



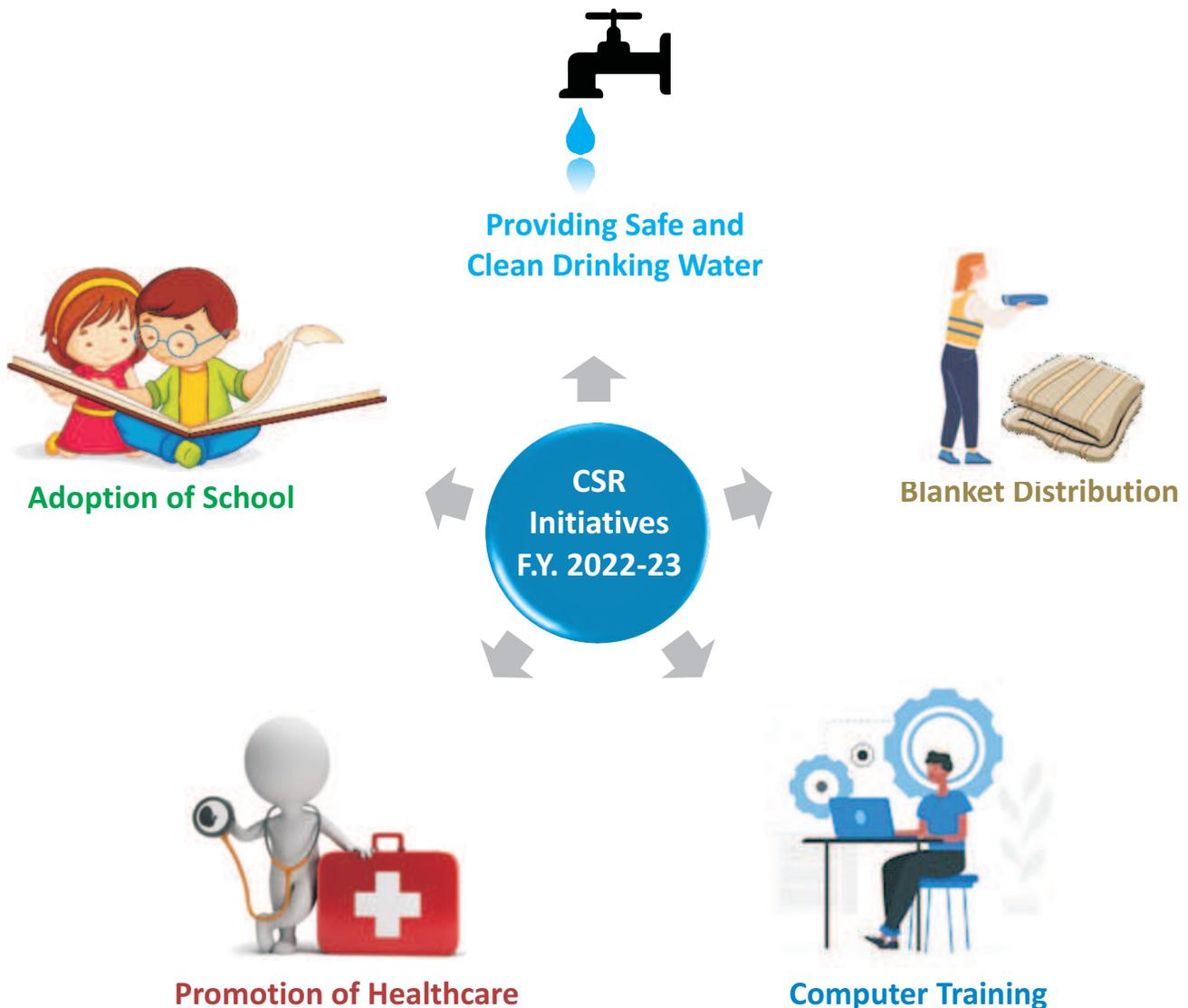
EMKAY TOOLS

Emkay Taps And Cutting Tools Ltd.

