>As at March 31, 2020</b>	<b>3.31</b>	<b>38.06</b>
New leases	-	-
Cash flow	-	(24.96)
Other	-	4.07
<b>As at March 31, 2021</b>	<b>3.31</b>	<b>17.17</b>
New leases	-	-
Cash flow	2.53	(16.69)
Other	-	1.84
<b>As at March 31, 2022</b>	<b>5.84</b>	<b>2.32</b>

#### Notes:

- (i) Figures in brackets are outflows/deductions.  
(ii) The above Cash Flow Statement is prepared under the "Indirect Method" as set out in the Indian Accounting Standards (Ind AS-7) – Statement of Cash Flows.

Summary of significant accounting policies

The accompanying notes are an integral part of the financial statements.

As per our report of even date  
For **SRBC & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No. 324982E/E.300003

**per Vinayak Pujare**  
Partner  
Membership No. 101143

Place: Mumbai  
Date: May 26, 2022

#### For and on behalf of the Board of Directors

**Joao Felix Da Silva**  
Chairman  
DIN: 07662251

**Vivek Bhide**  
Managing Director  
DIN: 02645197

**Jean Gourp**  
Director  
DIN: 02268912

**Kiran Rahate**  
Chief Financial Officer

**Haresh Vala**  
Company Secretary

Place: Mumbai  
Date: May 26, 2022

# John Cockerill India Limited

## Notes forming part of the financial statements

### 1 General information:

John Cockerill India Limited ("the Company") is a subsidiary of John Cockerill SA (formerly Cockerill Maintenance & Ingenierie SA) and a public limited Company incorporated and domiciled in India. The registered office of the Company is located at Mehta House, Plot No. 64, Road No.13, MIDC, Andheri (East), Mumbai – 400 093. The Company is listed on BSE Limited.

The principal activities of the Company comprise customised design, engineering, manufacturing and installation of components of Cold Rolling Mill Complexes, Galvanising Lines, Colour Coating Lines, Tension Levelling Lines, Skin Pass Mills, Acid Regeneration Plants, Wet Flux Lines and Pickling Lines ("the projects") for ferrous and non-ferrous industries world wide.

The Board of Directors approved the Financial Statements for the year ended March 31, 2022 and authorised for issue on May 26, 2022.

### 2 Significant Accounting Policies:

#### 2.1 Basis of preparation of Financial Statements:

Financial Statements of the Company have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (hereinafter referred to as the 'Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and presentation requirement of Division II of schedule III to the Companies Act, 2013 (Ind AS compliant schedule III) as applicable to the Financial Statements.

The Financial Statements have been prepared on accrual basis under the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The functional currency of the Company is Indian Rupee. These Financial Statements are presented in Indian Rupee and all values are rounded to the nearest lakhs, except when otherwise indicated.

#### Summary of significant Accounting Policies:

#### 2.2 Fair value measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- > Level 1 Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at the measurement date,
- > Level 2 Inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability either directly or indirectly, and
- > Level 3 Inputs are unobservable inputs for the asset or liability.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### 2.3 Revenue from contracts with customers:

Revenue is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has concluded that it is the principal in its revenue arrangements, as it controls the goods or services before transferring them to the customer.

#### Revenue from construction contracts:

In case of construction contracts where performance obligation is satisfied over a period of time, the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced or the Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date. Revenue from such construction contracts, where the outcome can be estimated reliably, is recognised under the percentage of completion method by reference to the stage of completion of the contract activity. The stage of completion is measured by input method i.e. the proportion that costs incurred to date bear to the estimated total costs of a contract. The total cost of the contracts are estimated based on technical and other estimates. In the event that a loss is anticipated on a particular contract, provision is made for the estimated loss. Contract revenue earned in excess of billing is reflected under "contract asset" and billing in excess of contract revenue is reflected under "contract liabilities".

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

Changes to total estimated contract cost or losses, if any, are recognized in the period in which they are determined as assessed at the contract level. Costs to obtain a contract are recognised as an expense when incurred.

Retention money receivable from project customers does not contain any significant financing component and is retained for satisfactory performance of contract.

In case of construction contracts, payment is generally due upon completion of milestones as per terms of contract. In certain contracts short term advances are received before satisfaction of performance obligations.

### **Variable consideration:**

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company adopted the most likely method to recognise revenue for variable consideration.

### **Warranty:**

The Company generally provides limited warranties for work performed under its construction contracts. The warranty periods typically extend for a limited duration following substantial completion of the Company's work on a project.

The Company provides its clients with a fixed-period warranty on contracts as per stipulated terms. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets. Refer to the accounting policy on warranty provisions in Note 2.13 below.

### **Contract balances:**

#### **Contract assets:**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Upon completion of the installation and acceptance by the customer, the amount recognised as contract assets is reclassified to trade receivables. Contract assets are subject to impairment assessment, refer to Accounting policies of financial Instruments in Note 2.14 below.

#### **Trade receivables:**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due), refer to accounting policies of financial instruments in Note 2.14 below for initial recognition and subsequent measurement.

#### **Contract liabilities:**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

#### **Sale of goods:**

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 30 - 360 days.

#### **Sale of services:**

In case of long-term maintenance contracts, revenue is recognised over the period of time based on input method where the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of performance obligation. Income from other services are recognised at a point in time.

#### **Duty drawback and other export incentives:**

Export benefits under Merchandise Exports from India Scheme (MEIS), Service Exports from India Scheme (SEIS) and Duty drawback Scheme are accounted as revenue on accrual basis as and when export of goods or services take place and when the Company has reasonable assurance that it will comply with the conditions of the grant and that grant will be received. Where as Remission of Duties and Taxes on Export Products (RoDTEP) is accounted on the basis of credit appearing in our credit ledger of this scheme, appearing on ICEGATE portal.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Interest and dividend:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Dividend income from investments is recognised when the right to receive dividend is established.

### 2.4 Leases:

The Company assesses at contract inception whether the Contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

#### As a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i) Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

--> Land - 49 to 66 years

--> Flats - 1 to 3 years

The Right-of-use assets are also subject to impairment. Refer to the accounting policies on Impairment in Note 2.14.

#### ii) Lease liabilities:

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company generally uses its incremental borrowing rate at the lease commencement date if the discount rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. The carrying amount is remeasured when there is a change in future lease payments arising from a change in index or rate. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Lease liability and right-to-use assets have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### iii) Short term leases and leases of low value assets:

The Company applies the short-term lease recognition exemption to its short-term leases. It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

#### As a lessor:

Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. The Company recognizes lease payments received under operating leases as income on a straight-line basis over the lease term as part of other income.

### 2.5 Foreign currency transactions:

#### Initial recognition:

Foreign currency transactions are recorded in the reporting currency by applying the periodic average exchange rate.

#### Translation:

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historic cost in a foreign currency are not retranslated.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Exchange differences:

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise, except for exchange differences on transactions entered into in order to hedge certain foreign currency risks (see below the policy on hedge accounting in Note 2.14).

### 2.6 Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### 2.7 Employee benefits:

#### Defined contribution plan:

The Company's contribution to provident fund, superannuation fund and employee state insurance scheme are considered as defined contribution plans and are recognised as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

All eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employees and employer (at a determined rate) contribute monthly. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulation. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

#### Defined benefit plan:

The Company's liabilities towards gratuity is determined as at the end of the reporting date by an independent actuary using the Projected Unit Credit method.

Remeasurements, comprising of actuarial gains and losses, experience adjustments and the return on plan assets (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 other comprehensive income in the period in which they occur. Remeasurement are not reclassified to the Statement of Profit and Loss in subsequent periods. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- > service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements)
- > net interest expenses or income and
- > remeasurement

The Company presents the first two components of defined benefit costs in Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reduction in future contributions to the plans.

Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to the market yields at the Balance Sheet date on the Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

#### Short-term and other long-term employee benefits:

Benefits accruing to employees in respect of wages, salaries and compensated absences and which are expected to be availed within twelve months immediately following the year end are reported as expenses during the year in which the employee performs the service that the benefit covers and the liabilities are reported at the undiscounted amount of the benefit expected to be paid in exchange of related service.

Where the avilment or encashment is otherwise not expected to wholly occur within the next twelve months, the liability on account of the benefit is actuarially determined using the projected unit credit method at the present value of the estimated future cash flow expected to be made by the Company in respect of services provided by employees up to the reporting date.



# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### 2.8 Taxation:

Income tax expense represents the sum of the income tax currently payable and deferred tax.

#### Current tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Current income tax relating to items recognised outside Statement of Profit and Loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### 2.9 Property, plant and equipment:

#### Initial recognition:

Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase/acquisition price net of any trade discounts and rebates, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities) and any directly attributable cost of bringing the asset to its working condition for its intended use, including relevant borrowing costs for qualifying assets and any expected cost of decommissioning.

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

Property, plant and equipment except freehold land held for use in the production, supply or administrative purposes, are stated in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

At the date of transition to Ind AS, the Company had elected to continue with the carrying value for all of its property, plant and equipment recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

#### Depreciation:

"Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful lives prescribed in Schedule II to the Companies Act, 2013.

#### Derecognition:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Property, plant and equipment retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### 2.10 Intangible assets:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives.

#### Useful lives of intangible assets:

Estimated useful lives of intangible assets are as follows:

Computer software            3 years

Designs and drawings        3 years

At the date of transition to Ind AS, the Company had elected to continue with the carrying value for all of its Intangible assets recognised as of April 1, 2016 (transition date) measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

#### Derecognition:

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from use or disposal. Gain or loss 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 profit or loss when the asset is derecognised.

### 2.11 Impairment of property, plant and equipment and intangible assets other than goodwill:

At the end of each reporting period, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, the corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

### 2.12 Inventories:

Inventories are valued at lower of cost and net realisable value. However items held for use in the production are not valued below cost if the finished goods in which these will be incorporated are expected to be sold at or above cost.

Cost of raw materials comprises all costs of purchases (net of Input tax credit) and other costs incurred in bringing the inventories to their present location and condition. Cost is determined by moving weighted average method.

Cost is arrived at on a moving weighted average method and includes, where appropriate, manufacturing overheads. Work-in-progress and finished goods inventories are valued as aforesaid based on estimated value of work completed on each project.

Material procured for a specific project is immediately expensed out to the project and is not considered as inventory.

Inventories include goods lying with vendors for job work and goods-in-transit.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

### 2.13 Provisions and contingencies:

A provision is recognised if, as a result of a past event, the Company has a present obligation that can be estimated reliably, and it is probable (more likely than not) that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the consideration required to settle the obligation at the reporting date.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flow (when the effect of the time value of money is material).

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### **Onerous contracts:**

Present obligations arising under onerous contracts are recognised and measured as provision. An onerous contract is considered to exist where the Company has a contract under which the unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

### **Post-sales warranties and liquidated damages:**

The Company provides its clients with a fixed-period warranty on contracts as per stipulated terms. Costs associated with such contracts are accrued at the time related revenues are recorded and included in cost of sales. The Company estimates such costs based on historical experience and the estimates are reviewed annually for any material changes in assumption. Liquidated damages are provided as per Management's estimates on case to case basis.

### **Contingencies :**

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

## **2.14 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.

### **Initial recognition and measurement:**

Financial assets and liabilities are recognised when the Company becomes a part to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss (FVTPL)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

### **Financial assets:**

#### **Financial assets at amortised cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Effective interest method:**

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL. Interest income is recognised in the Statement of Profit and Loss.

#### **Financial assets at fair value through profit or loss (FVTPL):**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. Gains or losses arising on remeasurement are recognised in the Statement of Profit and Loss. The net gain or loss recognised in the Statement of Profit and Loss incorporates any dividend or interest earned on the financial asset and is included in the Other income as separate line item.

#### **Impairment of financial assets and contract assets:**

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. For trade receivables or any contractual right to receive cash or another financial asset or contract assets that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables and contract assets. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised as an impairment gain or loss in the Statement of Profit and Loss.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### **Derecognition of financial assets:**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- > The rights to receive cash flows from the asset have expired, or
- > The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Foreign exchange gains and losses:**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost, the exchange differences are recognised in the Statement of Profit and Loss except for those which are designated as hedging instruments in a hedging relationship.

### **Financial liabilities and equity instruments:**

#### **Classification as debt or equity:**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments:**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

#### **Financial liabilities:**

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

#### **Financial liabilities subsequently measured at amortised cost:**

Financial liabilities that are not held - for trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

#### **Foreign exchange gains and losses:**

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are included in the Statement of Profit and Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

#### **Derecognition of financial liabilities:**

The Company derecognises financial liabilities when, and only when the Company's obligations are discharged, cancelled or have expired. An exchange with a new lender or debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

#### **Derivative financial instruments:**

The Company enters into a foreign exchange forward contracts to manage its exposure to foreign exchange rate risk. Further details of derivative financial instruments are disclosed in Note 36.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of hedging relationship and the nature of hedged item.

### Hedge accounting:

The Company designates certain hedging instruments which include derivatives in respect of foreign currency risk as either cash flow hedge or fair value hedge. Hedges of foreign currency risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an on going basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

#### (i) Cash flow hedges:

The effective portion of the changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of 'Effective portion of cash flow hedges'. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

#### (ii) Fair value hedges:

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any change in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in fair value of the designated portion of hedging instrument and the change in the hedged item attributable to hedged risk are recognised in profit or loss in the line item relating to the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

### 2.15 Cash flow statement:

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### 2.16 Cash and cash equivalents:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

### 2.17 Cash dividend:

The Company recognises a liability to pay dividend to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the Corporate laws in India, a distribution is authorised when it is approved by the shareholders or in case of interim dividend, when approved by the Board of Directors. A corresponding amount is recognised directly in equity.

### 2.18 Earnings per share:

Basic and diluted earnings per share are calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

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

### 2.19 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 or non-current. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

### 2.20 Critical accounting judgements and key sources of estimation uncertainty:

In the course of applying the policies outlined in all notes under Section 2 above, the management of the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period.

In the following areas, the management of the Company has made critical judgements and estimates:

#### Revenue and profit recognition:

Recognition of revenue and profit from construction contracts is based on judgements made in respect of the ultimate profitability of a contract. Such judgements are arrived at through the use of estimates in relation to the costs and value of work performed to date and to be performed in bringing contracts to completion. These estimates are made by reference to changes in work scope, the contractual terms under which the work is being performed, including the recoverability of any unagreed income from variations and the likely outcome of discussions on claims and costs incurred. Management continually reviews the estimated final outcome on contracts and makes adjustments where necessary. The actual outcome of projects may deviate from the Company's estimates and calculation, which could impact revenue recognition up to the stage of project completion with such amounts being recognised prospectively in the financial statements.

#### Impairment of financial assets and contract assets:

Refer Note 2.14

#### Useful lives of property, plant and equipment and intangible assets:

As described in Notes 2.9 and 2.10 above, the Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. There was no change in the useful life of property, plant and equipment and intangible assets as compared to previous year.

#### Provisions and liabilities:

Provisions and liabilities are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can reasonably be estimated. The timing of recognition requires application of judgements to existing facts and circumstances which may be subject to change. The amounts are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability.

#### Warranty Provisions:

Refer Note 2.13

#### Contingencies:

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the Note 33 but are not recognised.

#### Taxes:

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilise. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Defined benefit plans:

The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. All assumptions are reviewed at each Balance Sheet date and disclosed in Note 35.

### 2.21 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below:

**Ind AS 16 – Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company is evaluating the amendment and the impact is not expected to be material.

## John Cockerill India Limited Notes forming part of the financial statements (Contd.)

### Note 3 Property, plant and equipment

(₹ in lakhs)

Particulars	Land			Buildings			Plant and equipment								Total
	Freehold land	Factory road	Factory building	Office building	Plant and equipment	Electrical installations	Quality control equipment	Furniture and fixtures	Vehicle	Office equipment	Computers				
<b>Cost or deemed cost</b>															
<b>Balance as at March 31, 2020</b>	<b>1,069.90</b>	<b>159.88</b>	<b>2,845.12</b>	<b>369.18</b>	<b>2,448.14</b>	<b>128.83</b>	<b>23.07</b>	<b>78.44</b>	<b>28.42</b>	<b>74.40</b>	<b>414.35</b>	<b>7,639.73</b>			
Additions	-	-	-	-	57.64	-	0.78	-	-	4.68	3.56	66.66			
Disposal	-	-	-	-	-	-	-	-	-	(0.07)	(0.01)	(0.08)			
<b>Balance as at March 31, 2021</b>	<b>1,069.90</b>	<b>159.88</b>	<b>2,845.12</b>	<b>369.18</b>	<b>2,505.78</b>	<b>128.83</b>	<b>23.85</b>	<b>78.44</b>	<b>28.42</b>	<b>79.01</b>	<b>417.90</b>	<b>7,706.31</b>			
Additions	-	-	17.99	-	59.03	11.90	22.68	16.93	-	21.68	34.87	185.08			
Disposal	-	-	-	-	(2.72)	-	(0.54)	(2.35)	-	(6.34)	-	(11.95)			
<b>Balance as at March 31, 2022</b>	<b>1,069.90</b>	<b>159.88</b>	<b>2,863.11</b>	<b>369.18</b>	<b>2,562.09</b>	<b>140.73</b>	<b>45.99</b>	<b>93.02</b>	<b>28.42</b>	<b>94.35</b>	<b>452.77</b>	<b>7,879.44</b>			
<b>Accumulated depreciation</b>															
<b>Balance as at March 31, 2020</b>	-	(126.20)	(452.83)	(30.71)	(1,070.04)	(65.27)	(10.04)	(48.36)	(17.85)	(40.46)	(271.99)	(2,133.75)			
Depreciation expense	-	(7.17)	(113.16)	(7.57)	(236.54)	(16.65)	(2.86)	(7.75)	(4.08)	(11.97)	(64.31)	(472.06)			
Eliminated on disposals of assets	-	-	-	-	-	-	-	-	-	-	-	-			
<b>Balance as at March 31, 2021</b>	-	(133.37)	(565.99)	(38.28)	(1,306.58)	(81.92)	(12.90)	(56.11)	(21.93)	(52.43)	(336.30)	(2,605.81)			
Depreciation expense	-	(7.10)	(104.70)	(7.56)	(235.96)	(17.09)	(3.39)	(6.99)	(2.43)	(14.24)	(44.95)	(444.41)			
Eliminated on disposals of assets	-	-	-	-	2.11	-	0.26	2.35	-	5.76	-	10.48			
<b>Balance as at March 31, 2022</b>	-	(140.47)	(670.69)	(45.84)	(1,540.43)	(99.01)	(16.03)	(60.75)	(24.36)	(60.91)	(381.25)	(3,039.74)			
<b>Carrying value</b>															
<b>As at March 31, 2022</b>	<b>1,069.90</b>	<b>19.41</b>	<b>2,192.42</b>	<b>323.34</b>	<b>1,021.66</b>	<b>41.72</b>	<b>29.96</b>	<b>32.27</b>	<b>4.06</b>	<b>33.44</b>	<b>71.52</b>	<b>4,839.70</b>			
As at March 31, 2021	1,069.90	26.51	2,279.13	330.90	1,199.20	46.91	10.95	22.33	6.49	26.58	81.60	5,100.50			
Estimated useful life of the asset (years)	NA	5-10	3-30	60	15	10	10	10	8	5	3-6				
Method of depreciation	NA	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM	SLM				

Property, plant and equipment with a carrying amount of ₹ 2,984.72 lakhs (As at March 31, 2021: ₹ 3,222.48 lakhs), have been mortgaged as security for fund based and non-fund based credit facilities from banks.



# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Capital work-in-progress (CWIP) ageing schedule

(₹ in lakhs)

Particulars	As at March 31, 2022					As at March 31, 2021				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	35.55	-	-	-	35.55	3.69	-	-	-	3.69
Projects temporarily suspended	-	-	-	30.71	30.71	-	-	5.76	24.95	30.71
<b>Total</b>	<b>35.55</b>	<b>-</b>	<b>-</b>	<b>30.71</b>	<b>66.26</b>	<b>3.69</b>	<b>-</b>	<b>5.76</b>	<b>24.95</b>	<b>34.40</b>

### Capital work-in-progress (CWIP) completion schedule

(₹ in lakhs)

Particulars	As at March 31, 2022			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects temporarily suspended	-	30.71	-	-
<b>Total</b>	<b>-</b>	<b>30.71</b>	<b>-</b>	<b>-</b>

### Note 4 Right-of-use assets

(₹ in lakhs)

Particulars	Land*	Flats	Total
<b>Cost or deemed cost</b>			
Balance as at March 31, 2020	291.60	54.75	346.35
Additions	-	-	-
Disposal	-	-	-
<b>Balance as at March 31, 2021</b>	<b>291.60</b>	<b>54.75</b>	<b>346.35</b>
Additions	-	-	-
Disposal	-	-	-
<b>Balance as at March 31, 2022</b>	<b>291.60</b>	<b>54.75</b>	<b>346.35</b>
<b>Accumulated depreciation</b>			
Balance as at March 31, 2020	(5.66)	(18.74)	(24.40)
Depreciation expense	(5.66)	(20.72)	(26.38)
Eliminated on disposals of assets	-	-	-
<b>Balance as at March 31, 2021</b>	<b>(11.32)</b>	<b>(39.46)</b>	<b>(50.78)</b>
Depreciation expense	(5.66)	(13.32)	(18.98)
Eliminated on disposals of assets	-	-	-
<b>Balance as at March 31, 2022</b>	<b>(16.98)</b>	<b>(52.78)</b>	<b>(69.76)</b>
<b>Carrying value</b>			
<b>As at March 31, 2022</b>	<b>274.62</b>	<b>1.97</b>	<b>276.59</b>
As at March 31, 2021	280.28	15.29	295.57
Estimated useful life of the asset (years)	49-66	3	
Method of depreciation	SLM	SLM	

\*Right-of-use asset with a carrying amount of ₹ 182.91 lakhs (As at March 31, 2021: ₹ 186.73 lakhs), have been mortgaged as security for fund based and non-fund based credit facilities from banks.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 5 Intangible assets

(₹ in lakhs)

Particulars	Computer software
<b>Cost or deemed cost</b>	
<b>Balance as at March 31, 2020</b>	<b>83.09</b>
Additions	-
Disposals	-
<b>Balance as at March 31, 2021</b>	<b>83.09</b>
Additions	-
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>83.09</b>
<b>Accumulated amortisation</b>	
<b>Balance as at March 31, 2020</b>	<b>(73.97)</b>
Amortisation expense	(4.88)
Disposals	-
<b>Balance as at March 31, 2021</b>	<b>(78.85)</b>
Amortisation expense	(2.78)
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>(81.63)</b>
<b>Carrying value</b>	
<b>As at March 31, 2022</b>	<b>1.46</b>
As at March 31, 2021	4.24
Estimated useful life of the asset (years)	3
Method of amortisation	SLM

### Note 6 Trade receivables

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Trade receivables (Non-current)</b>		
Trade receivables	<b>2,760.19</b>	898.80
Receivables from related parties (Refer Note 32)	-	-
<b>Gross trade receivables</b>	<b>2,760.19</b>	898.80
Less: Impairment allowance	<b>(77.50)</b>	(32.41)
<b>Net trade receivables (Non-current)</b>	<b>2,682.69</b>	866.39
<b>Footnotes:</b>		
<b>Break-up for security details (Non-current):</b>		
Unsecured, considered good	<b>2,760.19</b>	898.80
	<b>2,760.19</b>	898.80
Less: Impairment allowance	<b>(77.50)</b>	(32.41)
	<b>2,682.69</b>	866.39
<b>Trade receivables (Current)</b>		
Trade receivables	<b>9,920.06</b>	10,650.56
Receivables from related parties (Refer Note 32)	<b>3,003.38</b>	2,815.53
<b>Gross trade receivables</b>	<b>12,923.44</b>	13,466.09
Less: Impairment allowance	<b>(878.14)</b>	(701.56)
<b>Net trade receivables (Current)</b>	<b>12,045.30</b>	12,764.53

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Footnotes:</b>		
<b>Break-up for security details (Current):</b>		
Unsecured, considered good	12,623.98	13,166.63
Credit impaired	299.46	299.46
	12,923.44	13,466.09
Less: Impairment allowance	(878.14)	(701.56)
	12,045.30	12,764.53

Trade receivables include retention monies of ₹ 10,402.77 lakhs (As at March 31, 2021: ₹ 7,820.59 lakhs).