Annual Report 2023

Contents

 Corporate information	1
 Notice of 28 th AGM to Members	2
 Annexure to Notice & Explanatory Statement	
◆ Attendance Slip & Proxy form	91
◆ Map for AGM venue	
 Annual report	
◆ Director's Report	10
◆ Annexure's to the Director's Report	15
◆ Corporate Governance Report	27
◆ Management Discussion and Analysis	40
◆ Auditors Report & Standalone Financial Statements	56



Corporate Information

Board of Directors

Chairman, Managing Director & CEO

Mr. Ajayprakash Kanoria

Whole-time Director

Mrs. Alka Kanoria

Independent Non-Executive Director

Mr. Mahesh Mor
Mr. Ravindra Loiya
Mr. P.C. Ramchandran

Chief Financial Officer

Mr. Vishnu K. Sontakke

Company Secretary & Compliance Officer

Ms. Shruti Sohane

Auditor's

Statutory Auditor

P. S. Thakare & Co.
Chartered Accountants
Indo Unique Plaza, Opp Bole Petrol Pump,
VIP Road, Civil Lines, Nagpur 440001
Tel. : 0712 - 2520280, 6466032
Email : psthakare20@gmail.com,
thakareps@rediffmail.com

Secretarial Auditor

M/s H. Roshan & Associates
Company Secretaries
Grd. Floor, Business Plaza,6,Farmland,
Central Bazaar Road, Lokmat Square,
Nagpur-440010
Tel. No.: +91-712-2456607
Email: mcagsb83@gmail.com

Correspondence Details for Investors

Bigshare Services Pvt. Ltd.
Registrar & Transfer Agent
E/23 Ansa Industrial Estate,
Sakhivihar Road,Sakinaka, Andheri (East),
Mumbai – 400 072,Maharashtra
Tel. No.: 022- 40430262
Website:www.bigshareonline.com

Emkay Taps And Cutting Tools Ltd.
Compliance Officer
B-27/B-27/1, M.I.D.C Hingna,
Industrial Estate,Nagpur-440016
Tel.: 07104-237584,
Email:investors@etctl.com
Website: www.etctl.com

Bankers

ICICI Bank Ltd.
Bank of Maharashtra
HDFC Bank Ltd.

Committees*

Audit Committee
Nomination & Remuneration Committee
Stakeholders Relationship Committee
CSR Committee
Management Committee

Stock Exchange

National Stock Exchange
"SME EMERGE"

*Detailed information regarding above mentioned committees is given in Corporate Governance Report which forms part of this Annual Report.

NOTICE OF 28TH ANNUAL GENERAL MEETING

Dear Member(s),

Notice is hereby given that the Twenty-Eighth Annual General Meeting of the Members of Emkay Taps and Cutting Tools Limited is scheduled to be held on **Monday September 18, 2023 at 11.30 AM** at the Registered Office of the Company i.e. Plot no. B-27/B-27/1, M.I.D.C. Hingna, Industrial Estate, Nagpur-440016, Maharashtra to transact the following business(s):

ORDINARY BUSINESS:

1. To consider and adopt the Audited financial statements of the Company for the year ended March 31, 2023 together with the Reports of the Board of Directors and Auditors' thereon.
2. To consider re-appointment of Mr. Ajayprakash Kanoria (DIN: 00041279), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for re-appointment. For details of Director seeking re-appointment at the Annual General Meeting please refer Annexure - IB to the Notice.
3. To appoint Statutory Auditors of the Company and to fix their remuneration; For Brief Profile of the Auditor recommended by the Board refer Annexure-IC.