Trade receivables have been hypothecated as security for fund based and non-fund based credit facilities from banks.

Trade receivables are non-interest bearing. Trade receivable other than retention are generally on terms of 30 to 360 days credit and certain retention monies to be released towards the end of the project based on the terms of the contracts.

In determining the allowance for doubtful trade receivable, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of days receivables (including retention) are due and the rates used in the provision matrix including specific provision.

(₹ in lakhs)

Movement in the impairment allowance	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	733.97	455.74
Allowances/(write back) during the year	221.67	278.23
Balance at end of the year	955.64	733.97

### Trade receivables ageing schedule

As at March 31, 2022

(₹ in lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	11,725.47	3,318.34	233.80	82.16	–	24.40	15,384.17
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed Trade receivable – credit impaired	–	–	–	–	–	281.55	281.55
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables – credit impaired	–	–	–	–	–	17.91	17.91
<b>Total</b>	<b>11,725.47</b>	<b>3,318.34</b>	<b>233.80</b>	<b>82.16</b>	<b>–</b>	<b>323.86</b>	<b>15,683.63</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

As at March 31, 2021

(₹ in lakhs)

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 Months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	11,216.83	2,716.67	31.86	46.20	26.70	27.17	14,065.43
Undisputed Trade Receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Undisputed Trade receivable – credit impaired	–	–	–	–	–	281.55	281.55
Disputed Trade receivables - considered good	–	–	–	–	–	–	–
Disputed Trade receivables – which have significant increase in credit risk	–	–	–	–	–	–	–
Disputed Trade receivables – credit impaired	–	–	–	–	–	17.91	17.91
<b>Total</b>	<b>11,216.83</b>	<b>2,716.67</b>	<b>31.86</b>	<b>46.20</b>	<b>26.70</b>	<b>326.63</b>	<b>14,364.89</b>

### Note 7 Other financial assets

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
(a) Security deposits	25.11	31.26
(b) Accruals		
(i) Interest accrued on deposits	4.62	0.58
(c) Others		
(i) Balances held as margin money (restricted with maturity more than 12 months)*	1,398.69	136.69
(ii) Other receivables (Secured)	761.45	761.45
Less: Allowance for doubtful advances/deposits/other receivables	(761.45)	(761.45)
<b>Total</b>	<b>1,428.42</b>	<b>168.53</b>
<b>Current</b>		
(a) Security deposits	5.14	3.64
(b) Accruals		
(i) Interest accrued on deposits	15.79	18.03
(ii) Interest accrued on sales tax refund	–	12.06
(c) Others		
(i) Receivables towards gratuity	8.08	14.98
(ii) Other receivables	234.98	233.53
(iii) Foreign currency forward contracts - cash flow hedge	5.71	–
<b>Total</b>	<b>269.70</b>	<b>282.24</b>

\* Margin money deposit pertains to deposit given to banks for bank guarantees and letter of credit.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 8 Income tax assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Advance income tax (net of provisions)	<b>320.80</b>	232.95
<b>Total</b>	<b>320.80</b>	232.95

### Note 9 Other assets

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
(a) Capital advances	<b>17.06</b>	7.99
(b) Prepaid expenses	<b>3.60</b>	9.61
(c) Balances with government authorities		
(i) Service Tax credit receivable (Refer Note 33)	<b>431.42</b>	431.42
<b>Total</b>	<b>452.08</b>	449.02
<b>Current</b>		
(a) Advances to related parties (Refer Note 32)	-	0.07
(b) Prepaid expenses	<b>183.54</b>	169.79
(c) Balances with government authorities		
(i) Value Added Tax credit receivable	<b>150.04</b>	174.74
(ii) GST credit receivable	<b>261.50</b>	1,095.34
(d) Others		
(i) Advances paid to suppliers [Refer Note 38(a)(ii)]	<b>904.87</b>	2,522.80
Less: Allowance for doubtful advances/deposits	<b>(13.39)</b>	-
(ii) Other advances	<b>25.53</b>	10.79
(iii) Export benefit receivable	<b>1,306.29</b>	1,205.13
(iv) GST receivable	<b>434.85</b>	709.34
<b>Total</b>	<b>3,253.23</b>	5,888.00

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 10 Inventories

(At lower of cost and net realisable value)

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Construction materials	649.74	878.79
Goods-in-transit	2.62	15.76
	652.36	894.55
(b) Work-in-progress (Spares components)	15.20	120.67
(c) Finished goods	174.48	273.97
(d) Stores and spares	136.45	139.80
<b>Total</b>	<b>978.49</b>	<b>1,428.99</b>

Provision for write-down/(write-back) on value of inventories during the period was ₹ (44.45) lakhs [for the year ended March 31, 2021: ₹ 160.69 lakhs].

The above inventories have been hypothecated as security for fund based and non-fund based credit facilities from banks.

### Note 11 Contract balances

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>11.1 Contract Assets</b>		
Due from customers on construction contracts	2,676.15	14,851.23
Less: Impairment allowance	(7.27)	(62.57)
<b>Total</b>	<b>2,668.88</b>	<b>14,788.66</b>
<b>11.2 Contract Liabilities</b>		
Advance from customers *	4,778.88	12,363.70
Due to customers on construction contracts	1,957.85	2,491.01
<b>Total</b>	<b>6,736.73</b>	<b>14,854.71</b>

\* Advance from customers includes ₹ 617.86 lakhs (as at March 31, 2021: ₹ 558.60 lakhs) received from group companies.

### Contract assets ageing schedule

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unbilled	2,676.15	14,851.23

### Contract liabilities ageing schedule

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Not due	1,957.85	2,491.01

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Contract balances

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	14,727.99	13,630.92
Contract assets	2,668.88	14,788.66
Contract liabilities	6,736.73	14,854.71

As at March 31, 2022, trade receivable has increased on account of increase in retention amounts for projects in progress as compared to March 31, 2021.

Contract assets have decreased on account of dispatches made during the year to customers.

Contract liabilities as at March 31, 2022 have decreased on account of advances received from customer being adjusted during the year and lower amount of new advances received during the year for new contracts.

### Note 12 Cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Cash on hand	4.19	3.50
(b) Cheques on hand/remittance in transit	–	112.71
(c) Balances with banks		
(i) In current accounts	1,868.01	1,118.06
(ii) In EEFC accounts	739.79	485.35
(iii) In bank deposit accounts with maturity less than 3 months	296.48	509.00
<b>Total</b>	<b>2,908.47</b>	<b>2,228.62</b>

### Note 13 Bank balances other than Cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) In earmarked accounts		
(i) Unpaid dividend accounts	5.84	3.31
(ii) Balances held as margin money guarantees and other commitments	1,168.98	1,270.15
(iii) Unspent corporate social responsibility	47.98	–
(b) In term deposit accounts with maturity more than 3 months but less than 12 months at inception	623.82	–
<b>Total</b>	<b>1,846.62</b>	<b>1,273.46</b>

Earmarked bank balances are restricted for use and it relates to unclaimed dividend, unspent corporate social responsibility and balances with banks held as margin money for security against bank guarantees and letter of credit.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 14 Share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
(a) Authorised				
Equity shares of ₹ 10/- each with voting rights	8,000,000	800.00	8,000,000	800.00
Preference shares of ₹ 100/- each	200,000	200.00	200,000	200.00
(b) Issued, Subscribed and fully paid up				
Equity shares of ₹ 10/- each with voting rights	4,937,813	493.78	4,937,813	493.78
<b>Total</b>	<b>4,937,813</b>	<b>493.78</b>	<b>4,937,813</b>	<b>493.78</b>

Refer Notes (i) to (v) below

#### Notes:

#### (i) Terms/rights attached to equity shares:

The Company has only one class of equity shares having par value of ₹ 10/- each. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend, if proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended March 31, 2022, the amount of dividend recognised as distribution to equity shareholders was ₹ Nil per share (March 31, 2021: ₹ 5/- per share).

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after the distribution of all preferential amounts. The distribution will be in proportion of the paid up share capital held by the shareholders.

#### (ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Shares outstanding at the beginning of the year	4,937,813	493.78	4,937,813	493.78
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4,937,813	493.78	4,937,813	493.78

#### (iii) Details of shares held by the Holding Company and its Subsidiaries:

Particulars	As at March 31, 2022	As at March 31, 2021
	Number of shares	Number of shares
Equity shares with voting rights, fully paid		
John Cockerill SA (formerly Cockerill Maintenance and Ingenierie SA), the Holding Company	3,697,700	3,697,700
John Cockerill Automation Private Limited, Subsidiary of the Holding Company	5,500	5,500

#### (iv) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding	Number of shares held	% holding
Equity shares with voting rights				
John Cockerill SA (formerly Cockerill Maintenance and Ingenierie SA)	3,697,700	74.89%	3,697,700	74.89%



# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### (v) Details of shares held by promoters:

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Promoter Name:</b> John Cockerill SA (formerly Cockerill Maintenance and Ingenierie SA) Equity shares of ₹ 10/- each fully paid		
No. of shares at the beginning of the year	3,697,700	3,697,700
Change during the year	-	-
No. of shares at the end of the year	3,697,700	3,697,700
% of Total Shares	74.89%	74.89%
% change during the year	-	-

### Note 15 Other equity

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	1,466.27	1,466.27
General reserve	9,075.03	9,075.03
Retained earnings	6,990.57	6,490.64
Other Comprehensive income:		
Effective portion of cash flow hedges	3.77	-
<b>Total</b>	<b>17,535.64</b>	<b>17,031.94</b>

### Notes:

- Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.
- General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to the Statement of Profit and Loss.
- Retained earnings are the profits that the Company has earned till date, less any transfers to General reserve, dividends or other distributions paid to shareholders.
- The effective portion of cash flow hedges represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of 'Effective portion of cash flow hedges' will be reclassified to profit or loss only when the hedged transaction affects the profit or loss.

### Note 16 Lease liabilities

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Right-to-use: Flats	-	2.33
<b>Total</b>	<b>-</b>	<b>2.33</b>
<b>Current</b>		
Right-to-use: Flats	2.32	14.84
<b>Total</b>	<b>2.32</b>	<b>14.84</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 17 Trade payables

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Other than acceptances:		
Dues to related parties (Refer Note 32)	–	27.25
Total outstanding dues of micro and small enterprises [Refer Note 38(c)]	<b>19.75</b>	5.17
Total outstanding dues other than micro and small enterprises	<b>613.32</b>	506.12
<b>Total</b>	<b>633.07</b>	538.54
<b>Current</b>		
Other than acceptances:		
Dues to related parties (Refer Note 32)	<b>804.93</b>	1,043.75
Total outstanding dues of micro and small enterprises [Refer Note 38(c)]	<b>751.64</b>	1,096.77
Total outstanding dues other than micro and small enterprises	<b>5,720.44</b>	9,249.14
<b>Total</b>	<b>7,277.01</b>	11,389.66

Credit period varies as per the contractual terms of various suppliers/vendors. No interest is generally charged by the suppliers/vendors. The Company has appropriate policy in place to ensure that all dues are paid within the credit terms agreed with the parties.

### Trade payables ageing schedule

As at March 31, 2022

(₹ in lakhs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	1.39	713.36	–	–	–	–	714.75
Total outstanding dues of creditors other than micro enterprises and small enterprises	21.97	5,762.94	1,225.61	74.93	37.77	15.47	7,138.69
Disputed dues of micro enterprises and small enterprises	–	–	28.13	1.31	22.97	4.23	56.64
Disputed dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–	–	–
<b>Total</b>	<b>23.36</b>	<b>6,476.30</b>	<b>1,253.74</b>	<b>76.24</b>	<b>60.74</b>	<b>19.70</b>	<b>7,910.08</b>

As at March 31, 2021

(₹ in lakhs)

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	74.69	968.48	–	–	–	–	1,043.17
Total outstanding dues of creditors other than micro enterprises and small enterprises	114.56	3,795.32	6,445.10	410.28	49.85	11.15	10,826.26
Disputed dues of micro enterprises and small enterprises	–	–	25.20	29.14	4.09	0.34	58.77
Disputed dues of creditors other than micro enterprises and small enterprises	–	–	–	–	–	–	–
<b>Total</b>	<b>189.25</b>	<b>4,763.80</b>	<b>6,470.30</b>	<b>439.42</b>	<b>53.94</b>	<b>11.49</b>	<b>11,928.20</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 18 Other financial liabilities

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
Trade/security deposits received	87.00	87.00
<b>Total</b>	<b>87.00</b>	<b>87.00</b>
<b>Current</b>		
(a) Unpaid dividends *	5.84	3.31
(b) Unspent corporate social responsibility [Refer Note 38(b)]	45.23	59.39
(c) Other payables		
(i) Payables for capital goods	26.64	11.82
(ii) Contractually reimbursable expenses	10.93	9.12
(iii) Trade/security deposits received	5.00	2.00
(iv) Gratuity (Refer Note 35)	10.99	46.28
(v) Foreign currency forward contracts - fair value hedge	0.08	-
(vi) Foreign currency forward contracts - cash flow hedge	0.67	-
<b>Total</b>	<b>105.38</b>	<b>131.92</b>

\* The figures reflect the position as at year end. The actual amount to be transferred to the Investor Education and Protection Fund in this respect shall be determined on the due dates.

### Note 19 Provisions

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Non-current</b>		
(a) Provision for employee benefits:		
(i) Provision for compensated absences (Refer Note 35)	192.03	218.38
(ii) Provision for gratuity (Refer Note 35)	-	4.53
	<b>192.03</b>	<b>222.91</b>
(b) Provision - Others:		
(i) Provision for warranties	93.90	51.14
(ii) Provision for estimated losses on contracts	0.11	0.11
	<b>94.01</b>	<b>51.25</b>
<b>Total</b>	<b>286.04</b>	<b>274.16</b>
<b>Current</b>		
(a) Provision for employee benefits:		
(i) Provision for compensated absences (Refer Note 35)	38.10	51.06
	<b>38.10</b>	<b>51.06</b>
(b) Provision - Others:		
(i) Provision for warranties	492.13	765.43
(ii) Provision for estimated losses on contracts	5.70	5.74
	<b>497.83</b>	<b>771.17</b>
<b>Total</b>	<b>535.93</b>	<b>822.23</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

For movement in Provisions refer movement schedule below:

(₹ in lakhs)

Particulars	Provision for warranties	Provision for estimated losses on contracts
<b>As at March 31, 2020</b>	<b>951.98</b>	<b>5.87</b>
Recognised during the year	147.22	-
Utilisation during the year	(62.46)	(0.02)
Unused amount reversed	(220.17)	-
<b>As at March 31, 2021</b>	<b>816.57</b>	<b>5.85</b>
Recognised during the year	303.82	-
Utilisation during the year	(48.65)	(0.04)
Unused amount reversed	(485.71)	-
<b>As at March 31, 2022</b>	<b>586.03</b>	<b>5.81</b>

Of the above, the following amounts are expected to be incurred within a year:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for warranties	<b>492.13</b>	765.43
Provision for estimated losses on contracts	<b>5.70</b>	5.74

### Provision for warranties

The Company gives warranties on certain products, undertaking to repair or replace the items that fail to comply with agreed upon specification during the warranty period. Provision made as at March 31, 2022 represents the amount of the expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of one to three years from the date of Balance Sheet.

### Provision for estimated losses on contracts

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately in the Statement of Profit and Loss and provision for estimated loss is recognised in the Balance Sheet.

### Note 20 Deferred tax (liabilities)/assets (Net)

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities	<b>(386.49)</b>	(430.51)
Deferred tax assets	<b>386.49</b>	430.51
<b>Deferred tax (liabilities)/assets</b>	<b>-</b>	-

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Movement in temporary differences

(₹ in lakhs)

Particulars	Balance as at March 31, 2020	Recognised in profit or loss during 2020-21	Recognised in OCI during 2020-21	Balance as at March 31, 2021	Recognised in profit or loss during 2021-22	Recognised in OCI during 2021-22	Balance as at March 31, 2022
<b>Deferred tax (liabilities)/assets in relation to:</b>							
Property, plant and equipment and intangible assets	(432.93)	21.40	-	(411.53)	29.23	-	(382.30)
Provisions for employee benefits	121.19	(34.36)	29.84	116.67	(42.62)	(12.08)	61.97
Provisions for doubtful debts/advances	121.80	270.31	-	392.11	(146.35)	-	245.76
Carried forward business loss/ unabsorbed depreciation	-	513.01	-	513.01	36.53	-	549.54
Fair value of financial instruments	43.45	(62.43)	-	(18.98)	48.91	-	29.93
Lease rental	1.94	(1.47)	-	0.47	(4.66)	-	(4.19)
Other temporary difference	9.94	(591.75)	(9.94)	(591.75)	92.31	(1.27)	(500.71)
	<b>(134.61)</b>	<b>114.71</b>	<b>19.90</b>	<b>-</b>	<b>13.35</b>	<b>(13.35)</b>	<b>-</b>

### Reconciliation of deferred tax (liabilities)/assets (net):

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Opening balance as at the beginning of the year</b>	-	(134.61)
Tax income/(expense) during the period recognised in profit or loss	<b>13.35</b>	114.71
Tax income/(expense) during the period recognised in OCI	<b>(13.35)</b>	19.90
<b>Closing balance as at the end of the year</b>	<b>-</b>	<b>-</b>

### Note 21 Current tax liabilities (Net)

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for tax (net of advance tax)	<b>45.79</b>	53.54
<b>Total</b>	<b>45.79</b>	53.54

### Note 22 Other current liabilities

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Statutory remittances (Contribution to PF and ESIC, Withholding Taxes, GST, etc.)	<b>298.98</b>	111.34
(ii) Interest accrued on GST	<b>1.02</b>	0.11
<b>Total</b>	<b>300.00</b>	111.45

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 23 Revenue from operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A Revenue from contracts with customers:</b>		
(a) Construction Revenue [Refer Note (i) below]	35,183.97	18,047.27
(b) Sale of products (Spares components)	1,952.74	1,255.30
(c) Sale of services	114.92	52.04
	37,251.63	19,354.61
<b>B Other operating revenues [Refer Note (ii) below]</b>	1,026.81	451.22
<b>Total (A+B)</b>	<b>38,278.44</b>	<b>19,805.83</b>

### Notes:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Construction revenue comprises:		
Cold Rolling Mill	5,889.02	408.62
Continuous Annealing Line	12,948.64	9,717.29
Continuous Galvanizing Line	7,482.99	1,743.06
Acid Regeneration Plant	753.94	147.86
Pickling Line	3,025.86	167.10
Colour Coating Line	3,458.39	1,392.68
Rewinding Line	5.46	44.59
Others	1,619.67	4,426.07
<b>Total - Construction revenue</b>	<b>35,183.97</b>	<b>18,047.27</b>

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(ii) Other operating revenues comprise:		
Sale of scrap	195.89	47.57
Duty drawback and other export incentives	221.40	46.80
Others:		
Warranty reversal	485.71	220.17
Liquidated damages received	51.58	34.71
Shared services income	72.23	101.97
<b>Total - Other operating revenues</b>	<b>1,026.81</b>	<b>451.22</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### 23.1 Disaggregated revenue information

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(a) Revenue by geographical location:</b>		
Within India	30,013.59	13,407.79
Outside India	7,238.04	5,946.82
<b>Total</b>	<b>37,251.63</b>	<b>19,354.61</b>
<b>(b) Timing of Revenue Recognition</b>		
Goods and services transferred over time	35,183.97	18,047.27
Goods transferred at a point in time	1,952.74	1,255.30
Service transferred at a point in time	114.92	52.04
<b>Total</b>	<b>37,251.63</b>	<b>19,354.61</b>

### 23.2 Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Revenue as per contracted price</b>	<b>48,823.97</b>	<b>15,314.96</b>
Adjustments:		
Add/(less): Unbilled on account of work under certification	(12,105.50)	4,129.95
Add/(less): Billing in excess of contract revenue	533.16	(90.30)
<b>Revenue from contract with customers</b>	<b>37,251.63</b>	<b>19,354.61</b>

### 23.3 Set out below is the amount of revenue recognised from:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Amounts included in contract liabilities at the beginning of the year	1,574.99	964.89
<b>Total</b>	<b>1,574.99</b>	<b>964.89</b>

### 23.4 Remaining performance obligations

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at March 31, 2022 is of ₹ 1,27,724.23 lakhs. Management expects that around 20% to 30% of the transaction price allocated to unsatisfied contracts as of March 31, 2022 will be recognised as revenue during next reporting period depending upon the progress on each contracts.

### Note 24 Other income

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Interest income earned on financial assets that are not designated as at fair value through profit or loss [Refer Note (i) below]	99.60	136.42
(b) Other interest income [Refer Note (ii) below]	3.65	12.06
(c) Other non-operating income [Refer Note (iii) below]	231.00	81.33
(d) Net foreign exchange gains	310.92	-
<b>Total</b>	<b>645.17</b>	<b>229.81</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

Notes:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Interest income earned on financial assets that are not designated as at fair value through profit or loss comprises:		
Interest from banks on deposits (at amortised cost)	98.51	134.34
Other interest	1.09	2.08
<b>Total - Interest income</b>	<b>99.60</b>	<b>136.42</b>
(ii) Other interest income comprises:		
Interest on income tax refund	0.01	-
Interest on sales tax refund	3.64	12.06
<b>Total - Other interest income</b>	<b>3.65</b>	<b>12.06</b>
(iii) Other non-operating income comprises:		
Gain on sale of property, plant and equipment	0.22	-
Liabilities/provisions no longer required written back	33.58	74.36
Credit balances written back	177.53	2.10
Miscellaneous income	19.67	4.87
<b>Total - Other non-operating income</b>	<b>231.00</b>	<b>81.33</b>

### Note 25.a Construction materials consumed

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	894.55	1,009.94
Add: Purchases*#	26,294.20	13,050.82
	27,188.75	14,060.76
Less: Closing stock	652.36	894.55
<b>Construction material consumed</b>	<b>26,536.39</b>	<b>13,166.21</b>

\* Construction material consumed + Closing stock - Opening stock

# Purchases include ₹ 13,784.66 lakhs (Year ended March 31, 2021: ₹ 3,526.85 lakhs) being cost of equipments bought and supplied directly to customer's site as a part of construction contracts.

#### Note:

Since the Company is in the business of executing projects for its clients on turnkey basis, the Company is following percentage of completion method as prescribed under Ind AS 115 Revenue from Contracts with Customers under which project stock, manufactured items and other direct costs are considered as project cost incurred till date. Purchases figure is derived figure. Inventory procured for a specific project is immediately booked to the project as consumed and is not considered as inventory. In view of the above, itemwise break-up for cost of materials consumed is not available in the system.



# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 25.b Changes in inventories of finished goods and work-in-progress

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year:		
Finished goods	273.97	158.28
Work-in-progress	120.67	84.90
	394.64	243.18
Inventories at the end of the year:		
Finished goods	174.48	273.97
Work-in-progress	15.20	120.67
	189.68	394.64
<b>Net (increase)/decrease</b>	<b>204.96</b>	<b>(151.46)</b>

### Note 26 Employee benefits expense

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	4,415.97	4,275.54
Contributions to: (Refer Note 35)		
- Provident fund	183.21	202.90
- Superannuation fund	33.31	41.72
- Gratuity fund	56.97	45.90
Staff welfare expenses	286.50	193.87
<b>Total</b>	<b>4,975.96</b>	<b>4,759.93</b>

### Note 27 Finance costs

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Interest expense		
(i) Borrowings	11.85	1.97
(ii) Others		
- Interest on delayed/deferred payment of statutory dues	3.42	31.09
(b) Loss/(gain) arising on financial assets/liabilities measured at amortised cost	194.34	(248.07)
(c) Other borrowing costs:		
(i) Bank Charges	473.37	229.64
(d) Interest on Leasehold liabilities	1.84	4.07
<b>Total</b>	<b>684.82</b>	<b>18.70</b>

### Note 28 Depreciation and amortisation expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment (Refer Note 3)	444.41	472.06
Depreciation on right-to-use asset (Refer Note 4)	18.98	26.38
Amortisation on intangible assets (Refer Note 5)	2.78	4.88
<b>Total</b>	<b>466.17</b>	<b>503.32</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 29 Other expenses

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spare parts	287.97	191.66
Project related expenses [Refer Note 38(d)]	254.05	335.06
Labour and processing charges	587.82	323.55
Erection expenses	691.26	369.81
Power and fuel	192.99	179.47
Repairs:		
- Buildings	31.68	3.30
- Plant and machinery	53.49	30.97
- Others	327.60	251.28
Rates and taxes	38.77	63.23
Insurance	63.34	54.24
Commission on sales	-	68.13
Loss on sale/write off of property, plant and equipment (net)	-	0.07
Loss on exchange fluctuation (net)	-	275.47
Unrealised loss on mark-to-market derivative contracts	0.08	(83.55)
Loss on derecognition of financial asset	430.58	71.83
Allowance for doubtful trade receivables/contract assets	166.37	312.58
Brand fees	185.27	103.36
Warranties (net) (Refer Note 19)	303.82	147.22
Liquidated damages	0.04	0.05
Estimated losses on contracts (Refer Note 19)	(0.04)	(0.02)
Packing and forwarding expenses	1,057.04	252.74
Travelling and conveyance	143.00	163.35
Postage, telex and telephone expenses	24.70	23.12
Expenditure on corporate social responsibility [Refer Note 38(b)]	40.15	68.51
Allowance for doubtful advances/deposits/other receivables	13.39	761.45
Payments to auditors [Refer Note (i) below]	52.57	52.50
Legal and professional [Refer Note (ii) below]	192.02	369.42
Bad trade and other receivables, loans and advances written off	21.19	-
Miscellaneous expenses	453.24	371.06
<b>Total</b>	<b>5,612.39</b>	<b>4,759.86</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

Note:

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(i) Payments to the auditors comprises (net of GST input credit):</b>		
<b>As auditor:</b>		
Audit fee	35.25	35.25
Tax audit fee	3.25	3.25
Limited review	13.20	13.20
<b>In other capacity</b>		
Other service	0.80	0.80
Reimbursement of expenses	0.07	-
<b>Total</b>	<b>52.57</b>	<b>52.50</b>
<b>(ii) Legal and professional includes (net of GST input credit):</b>		
Cost auditors for cost audit	2.30	2.30
Out of pocket expenses	0.13	0.13
<b>Total</b>	<b>2.43</b>	<b>2.43</b>

### Note 30 Income tax recognised in profit and loss

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current tax</b>		
In respect of the current year	-	-
In respect of prior year	(7.75)	-
	(7.75)	-
<b>Deferred tax</b>		
In respect of the current year	(13.35)	(114.71)
Adjustments to deferred tax attributable to change in tax rates and laws	-	-
	(13.35)	(114.71)
<b>Total income tax expense recognised in the Statement of Profit and Loss</b>	<b>(21.10)</b>	<b>(114.71)</b>

### Note 30.1 The reconciliation of estimated income tax expense at Indian Statutory income tax rate to income tax expense reported in Statement of Profit or Loss

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax from continuing operation	442.92	(3,020.92)
Indian Statutory income tax rate	25.168%	25.168%
Income tax expense	111.47	(760.31)
Adjustments in respect of current income tax of previous years	(7.75)	-
Effect of expenses that are not deductible in determining taxable profit	4.02	53.85
Utilisation of previously unrecognised tax losses	(36.53)	-
Others	(92.31)	591.75
<b>Income tax expense recognised in the Statement of Profit and Loss</b>	<b>(21.10)</b>	<b>(114.71)</b>

The Company has not recognised total deferred tax assets of ₹ 527.95 lakhs (As at March 31, 2021 : ₹ 591.75 lakhs) on unutilised tax losses and temporary deductible differences based on probability of future taxable income.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 30.2 Income tax recognised in other comprehensive income

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Arising on income and expenses recognised in other comprehensive income:		
Re-measurement of the defined benefit obligations	(12.08)	29.84
Net loss/(gain) on designated portion of hedging instruments in cash flow hedge	(1.27)	(9.94)
<b>Total income tax recognised in other comprehensive income</b>	<b>(13.35)</b>	<b>19.90</b>
Bifurcation of the income tax recognised in other comprehensive income into:		
- Items that will not be reclassified to profit or loss	(12.08)	29.84
- Items that may be reclassified to profit or loss	(1.27)	(9.94)
<b>Total</b>	<b>(13.35)</b>	<b>19.90</b>

### Note 31 Earnings per share (EPS)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Basic and Diluted</b>		
Net Profit/(loss) for the year attributable to the equity shareholders (₹ in lakhs)	<b>464.02</b>	(2,906.21)
Weighted Average Number of Equity Shares (in numbers)	<b>4,937,813</b>	4,937,813
Par value per share (₹)	<b>10.00</b>	10.00
Earnings per share - Basic (₹)	<b>9.40</b>	(58.86)
Earnings per share - Diluted (₹)	<b>9.40</b>	(58.86)

### Note 32 Related party transactions

Note	Particulars
	<b>List of related parties and relationship</b>
<b>a)</b>	<b>Enterprises exercising control</b>
	Ultimate Holding Company      Ebenis SA
	Holding Company      John Cockerill SA (formerly Cockerill Maintenance & Ingenierie SA)
<b>b)</b>	<b>Other related parties with whom transactions have taken place during the year</b>
	Fellow Subsidiaries (with whom Company has made transactions during the year/previous year)
	John Cockerill Automation Private Limited
	John Cockerill UVK GmbH (formerly CMI UVK GmbH)
	CMI Engineering (Beijing) Co. Ltd.
	John Cockerill Trading (Beijing) Co. Ltd. (formerly Beijing Cockerill Trading Co. Ltd.)
	CMI Industry Americas Inc.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

Note	Particulars	
c)	<b>Key Management Personnel (KMP)</b>	
	Mr. Joao Felix Da Silva - Chairman	
	Mr. Vivek Bhide - Managing Director	
	Mr. Kiran Rahate - Chief Financial Officer	
	Mr. Haresh Vala - Company Secretary	
	<b>Non-Executive Independent Director</b>	<b>Non-Executive Director</b>
	Mr. N. Sundararajan	Mr. Yves Honhon
	Ms. Roma Balwani	Mr. Jean Gourp (from 25.6.2020)
	Mr. Nandkumar Dhekne	
	Mr. Urjit Ravindra Patel (from 1.4.2021 to 31.1.2022)	
	Mr. D. J. Balaji Rao (upto 31.3.2021)	

### d.1) Details of related party transactions during the year ended March 31, 2022 and balances outstanding as at March 31, 2022:

Nature of transactions	(₹ in lakhs)			
	Holding Company	Fellow Subsidiaries	KMP	Total
Purchase of goods	19.37	168.72	-	188.09
	(-)	(874.44)	(-)	(874.44)
Purchase of goods reversed	-	-	-	-
	(21.27)	(-)	(-)	(21.27)
Receiving of services	52.96	25.14	-	78.10
	(191.42)	(31.75)	(-)	(223.17)
Sale of goods	2,940.22	728.93	-	3,669.15
	(125.04)	(-)	(-)	(125.04)
Shared services income	-	85.23	-	85.23
	(-)	(120.33)	(-)	(120.33)
Rendering of services	640.62	10.74	-	651.36
	(577.30)	(1.24)	(-)	(578.54)
Purchase of assets	-	9.00	-	9.00
	(-)	(-)	(-)	(-)
Other income	-	0.22	-	0.22
	(-)	(-)	(-)	(-)
Compensation of key managerial personnel	-	-	482.53	482.53
	(-)	(-)	(426.02)	(426.02)
Sitting fees paid to non-executive directors	-	-	35.10	35.10
	(-)	(-)	(34.30)	(34.30)
Commission to non-executive directors	-	-	23.00	23.00
	(-)	(-)	(12.00)	(12.00)
Brand and technical royalty fees	298.55	-	-	298.55
	(103.36)	(-)	(-)	(103.36)
Expenses reimbursement received	22.69	-	-	22.69
	(10.94)	(1.42)	(-)	(12.36)
Expenses reimbursement paid	259.77	-	-	259.77
	(-)	(-)	(-)	(-)

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

(₹ in lakhs)

Nature of transactions	Holding Company	Fellow Subsidiaries	KMP	Total
Expenses reimbursement paid reversed	85.42 (37.35)	- (-)	- (-)	85.42 (37.35)
Dividend paid	- (184.89)	- (0.28)	- (-)	- (185.17)
<b>Balances outstanding at the end of the year:</b>				
Trade receivables	2,878.70 (2,815.53)	124.68 (-)	- (-)	3,003.38 (2,815.53)
Advance received from customers	233.78 (450.53)	384.08 (108.07)	- (-)	617.86 (558.60)
Advances paid to suppliers	- (-)	- (0.07)	- (-)	- (0.07)
Trade payables	499.40 (382.24)	305.53 (688.76)	- (-)	804.93 (1,071.00)

**Note:** All above figures are inclusive of taxes. Figures in bracket relates to the previous year.

### d.2) The significant related party transactions are as under:

Nature of transactions	Fellow Subsidiaries	KMP	₹ in lakhs
Purchase of goods	John Cockerill Trading (Beijing) Co. Ltd.		157.71 (60.81)
	John Cockerill Automation Private Limited		11.01 (305.46)
	John Cockerill UVK GmbH		- (85.45)
	CMI Engineering (Beijing) Co. Ltd.		- (422.72)
Receiving of services	John Cockerill Automation Private Limited		19.40 (22.74)
	John Cockerill UVK GmbH		5.74 (9.01)
Sale of goods	John Cockerill UVK GmbH		728.93 (-)
Shared services income	John Cockerill Automation Private Limited		85.23 (120.33)
Rendering of services	John Cockerill Automation Private Limited		1.08 (1.24)
	John Cockerill UVK GmbH		9.66 (-)
Purchase of assets	John Cockerill Automation Private Limited		9.00 (-)
Other income	John Cockerill Trading (Beijing) Co. Ltd.		0.22 (-)
Compensation of key managerial personnel		Mr. Vivek Bhide	386.13 (342.17)
		Mr. Kiran Rahate	64.12 (55.25)
		Mr. Haresh Vala	32.28 (28.60)

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

Nature of transactions	Fellow Subsidiaries	KMP	₹ in lakhs
Expenses reimbursement received	CMI Engineering (Beijing) Co. Ltd.		- (1.42)
Dividend Paid	John Cockerill Automation Private Limited		- (0.28)
Trade receivables	John Cockerill Automation Private Limited		5.22 (-)
	John Cockerill UVK GmbH		119.46 (-)
Advance received from customers	CMI Industry Americas Inc.		384.08 (-)
	John Cockerill UVK GmbH		- (108.07)
Advances paid to suppliers	John Cockerill Automation Private Limited		- (0.07)
Trade payables	John Cockerill Automation Private Limited		207.77 (306.71)
	CMI Engineering (Beijing) Co. Ltd.		26.64 (176.39)
	John Cockerill UVK GmbH		71.12 (205.66)

**Note:** There were no amounts written off or written back during the year in respect of debts due from or to related parties.

### d.3) Details of transactions with Key Management Personnel:

Nature of transactions	(₹ in lakhs)
Short Term Employee Benefits *	460.44 (403.93)
Post-Employment Benefits *	22.09 (22.09)
<b>Total</b>	<b>482.53</b> (426.02)

\* As the future liabilities for gratuity and leave encashment are provided on an actuarial valuation basis for the Company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

### d.4) Sitting fees for attending meetings paid to non-executive directors:

Nature of transactions	(₹ in lakhs)
Mr. N. Sundararajan	10.50 (9.00)
Ms. Roma Balwani	9.80 (6.90)
Mr. Nandkumar Dhekne	12.80 (8.50)
Mr. Urjit Ravindra Patel	2.00 (-)
Mr. D.J. Balaji Rao	- (9.90)
<b>Total</b>	<b>35.10</b> (34.30)

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### d.5) Commission to non-executive directors:

Nature of transactions	(₹ in lakhs)
Mr. N. Sundararajan	6.00 (3.00)
Ms. Roma Balwani	6.00 (3.00)
Mr. Nandkumar Dhekne	6.00 (3.00)
Mr. Urjit Ravindra Patel	5.00 (-)
Mr. D.J. Balaji Rao	- (3.00)
<b>Total</b>	<b>23.00</b> <b>(12.00)</b>

### d.6) Terms and Conditions:

- i) All outstanding balances are unsecured and are repayable as per terms of credit and settlement occurs in cash.
- ii) All related party transactions entered during the year were in ordinary course of business and on arms' length basis.
- iii) The Company has not recorded any impairment of receivables related to amounts owed by related parties.