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 139, Section 142 and other applicable provisions of the Companies Act, 2013, and rules made there under, as amended from time to time, M/s P.S. THAKARE & Co., Peer Reviewed Chartered Accountants from Nagpur be and is hereby appointed as the Statutory Auditor for 2nd term of five financial years starting from F.Y. 2023-24 TO F.Y. 2027-28 i.e. from the conclusion of 28th AGM till the conclusion of 33rd AGM of the Company and Directors of the Company be and is hereby authorized to fix their remuneration from time to time in consultation with the Audit Committee of the Board;

RESOLVED FURTHER THAT Mr. Ajayprakash Kanoria, Chairman, Managing Director & CEO of the Company be and is hereby authorised to file necessary form with Registrar of Companies and to do all such act, deeds and things as may be considered necessary to give effect to the above said resolution."

SPECIAL BUSINESS:

4. Re-Appointment of Mr. Ajayprakash Kanoria as Managing Director of the Company; For Brief Profile of Managing Director refer Annexure - ID.

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

"RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, as amended from time to time thereto and the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other consents and permission as may be necessary, variations as may be approved and acceptable by the Members of the Company, approval be and is hereby accorded for the re-appointment of Mr. Ajayprakash Kanoria (DIN: 00041279) as Managing Director of the Company, for a period of 5 (five) years with effect from April 1, 2024 to March 31, 2029 with existing terms and conditions of remuneration i.e. payment of remuneration of 5% of net profit calculated in accordance with Section 198 of the Act, subject to remuneration of INR 3,00,000.00 (Indian Rupees Three Lakhs Only) per month plus 3% of net profit subject to maximum of 5% of net profit (calculated as per section 198 of the Companies Act, 2013, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Ajayprakash Kanoria, whose office will be liable to determination by retirement by rotation;

RESOLVED FURTHER THAT the Board of Directors, be and is hereby also authorized to take such steps, actions and do things, deeds, matters as may be required or are necessary so as to give effect to this Resolution."

5. Re-Appointment of Mrs. Alka Ajayprakash Kanoria as Whole-time Director of the Company; For Brief Profile of Whole-time Director refer Annexure - ID.

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

"RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, as amended from time to time thereto and the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other consents and permission as may be necessary, variations as may be approved and acceptable by the Members of the Company, approval be and is hereby

accorded for the re-appointment of Mrs. Alka Ajayprakash Kanoria (DIN: 00041346) as Whole-time Director of the Company, for a period of 5 (five) years with effect from April 1, 2024 to March 31, 2029 with existing terms and conditions of remuneration i.e. payment of remuneration of 5% of net profit calculated in accordance with Section 198 of the Act, subject to remuneration of INR 1,00,000.00 (Indian Rupees One Lakhs Only) per month plus 2% of net profit subject to maximum of 5% of net profit (calculated as per section 198 of the Companies Act, 2013, with authority

to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mrs. Alka Ajayprakash Kanoria, whose office will be liable to determination by retirement by rotation;

RESOLVED FURTHER THAT the Board of Directors, be and is hereby also authorized to take such steps, actions and do things, deeds, matters as may be required or are necessary so as to give effect to this Resolution."

By the Order of Board of Directors
For **EMKAY TAPS AND CUTTING TOOLS LIMITED**

Nagpur, Friday, August 25, 2023

 Shruti Sohane

Company Secretary & Compliance Officer

NOTES:

1. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of her/him and a proxy need not be a member of the Company. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
2. Proxy form, in order to be effective, must be received at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
3. Corporate Members intended to send their authorized representatives to attend the meeting are requested to send the Company a certified copy of Board resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members, Proxies and Authorised Representatives are requested to bring to the meeting their copy of Annual Report, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.
5. In accordance with the provisions of section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company will remain close from Friday, September 15, 2023 to Monday September 18, 2023 (both days inclusive).
6. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents Bigshare Services Pvt. Ltd. to provide efficient and better services.
7. To support the 'Green Initiative' and pursuant to MCA and SEBI circular the Notice of the AGM along with the Annual Report 2022-23 is being sent by electronic mode only to all the Members whose e-mail addresses are registered with the Company / Depositories. For Members who have not registered their e-mail addresses, may register on <https://www.bigshareonline.com/InvestorRegistration.aspx> and request to get the same on their respective email address(s). Also, members are requested to note that this Notice and the Annual Report 2022-23 will also be available on the Company's website viz., www.etctl.com
8. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <https://etctl.com/nomination/>. Members are requested to submit the said form to their DP in case the shares are held in electronic form.
9. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("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/Claimants 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 application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