### Note 33 Contingent liabilities and commitments (to the extent not provided for)

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(i) Contingent liabilities</b>		
<b>(a) Claims against the Company not acknowledged as debt</b>		
Service tax*	<b>19,943.16</b>	19,080.93
Local Body Tax - PMC**	<b>56.25</b>	56.25
Sales tax	-	3.66
Taxation matters:		
1) Demands against the Company not acknowledged as debt and not provided for, relating to issues of deductibility and taxability in respect of which the Company is in appeal and exclusive of effect of similar matters in respect of assessments remaining to be completed:		
- Income Tax	<b>128.93</b>	110.98
2) Items in respect of which the Company has succeeded in appeal, but the Income-tax Department is pursuing appeal and exclusive of effect of similar matters in respect of assessments remaining to be completed:		
- Income Tax	-	83.02
<b>(b) Other matters for which the Company is contingently liable</b>		
Advance licence - custom duty elements	<b>679.65</b>	499.43
<b>(ii) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
Property, plant and equipment	<b>66.82</b>	20.52



# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

\*Matters relating to:

During the period April 2010 to December 2014, the Company had paid service tax for services rendered and paid excise duty on dispatch of goods considering contracts as divisible contracts. Service tax department issued Show cause Notice dated October 21, 2015 for demanding service tax of ₹ 4,817.55 lakhs categorised as "works contract" service by the Department on which excise duty of ₹ 10,510.51 lakhs had been paid. The Company had replied to Show cause notice and personal hearing had also been held. The Commissioner of Central Excise & Service Tax, Large Taxpayer Unit vide their order dated November 30, 2016 upheld the service tax liability of ₹ 4,817.55 lakhs, penalty of ₹ 4,817.65 lakhs and interest, as applicable, estimated to be ₹ 7,965.10 lakhs. An appeal had been filed by the Company before CESTAT, Mumbai dated March 20, 2017. The Company had paid appropriate excise duty on goods manufactured and service tax on service rendered. The order is seen by the Company as change of opinion by the department after higher bench judgement in one of the recent case. The Company had pre-deposited ₹ 361.32 lakhs.

In continuation to the above matter, the Company had further received show cause notice dated December 22, 2017 for the period January 2015 to March 2015 demanding service tax of ₹ 175.46 lakhs categorised as "works contract" service on which excise duty of ₹ 377.56 lakhs had been paid and show cause notice dated March 19, 2018 for the period April 2015 to June 2017 demanding service tax of ₹ 759.27 lakhs categorised as "works contract" service on which excise duty of ₹ 1,670.08 lakhs had been paid. The Company had replied to Show cause notice and personal hearing had also been held. The Commissioner of Central Excise & Service Tax, Large Taxpayer Unit vide their order dated February 14, 2019 upheld the service tax liability of ₹ 175.46 lakhs and ₹ 759.27 lakhs respectively and penalty of ₹ 175.56 lakhs and ₹ 759.37 lakhs respectively and interest, as applicable, ₹ 201.31 lakhs and ₹ 703.30 lakhs respectively. An appeal had been filed by the Company before CESTAT, Mumbai dated May 06, 2019. The Company had paid appropriate excise duty on goods manufactured and service tax on service rendered. The order is seen by the Company as change of opinion by the Department after higher bench judgement in one of the recent case. The Company had pre-deposited ₹ 13.16 lakhs and ₹ 56.94 lakhs respectively.

\*\*Matter relating to Panvel Municipal Corporation had raised Local Body Tax demand for the period from 01.01.2017 to 31.03.2017 and from 01.04.2017 to 30.06.2017 under rule 33 of Panvel Municipal Corporation Act vide order dated November 13, 2018 & March 14, 2019 respectively. Total demand was of ₹ 186.97 lakhs consisting LBT Tax of ₹ 117.80 lakhs, interest of ₹ 12.92 lakhs and penalty of ₹ 56.25 lakhs. Of which Tax had been paid and interest is provided in the books. Penalty is not provided in the books. Appeals were filed by the Company in PMC Appellate Authority dated November 29, 2018 and March 27, 2019 respectively against demand of interest and penalty.

### Note 34 Disclosure of Lease as per Ind AS 116

#### Lessee

The following is the summary of practical expedients elected on application:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application.
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The Company has lease contracts for various items of Plant and machinery, land, flat, vehicles and other equipment used in its operations. Leases of land generally have lease terms between 49 and 66 years, while flat generally have lease terms between 1 and 3 years. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases of Plant and machinery and vehicles with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The Company had total cash outflows for leases of ₹ 16.69 lakhs during the year ended March 31, 2022 (For the year ended March 31, 2021: ₹ 24.96 lakhs).

Refer Note 4 for additions to right-of-use assets and the carrying amount of right-of-use assets as at March 31, 2022.

The effective interest rate for lease liabilities is 10.70%.

The maturity analysis of lease liabilities are disclosed in Note 36.13.

#### Amounts recognised in the Statement of Profit and Loss

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation expenses of Right-of-use assets	18.98	26.38
Interest expenses on lease liabilities	1.84	4.07
Expenses related to short term leases	31.15	54.00
<b>Total amounts recognised in the Statement of Profit and Loss</b>	<b>51.97</b>	<b>84.45</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Note 35 Employee benefits

#### a) Defined contribution plan:

##### Superannuation

All eligible employees are entitled to benefits under superannuation, a defined contribution plan. The Company makes quarterly contributions until retirement or resignation of the employee. The Company recognises such contributions as an expense when incurred. The Company has no further obligation beyond its quarterly contribution.

Company's contribution to superannuation recognised in Statement of Profit and Loss of ₹ 33.31 lakhs (for the year ended March 31, 2021 ₹ 41.72 lakhs) (included in Note 26).

##### Provident fund

All eligible employees of the Company are entitled to receive benefits under the provident fund, a defined contribution plan in which both the employees and employer (at a determined rate) contribute monthly. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulation. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

Company's contribution to provident fund recognised in Statement of Profit and Loss of ₹ 183.21 lakhs (for the year ended March 31, 2021 ₹ 202.90 lakhs) (included in Note 26).

#### b) Defined benefit plans:

##### Gratuity (funded)

The Company sponsors funded defined benefit plans for all eligible employees. The defined benefit plan is administered by a separate fund that is legally separated from the entity.

Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days salary for each year of service until the retirement age of 60 years, without any payment ceiling. The vesting period for gratuity as payable under The payment of Gratuity Act is 5 years.

The plans in India typically expose the Company to actuarial risks such as investment risk, interest rate risk, liquidity risk and salary risk.

##### a) Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

##### b) Interest rate risk

The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability (as shown in financial statements).

##### c) Liquidity risk

This is the risk that the Company is not able to meet the short-term gratuity pay outs. This may arise due to non availability of enough cash / cash equivalents to meet the liabilities or holding of liquid assets not being sold in time.

##### d) Salary escalation risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

No other post-retirement benefits are provided to these employees.

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at March 31, 2022 by M/s. KP Actuaries and Consultants. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>A. Balance Sheet</b>		
The assets, liabilities and surplus/(deficit) position of the defined benefit plan at the Balance Sheet date were:		
Present value of defined benefit obligation	698.06	725.88
Fair value of plan assets	(687.07)	(675.07)
<b>Net liability recognised in the Balance Sheet (Refer Note 18 and 19)</b>	<b>10.99</b>	50.81
<b>B. Movements in present value of obligation and fair value of plan assets</b>		
<b>Change in defined benefit obligations (DBO) during the year</b>		
Present value of DBO at beginning of the year	725.88	683.98
Current service cost	53.75	46.82
Interest cost	46.06	42.03
Re-measurement (or Actuarial) loss /(gain) arising from:		
- change in demographic assumptions	(0.46)	6.08
- change in financial assumptions	(25.48)	115.13
- experience variance (i.e. Actual experience vs assumptions)	(30.86)	2.27
Benefits paid	(70.83)	(170.43)
<b>Present value of DBO at the end of the year</b>	<b>698.06</b>	725.88
<b>Change in fair value of assets during the year</b>		
Plan assets at beginning of the year	675.07	698.97
Investment income	42.84	42.95
Actual company contributions	49.48	78.06
Benefits paid	(71.52)	(149.81)
Return on plan assets, excluding amount recognised in net interest expense	(8.80)	4.90
<b>Plan assets at the end of the year</b>	<b>687.07</b>	675.07

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>C. Statement of Profit and Loss</b>		
Current service cost	53.75	46.82
<b>Finance Cost</b>		
Interest cost	46.06	42.03
Interest income (expected returns on plan assets)	(42.84)	(42.95)
<b>Component of defined benefit cost recognised in statement of profit and loss (Refer Note 26)</b>	<b>56.97</b>	45.90
Remeasurement of net defined benefit liability:		
- Actuarial losses/(gains) on defined benefit obligation	(56.79)	123.47
- Return on plan assets (excluding interest income)	8.80	(4.90)
<b>Net impact on other comprehensive income (before tax)</b>	<b>(47.99)</b>	118.57
<b>Total</b>	<b>8.98</b>	164.47

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>D. Composition of the plan assets is as follows:</b>		
(percentage or value)		
Insurer managed funds	<b>100.00%</b>	100.00%

The Plan does not invest directly in any property occupied by the Company or any financial securities issued by the Company.

### E. Principal Actuarial assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	<b>6.90%</b>	6.35%
Salary escalation	<b>5.00%</b>	5.00%
Attrition		
Age (Years)		
Upto 30	<b>21.69%</b>	20.70%
31-44	<b>6.98%</b>	5.52%
Above 44	<b>6.02%</b>	6.60%
Mortality rates	<b>100% of IALM 2012-14</b>	100% of IALM 2012-14
Estimate of amount of contribution in the immediate next year (₹ in lakhs)	<b>65.00</b>	107.24

The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

Interest income on plan asset is a component of the return on plan asset and is determined by multiplying the fair value of the plan assets by the discount rate, both as determined at the start of the annual reporting period, taking account of any changes in the plan assets held during the period as a result of contributions and benefit payments.

The estimate of future salary increase, considered in actuarial valuation, take into account the inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Due to absence of data provided by Life Insurance Corporation of India, break-up of plan assets (asset allocation) in insurer managed funds have not been furnished.

### F. Experience adjustments:

(₹ in lakhs)

Gratuity	2021-2022	2020-2021	2019-2020	2018-2019	2017-2018
Present value of DBO	<b>698.06</b>	725.88	683.98	586.15	583.97
Fair value of plan assets	<b>687.07</b>	657.07	698.97	585.23	481.40
Funded status Surplus/(Deficit)	<b>(10.99)</b>	(50.81)	14.99	(0.92)	(102.57)
Experience (gain)/loss adjustments on plan liabilities	<b>(30.86)</b>	2.27	191.22	125.27	28.79
Experience gain/(loss) adjustments on plan assets	<b>(8.80)</b>	4.90	-	1.92	(0.47)

### G. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### Impact on Defined Benefit Obligation

(₹ in lakhs)

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(42.73)	47.60	(48.21)	54.02
Future Salary Growth (1% movement)	48.03	(43.86)	54.21	(49.24)
Attrition rate (50% of attrition rates)	11.50	(15.49)	9.44	(12.92)

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

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is same as that applied in calculating the defined benefit obligation recognised in the Balance Sheet.

#### H. The weighted average duration (based on discounted cashflow) of the defined benefit obligation at the end of reporting period is 6 years.

#### Compensated absences

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation, or resignation, at the rate of daily salary, as per current accumulation of leave days restricted to maximum 45 days.

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of unfunded obligation (₹ in lakhs)	230.13	269.44
Expense/(Income) recognised in Statement of Profit and Loss (₹ in lakhs)	(26.71)	31.22
Discount rate percentage (p.a.)	6.90%	6.35%
Salary escalation rate (p.a.)	5.00%	5.00%

### Note 36 Financial Instruments

#### 36.1 Capital management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the returns to stakeholders through the optimisation of the debt and equity balance. For the purpose of the Company's capital management, capital includes issued equity capital 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. The Company is a debt free company and cash required for operation is managed through internal accruals.

#### 36.2 Categories of financial instruments

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
		Carrying values	Carrying values	Fair value	Fair value
<b>Financial assets</b>					
<b>Measured at amortised cost</b>					
i. Cash and cash equivalents	12	2,908.47	2,228.62	2,908.47	2,228.62
ii. Bank balances other than cash and cash equivalents	13	1,846.62	1,273.46	1,846.62	1,273.46
iii. Trade receivables	6	14,727.99	13,630.92	14,727.99	13,630.92
iv. Other financial assets	7	1,692.41	450.77	1,692.41	450.77

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
		Carrying values	Carrying values	Fair value	Fair value
<b>Measured at fair value through other comprehensive income (FVTOCI)</b>					
Derivative instruments in designated hedge accounting relationships (net)	7, 18	5.04	-	5.04	-
<b>Financial liabilities</b>					
<b>Measured at fair value through profit or loss (FVTPL)</b>					
Derivative financial instruments	18	0.08	-	0.08	-
<b>Measured at amortised cost</b>					
i. Trade payables	17	7,910.08	11,928.20	7,910.08	11,928.20
ii. Other financial liabilities	18	191.63	218.92	191.63	218.92

### 36.3 Financial risk management objective

The Company has a Risk Management Committee established by its Board of Directors for overseeing the Risk Management Framework and developing and monitoring the Company's risk management policies. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk threshold, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency. Risk management policies and systems are reviewed regularly to reflect changes in the market conditions and the Company's activities to provide reliable information to the management and the Board to evaluate the adequacy of the risk management framework in relation to the risk faced by the Company.

The risk management policies aims to mitigate the following risk arising from the financial instruments:

- Market risk (includes foreign currency risk and price risk)
- Credit risk and
- Liquidity risk

### 36.4 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in the market prices. The Company in the ordinary course of its business is exposed to risks related to changes in foreign currency exchange rates.

The Company seeks to minimise the effect of these risks by using derivative financial instruments to hedge risk exposures. The Company does not enter into or trade financial instruments, including derivatives for speculation purposes.

### 36.5 Foreign Currency risk management

The Company's functional currency is Indian Rupees (INR). The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. Volatility in exchange rates affects the Company's revenue from export markets and the costs of imports, primarily in relation to raw materials. The Company is exposed to exchange rate risk under its trade portfolio.

Favourable movements in the exchange rates will conversely result in reduction in the Company's receivables in foreign currency. In order to hedge exchange rate risk, the Company hedges cash flows up to a specific tenure using forward exchange contracts in respect of exports, imports, other receivables and payables. The Company uses forward foreign exchange contracts to hedge its exposure in foreign currency related to firm commitments and highly probable forecast transactions.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as under:

(₹ in lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Assets	Liabilities	Assets	Liabilities
USD	5,734.30	673.13	7,570.99	958.34
EUR	1,155.46	311.72	727.86	723.94
CNY	-	26.64	-	176.39

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### 36.6 Foreign Currency risk sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease in the INR against the relevant major foreign currencies. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates, with all other variables held constant. A positive number below indicates an increase in profit or equity where INR strengthens 1% against the relevant currency. For a 1% weakening of INR against the relevant currency, there would be a comparable impact on profit or equity and the balances below would be negative.

(₹ in lakhs)

Particulars	Increase		Decrease	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>Receivable</b>				
USD	57.34	75.71	(57.34)	(75.71)
EUR	11.55	7.28	(11.55)	(7.28)
<b>Payable</b>				
USD	(6.73)	(9.58)	6.73	9.58
EUR	(3.12)	(7.24)	3.12	7.24
CNY	(0.27)	(1.76)	0.27	1.76

### 36.7 Forward foreign exchange contracts

The Company has adopted a Risk Management Policy approved by the Board of Directors for managing foreign currency exposure. The policy has approved use of forward contracts to manage the foreign currency risk.

The following table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period:

Particulars	No. of contracts	Type	Foreign Currency	Amount in Foreign currency	INR Equivalent	MTM gain / (loss)
			(FC)	(in lakhs)	(in lakhs)	(₹ in lakhs)
As at March 31, 2022	7	Sell	USD	12.73	1,188.99	4.96
As at March 31, 2021	-	N.A.	N.A.	-	-	-

### 36.8 Commodity price risk

The Company is exposed to movement in metal commodity price of steel. Our sales contracts are on fixed price basis. Profitability in case of firm price orders is impacted by movement in the prices of steel. The Company primarily purchases its raw materials in the open market from third parties. The Company either places long term firm price order with the suppliers or builds stock on need basis to mitigate the risk.

### 36.9 Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market interest rates. The Company is debt free Company and has not borrowed fund during the year from banks, therefore, the Company is not exposed to interest rate risk.

### 36.10 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk for trade receivables, contract assets, deposits with banks, derivative financial instruments and other financial instruments.

### 36.11 Trade receivables

Customer credit risk is managed centrally by the Company. The Company evaluates the creditworthiness based on publicly available financial information and the Company's historical experiences. Further, majority of the Company's customers are Companies with strong financial stability. Credit risk on receivables is also mitigated by securing the same against letters of credit of reputed banks. Trade receivables spread across diverse geographical areas with no significant concentration of credit risk. Outstanding trade receivables are regularly monitored and appropriate actions are taken for collection of overdue receivables. The Company's exposure to counterparties are continuously reviewed and monitored by the management. Credit period varies as per the contractual terms with the customers. No interest is generally charged on overdue trade receivables.

The Company directly reduces the gross carrying amount of financial assets when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The amount of financial assets are net of allowance for doubtful accounts, estimated by the Company and based, in part, on the age of specific receivable balance and the current and expected collection trends.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

The Company has used practical expedient by computing expected credit loss allowance for trade receivables by taking into consideration historic credit loss experience and adjusted for forward looking information. The expected credit loss is based on the ageing of the days and the expected credit loss rate.

Apart from the major customers of the Company in India, Spain and Belgium (where the parent company is based), the Company does not have significant credit risk exposure to any single customer. Concentration of credit risk related to the customer in India, Belgium accounts for 51%, 18% respectively of the trade receivables of the Company as at March 31, 2022 (As at March 31, 2021: India, Spain, Belgium accounts for 42%, 24% and 20% respectively). Concentration of credit risk to any other customer did not exceed 10% of the trade receivables of the Company at reporting date.

As at March 31, 2022 the Company had contract assets amounting to ₹ 2,668.88 lakhs (As at March 31, 2021: ₹ 14,788.66 lakhs). At March 31, 2022 the Company had 1 customer (As at March 31, 2021: 2 customers) that owed the Company more than ₹ 1,000 lakhs each and accounted for approximately 38% (As at March 31, 2021: 84%) of all the contract assets outstanding.

The history of trade receivables shows a negligible impairment allowance.

### 36.12 Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, and derivative instruments. The Company attempts to limit the credit risk by only dealing with reputable banks having high-credit ratings assigned by credit-rating agencies. The Company's maximum exposure to the credit risk for the component of Balance Sheet as at March 31, 2022 and March 31, 2021 is the carrying amounts of each class of financial assets.

### 36.13 Liquidity risk management

Liquidity risk refers to the risk of financial distress or extraordinary high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and require financing. The Company requires fund both for short-term operational needs as well as for long-term capital expenditure growth projects. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short-term investments provide liquidity in the short-term and long-term. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flow and by matching the maturity profiles of the financial assets and liabilities.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in bank fixed deposits to optimise the returns on cash and cash equivalents while ensuring sufficient liquidity to meet its liabilities.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Liquidity exposure:				(₹ in lakhs)		
Particulars	As at March 31, 2022			As at March 31, 2021		
	< 1 year	1-5 years	Total	< 1 year	1-5 years	Total
<b>Financial liabilities</b>						
Lease liabilities	2.57	-	2.57	16.67	2.58	19.25
Trade payable	7,277.01	733.33	8,010.34	11,389.66	650.74	12,040.40
Other financial liabilities	105.38	87.00	192.38	131.92	87.00	218.92
<b>Total financial liabilities</b>	<b>7,384.96</b>	<b>820.33</b>	<b>8,205.29</b>	11,538.25	740.32	12,278.57

The derivative assets and liabilities (Refer Notes 7 and 18) are having maturity within one year of the Balance Sheet date.

### 36.14 Collateral

Property, plant and equipment, right-of-use asset with a carrying amount of ₹ 3,206.24 lakhs (As at March 31, 2021: ₹ 3,412.90 lakhs), have been mortgaged as security for fund based and non-fund based credit facilities from banks.

The Company has access to various fund and non-fund based bank facilities. The amount of unused borrowing facilities (fund and non fund based) available for future operating activities and to settle commitments as at March 31, 2022 ₹ 10,337.65 lakhs (As at March 31, 2021 ₹ 14,712.57 lakhs). The returns/statements filed by the Company with such banks are in agreement with the books of accounts of the Company.



# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### 36.15 Fair value measurement

#### Calculation of fair values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the year ended March 31, 2021.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair value.

#### Financial assets and liabilities measured at fair value as at Balance Sheet date:

- The fair values of the forward contracts used for expected future sale has been determined using forward pricing, based on present value calculations.
- The Company has disclosed financial instruments such as trade receivables (current), cash and cash equivalents, other bank balances, loans to employees, other current financial assets, trade payables (current) and other current financial liabilities at carrying value, because, their carrying amounts are a reasonable approximation of the fair values due to their short-term nature.

#### Level wise disclosure of financial statements

(₹ in lakhs)

Particulars	Fair value		Fair Value Hierarchy	Valuation technique(s) and Key inputs
	As at March 31, 2022	As at March 31, 2021		
Derivative instruments (Derivative instruments in designated Hedge accounting relationship - hedges of highly forecasted sale/purchases using foreign currency forward contracts) - Asset/ (Liability)	5.04	-	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of counterparties.
Derivative instruments measured at fair value through profit or loss - forward contracts Liability	(0.08)	-	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of counterparties.

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):

The carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

#### Note 37 Segment information

The principal activities of the Company comprise customised manufacturing and installation of cold rolling mills, galvanizing lines, colour coating lines, tension levelling lines, skin pass mills, acid regeneration plants, wet flux line and pickling lines ("the projects") for ferrous and non-ferrous industries world wide.

For management purpose, the Company comprise of only one reportable segment - Original equipment manufacturer and project management. Information is reported to and evaluated regularly by the Chief Operational Decision Maker (CODM) i.e. Managing Director for the purpose of resource allocation and assessing the performance of the business as a whole. The CODM reviews the Company's performance on the analysis of profit before tax at an overall entity level. Accordingly there is no other separate reportable segment as defined by Ind AS 108 "Operating Segments".

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

The information relating to revenue from external customers and location of non-current assets of the single reportable segment has been disclosed as follows:

### a) Revenue by geographical location

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
India (i)	30,013.59	13,407.79
Foreign countries:		
- Belgium	3,237.09	1,018.53
- Spain	1,713.38	175.65
- Germany	1,005.76	2,739.35
- Egypt	431.02	931.46
- Bangladesh	89.07	633.56
- Other countries	761.72	448.27
Total foreign countries (ii)	7,238.04	5,946.82
<b>Total (i) + (ii)</b>	<b>37,251.63</b>	<b>19,354.61</b>

Revenue from operations have been allocated on the basis of location of customers.

₹ 11,240.81 lakhs, ₹ 9,300.22 lakhs and ₹ 8,909.60 lakhs (For year ended March 2021: ₹ 7,203.26 lakhs, ₹ 4,469.22 lakhs and ₹ 2,737.94 lakhs) is derived as revenue from each of the Company's three major customers.

### b) Non-current operating assets

All Non-current assets other than financial instruments, deferred tax assets of the Company are located in India.