10. Explanatory Statement for special business forms integral part of this notice and is attached herewith.
11. Brief resume of Directors seeking appointment/ reappointment including nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership /chairmanship of Board Committees, as stipulated under the provisions of SEBI (LODR), Regulations, 2015, is given in "Annexure ID".
12. THE INSTRUCTIONS FOR MEMBERS FOR VOTING ON THE DAY OF THE 28th AGM ARE AS UNDER:
 1. Members/ shareholders, who will be present in the 28th AGM shall be eligible for voting either themselves or through proxy by poll as suggested by the Board of Directors.
 2. M/s H.Roshan & Associates, Practising company secretaries from Nagpur has been appointed as the scrutinizer to conduct & scrutinize the voting at the 28th AGM.
2. As per Notification issued by Ministry of corporate Affairs dated March 19, 2015 with reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter IX as per SEBI (ICDR) Regulations, 2018 will be exempted from E-voting provisions. Company is covered under Chapter IX and is listed on SME platform of NSE EMERGE. Hence, company is not providing E-voting facility to its shareholders.
13. As per the Notification issued by SEBI dated September 2, 2015 under SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 the compliance with the corporate Governance Provisions under the provisions of SEBI (LODR), Regulations, 2015 shall not apply in respect of the Listed Entity which has listed its specified securities on the SME Exchange, however, the company has voluntarily prepared and presented the annual corporate governance compliance report for F.Y. 2022-23.
14. The Company intends to convene 28th Annual General Meeting in compliance with applicable provisions of the Companies Act, 2013 read with General Circular No. General Circular No. 20/2020 dated 05.05.2020 and General circular No. 10/2022 dated 28.12.2022 and SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 20 and SEBI circular SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 05.01.2023.
15. Map for 28th AGM venue is given at the end of this Annual Report.



Annexure - IA

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

Item No.: 4

Mr. Ajayprakash Kanoria had been appointed as Managing Director of the Company on July 17, 2008 and further his terms had been revised for a period of 5 years with effect from 1st April, 2014 pursuant to provisions of Companies Act, 2013. The existing term of appointment of Mr. Ajayprakash Kanoria, Managing Director of the Company which commenced from April 01, 2019 expires on March 31, 2024. The Board of Directors, at its meeting held on August 25, 2023, subject to the approval of the Members, has considered and approved the re-appointment of Mr. Ajayprakash Kanoria as Managing Director of the Company, liable to retire by rotation, for a period of 5 (Five) years with effect from April 1, 2024 to March 31, 2029.

Further based on the result of the performance evaluation and the needs of the Company, the Nomination and Remuneration Committee of the Board has recommended that his continued association as Managing Director, would be of immense benefit to the Company and it is desirable to continue to avail his services as the Managing Director of the Company. Therefore, the Board proposes to seek approval of the Members of the Company, on the following terms and conditions including remuneration:

- | | |
|-----------------------------|--|
| a. Designation | : Managing Director |
| b. Remuneration | : INR 3,00,000/- per month plus 3% of the Net Profit
subject to maximum of 5% of net profit |
| c. Revision of remuneration | : Revision may be considered by the Board from time to time subject to limits set out in the Companies Act, 2013 and Schedule V thereof. |

Ajayprakash Kanoria is not disqualified from being re-appointed as a Managing Director of the Company in terms of Section 164 of the Act.

Brief profile along with other particulars of Mr. Ajayprakash Kanoria, as required under provisions of Regulation 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as annexure to this Notice.

Mr. Ajayprakash Kanoria is a husband of Mrs. Alka Kanoria, Whole-time Director of the Company.

Approval of Members is solicited for re-appointment and payment of remuneration to Mr. Ajayprakash Kanoria, as Managing Director, in terms of applicable provisions of the Act.

The Directors recommend the resolution as set out at Item No. 4 of the accompanying Notice for the approval of Members.

Except, Mr. Ajayprakash Kanoria and Mrs. Alka Kanoria, and their relatives, none of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested in the said resolution.

Item No.: 5

Mrs. Alka Kanoria had been appointed as Whole-time Director of the Company on and further his terms had been revised for a period of 5 years with effect from 1st April, 2014. The existing term of appointment of Mrs. Alka Kanoria, Whole-time Director of the Company which commenced from April 01, 2019 expires on March 31, 2024. The Board of Directors, at its meeting held on August 25, 2023, subject to the approval of the Members, has considered and approved the re-appointment of Mrs. Alka Kanoria as Whole-time Director of the Company, liable to retire by rotation, for a period of 5 (Five) years with effect from April 1, 2024 to March 31, 2029.

Further based on the result of the performance evaluation and the need of the Company, the Nomination and Remuneration Committee of the Board has recommended that her continued association would be of immense benefit to the Company and it is desirable to continue to avail her services as the Whole-time Director of the Company. Therefore, the Board proposes to seek approval of the Members of the Company, on the following terms and conditions including remuneration:

- a. Designation : Whole-time Director
- b. Remuneration : INR 1,00,000/- per month plus 2% of the Net Profit
subject to maximum of 5% of net profit
- c. Revision of remuneration : Revision may be considered by the Board from time to time subject to limits set out in the Companies Act, 2013 and Schedule V thereof.

Mrs. Alka Kanoria is not disqualified from being re-appointed as a Whole-time Director of the Company in terms of Section 164 of the Act.

Brief profile along with other particulars of Mrs. Alka Kanoria, as required under provisions of Regulation 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as annexure to this Notice.

Mr. Alka Kanoria is wife of Mr. Ajayprakash Kanoria, Managing Director of the Company.

Approval of Members is solicited for re-appointment and payment of remuneration to Mrs. Alka Kanoria, as Whole-time Director, in terms of applicable provisions of the Act.

The Directors recommend the resolution as set out at Item No. 8 of the accompanying Notice for the approval of Members.

Except, Mrs. Alka Kanoria and Mr. Ajayprakash Kanoria, and their relatives, none of the other Directors / Key Managerial Personnel of the Company/ their relatives is, in any way, concerned or interested in the said resolution.

* * * *

Annexure - IB

Details of Director seeking re-appointment at the 28th Annual General Meeting

Name	: Ajayprakash Kanoria
DIN No.	: 00041279
Date of Birth	: May 13, 1957
Appointed on	: 27/07/1995*
Qualifications	: Bachelor of Commerce, CA(Intermediate)
Brief Profile	: Mr. Ajayprakash Kanoria aged about 66 years was born and brought up at Nagpur and he is a commerce graduate and CA Inter by qualification. He is Chairman and managing director in Emkay Taps and Cutting Tools Limited and has an experience of around 43 years. He got his technical experience from his father when he joined his family business. With his strategic planning and strong business development attitude he has contributed a lot towards the growth of company. He functionally handles the overall business affairs of the company. He is very particular about the Quality of product right from beginning which is very well appreciated by all customers.
Directorship held in other Public (excluding private companies)	: None
Membership/Chairmanship Of Committees in other Companies	: None
No of Shares held in the Company (as on date)	: 628050 shares
Relationship with other directors	: Husband of Mrs. Alka Kanoria, Whole-time Director of the Company

**Appointed as Chairman and Managing Director of the Company as on July 17, 2008, also his tenure as Chairman and Managing Director is fixed for further term of 5 Years w.e.f April 1, 2019, appointed as CEO of the Company w.e.f. August 18, 2018 and as per the Articles of Association of the Company is liable to retire by rotation under Section 152(6) of the Companies Act, 2013.*