### Note 38 Disclosure of additional information

#### (a) Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) Details of transactions with companies struck off:

(₹ in lakhs)

Name	Relation	2021-2022	2020-2021
Luftech Systems Pvt. Ltd.	Vendor		
Opening balance as at the beginning of the year		(2.27)	-
Purchases made during the year		4.54	-
Advance paid / Payment made during the year		(26.44)	(2.27)
Closing balance as at the end of the year		(24.17)	(2.27)
<b>Advance paid to suppliers (Refer Note 9)</b>		<b>24.17</b>	<b>2.27</b>

- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

- (vi) The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

### (b) Corporate Social Responsibility (CSR) Expenditure:

As per Section 135 of the Companies Act, 2013, a Company meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the Company as per the Companies Act, 2013. The expenditure has been incurred on activities specified in Schedule VII of the Companies Act, 2013.

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Amount required to be spend during the year	39.34	68.51
(ii) Amount of expenditure incurred during the year	40.15	9.12
(iii) Shortfall / (excess) at the end of the year	(0.81)	59.39
(iv) Total of previous years shortfall	45.23	-
(v) Reason for shortfall	N.A.	Pertains to ongoing projects
(vi) Nature of CSR activities	<b>COVID relief, Eradicating hunger, poverty and malnutrition, Promoting education, Ensuring environment sustainability.</b>	Eradicating hunger, Health camps.
(vii) Details of related party transaction, i.e., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting standard	-	-
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year	N.A.	N.A.

Amount spent during the year on:

(₹ in lakhs)

Particulars	In Cash	Yet to be paid in Cash	Total
Construction/acquisition of any asset	-	-	-
On purpose other than above	40.15	-	40.15

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### (c) Disclosure required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Total outstanding dues of Micro and Small Enterprises, which are outstanding for more than the stipulated period are given below:

(₹ in lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year		
• Principal	56.64	58.77
• Interest	-	-
(b) The amount of interest paid along with the amount of payment made to the supplier beyond the appointed day during the year	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year	-	-
(e) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. Due dates with regards to payments to be made to Micro and Small Enterprises have been determined with reference to Micro, Small and Medium Enterprises Development Act, 2006, considering criteria of quality of goods and related incidental services provided by the vendors. This has been relied upon by the auditors.

### (d) Project related expenses comprise

(₹ in lakhs)

Nature of expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Design and engineering charges	86.20	184.69
Testing and inspection	14.61	15.18
Crane hire charges	20.36	20.21
Clearing and forwarding expenses (import)	8.81	81.19
Technical royalty fees	113.28	-
Rent	10.79	33.79
<b>Total</b>	<b>254.05</b>	<b>335.06</b>

### (e) Details of liabilities/provisions no longer required written back

(₹ in lakhs)

Nature of expense	For the year ended March 31, 2022	For the year ended March 31, 2021
Reversal of provision for employee benefits	33.58	74.36
<b>Total</b>	<b>33.58</b>	<b>74.36</b>

# John Cockerill India Limited

## Notes forming part of the financial statements (Contd.)

### (f) Brand and technical royalty fees

The Company has entered into an agreement with John Cockerill SA for rights to use the John Cockerill Brand name. The Company pays 0.6% of net external sales. The agreement has now been renewed with effect from January 1, 2022 for the tenure of 5 years.

Further the Company has also entered into an agreement with John Cockerill SA for procurement of new business. The Company pays technical royalty fees @3% of the contract price awarded to the Company through the cooperation and commercial arrangement from John Cockerill SA.

(₹ in lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Brand fees	185.27	103.36
Technical royalty fees	113.28	-

### (g) Estimation uncertainty relating to the global health pandemic on COVID-19

The Company has considered the impacts that may result from the COVID-19 pandemic, including the recoverability of carrying amounts of its assets and estimates of project costs. Impact assessment of the pandemic is a continuing process given the inherent uncertainties associated with it. The Company will continue to monitor material changes to future economic conditions.

### Note 39 Ratios

(₹ in lakhs)

Particulars	Terms	Numerator	Denominator	March 31, 2022	March 31, 2021	% variance	Reason for variance
(a) Current Ratio	Times	Current Assets	Current Liabilities	1.60	1.41	13%	
(b) Return on Equity Ratio	Percent	Net Profit/(Loss) after taxes	Average Shareholders' Equity	2.61%	-15.19%	117%	Note 1
(c) Inventory Turnover Ratio	Times	Cost of goods sold	Average inventory	22.45	9.31	141%	Note 2
(d) Trade receivables Turnover Ratio	Times	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	4.00	1.41	183%	Note 2
(e) Trade payables Turnover Ratio	Times	Construction material consumed + Change in inventories + Employee benefit expenses + Other expenses	Average Trade Payable	3.76	2.11	79%	Note 2
(f) Net Capital Turnover Ratio	Times	Net sales	Working capital	4.15	1.72	142%	Note 2
(g) Net profit/(loss) Ratio	Percent	Net Profit/(Loss) after Taxes	Net Sales	1.25%	-15.02%	108%	Note 1
(h) Return on Capital employed	Percent	Earnings before interest and taxes	Capital Employed	1.99%	-17.83%	111%	Note 1

Explanations given where the change in the ratio is more than 25% as compared to the preceding year.

Note 1 - The Company has earned profit in the current year as against loss in the previous year.

Note 2 - The Company's operations have increased significantly in the current year as compared to previous year which was impacted by COVID-19 pandemic.

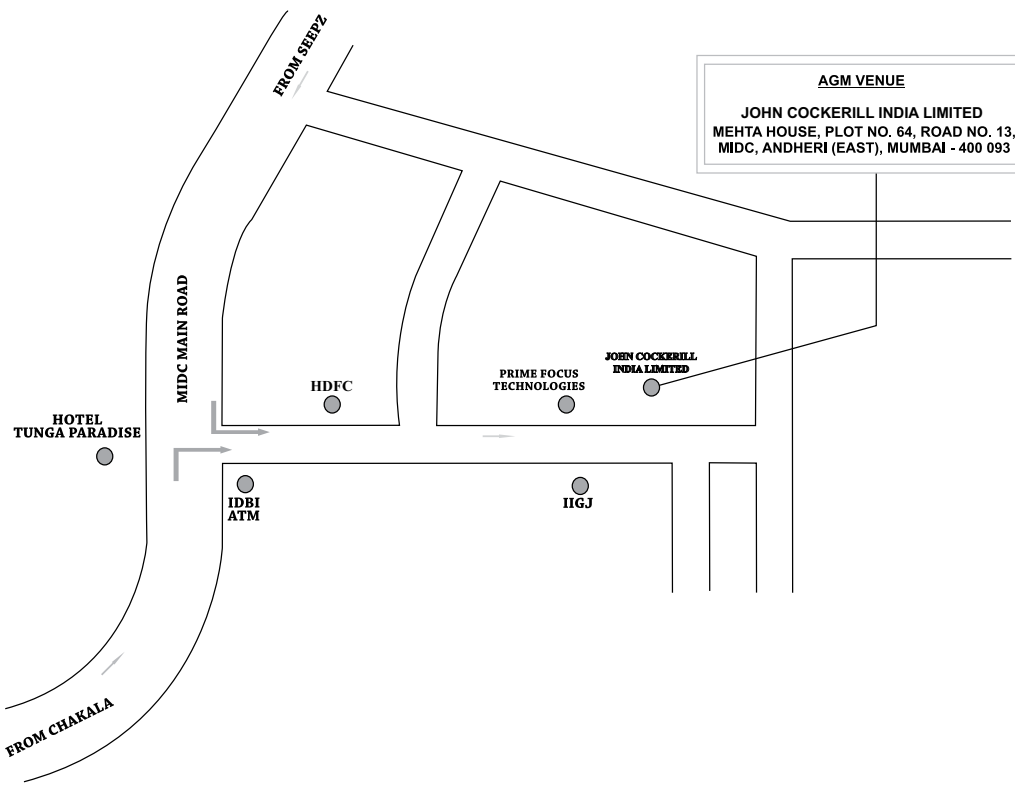
### Note 40 Event occurring after the Balance Sheet date

The Board of Directors recommended Equity dividend of ₹ 2/- per share (previous year ₹ Nil per share) for the financial year 2021-22, which is subject to the approval of shareholders at the ensuing Annual General Meeting.

Note 41 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For and on behalf of the Board of Directors			
For <b>SRBC &amp; CO LLP</b> Chartered Accountants ICAI Firm Registration No. 324982E/E300003	<b>Joao Felix Da Silva</b> Chairman DIN: 07662251	<b>Vivek Bhide</b> Managing Director DIN: 02645197	<b>Jean Gourp</b> Director DIN: 02268912
<b>per Vinayak Pujare</b> Partner Membership No. 101143	<b>Kiran Rahate</b> Chief Financial Officer	<b>Haresh Vala</b> Company Secretary	
Place: Mumbai Date: May 26, 2022	Place: Mumbai Date: May 26, 2022		

## ROUTE MAP FOR THE 36<sup>TH</sup> ANNUAL GENERAL MEETING VENUE



# JOHN COCKERILL INDIA LIMITED

CIN : L99999MH1986PLC039921

Registered Office: Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri East, Mumbai 400 093

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of Member(s) :

Regd. Folio No. / DP ID / Client ID :

I / We, being the member(s) of ..... shares of John Cockerill India Limited, hereby appoint:

- (1) Name: ..... Address: .....  
..... having e-mail Id: ..... or failing him;
- (2) Name: ..... Address: .....  
..... having e-mail Id: ..... or failing him;
- (3) Name: ..... Address: .....  
..... having e-mail Id: ..... or failing him;

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 36<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday, August 3, 2022 at 2.30 p.m. at Mehta House, Plot No. 64, Road No. 13, MIDC, Andheri East, Mumbai 400 093 and at any adjournment thereof in respect of such resolutions as are indicated below :

Sr. No.	Resolutions	Optional	
		For	Against
<b>ORDINARY BUSINESS</b>			
1	Adoption of Financial Statements, Reports of the Board of Directors and the Auditors for the financial year ended March 31, 2022.		
2	Declaration of Dividend on the Equity Shares of the Company for the financial year ended March 31, 2022.		
3	Re-appointment of Mr. Jean Gourp (DIN 02268912), who retires by rotation and, being eligible, offers himself for re-appointment.		
<b>SPECIAL BUSINESS</b>			
4	Re-appointment of Mr. Vivek Bhide (DIN 02645197) as Managing Director of the Company.		
5	Approval for Material Related Party Transaction(s) with John Cockerill SA.		
6	Approval for Material Related Party Transaction(s) with John Cockerill Automation Private Limited.		
7	Approval for Material Related Party Transaction(s) with John Cockerill Trading (Beijing) Company Limited.		
8	Approval for Material Related Party Transaction(s) with John Cockerill UVK GmbH.		
9	Approval for Material Related Party Transaction(s) with CMI Engineering (Beijing) Company Limited.		
10	Approval for Material Related Party Transaction(s) with CMI Industry Americas Inc.		
11	Approval for Material Related Party Transaction(s) with CMI Energy France SAS.		
12	Approval for Material Related Party Transaction(s) with John Cockerill Renewables.		
13	Ratification of the remuneration payable to Cost Auditor for the financial year 2022-23.		

Signed this..... day of .....2022

Affix  
Revenue  
Stamp

Signature of shareholder

(1) Signature of First proxy holder

(2) Signature of Second proxy holder

(3) Signature of Third proxy holder

### Note:

- This form of proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.**
- It is optional to indicate your preference in the appropriate column. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she may deem appropriate.









The Communication Department acknowledges all those who contributed to the making of this Annual Report.

**Produced by :** The Communication Department of  
John Cockerill India Limited

# John Cockerill India Limited



The John Cockerill Group develops large scale technological solutions to meet the needs of our time: facilitating access to low-carbon energy, producing responsibly, preserving natural resources, contributing to greener mobility and fighting against insecurity.

Its offering to enterprises, States and communities comes in the form of services and associated equipment for the energy, defence, industry, environment, transport and infrastructure sectors.

Driven since 1817 by the entrepreneurial spirit and thirst for innovation of their founder, the 5,480-strong workforce of the Group enabled it to achieve turnover in 2021 of 94,746 millions Euros in 23 countries across 5 continents.

## **John Cockerill India Limited**

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Plot No. 64, Road No. 13  
MIDC, Andheri (East)  
Mumbai - 400 093, India

Tel. : + 9122 6676 2727

[johncockerillindia.com](http://johncockerillindia.com)

[johncockerill.com](http://johncockerill.com)