* * * *

Annexure - IC

Brief Profile of the Audit Firm recommended by the Board for appointment as the Statutory Auditor

(For Appointment as Statutory Auditor of Listed Company under the Provisions of Companies Act, 2013 and SEBI (LODR) Reg., 2015)

1. **Name of Auditor Firm: P. S. Thakare & Co.**
2. Address of the Auditor's Firm: Indo Unique Plaza, Opp Bole Petrol Pump, VIP Road, Civil Lines, Nagpur 440001
3. Category of Auditor: Partnership Firm
4. Membership number of Auditor's Firm's Registration number: 128572W
5. Whether the appointment of auditor is within the limits of twenty companies as specified in sub Section 3(g) of Section 141: Yes
6. Whether the auditor/auditor firm is eligible under Sec. 141 of the CA, 2013: Yes
(Eligibility and consent for appointment as statutory auditor dated 15th May 2023 given to the Board.)
7. Whether the auditor or auditor firm has been subject to peer review examination of ICAI, Delhi : Yes
8. Brief profile of the Firm:

Founded in 1982 by Late CA P. S. Thakare, P. S. Thakare & Co. has grown to become one of Maharashtra's leading firms of Chartered Accountants, located in Mumbai and Nagpur, our offices are easy to access and thrive in the most active business areas. We are committed to creating value for clients by delivering exceptional services, building strong relationships, and providing valuable advice.

Our services include consultancy for State and Central Government subsidies, audit, accounting, tax, internal audit, company secretarial, business consultancy and corporate finance. Our client base spans across several large sized multinational companies, small to medium sized companies and even proprietor owned businesses. Our clientele represents industry sectors such as steel and power, cement, textile, technology, food processing, defence, consumer appliances, automobiles, aluminium, industrial machinery, and healthcare. We specialise in advising clients about availing State and Central Government subsidies to new and expansion units in Maharashtra. We boast an extremely strong portfolio of clients who have availed our services across Maharashtra.

* * * *

Annexure - ID
Details of Director seeking re-appointment at the 28th Annual General Meeting

Name	: AJAYPRAKASH KANORIA
DIN No.	: 00041279
Date of Birth	: May 13, 1957
Appointed on	: July 27, 1995*
Qualifications	: Bachelor of Commerce, CA(Intermediate)
Brief Profile	: Mr. Ajayprakash Kanoria aged about 66 years was born and brought up at Nagpur and he is a commerce graduate and CA Inter by qualification. He is Chairman and managing director in Emkay Taps and Cutting Tools Limited and has an experience of around 43 years. He got his technical experience from his father when he joined his family business. With his strategic planning and strong business development attitude he has contributed a lot towards the growth of company. He functionally handles the overall business affairs of the company. He is very particular about the Quality of product right from beginning which is very well appreciated by all customers.
Directorship held in other Public (excluding private companies)	: None
Membership/Chairmanship Of Committees in other Companies	: None
No of Shares held in the Company (as on date)	: 6,28,050
Relationship with other directors	: Husband of Mrs. Alka Kanoria, Whole-time Director of the Company

**Appointed as Chairman and Managing Director of the Company as on July 17, 2008, also his tenure as Chairman and Managing Director is fixed for 5 Years w.e.f April 1, 2019, appointed as CEO of the Company w.e.f. August 18, 2018 and as per the Articles of Association of the Company is liable to retire by rotation under Section 152(6) of the Companies Act, 2013.*

Name	: ALKA AJAYPRAKASH KANORIA
DIN No.	: 00041346
Date of Birth	: August 05, 1959
Appointed on	: 15/12/2000*
Qualifications	: Bachelor's Degree of Science
Brief Profile	: Mrs. Alka Ajayprakash Kanoria presently designated as the Whole-time Director of the Company. With her strong management skills, she handles the administrative office in a very planned and systematic manner. She was appointed as the Director of our Company on December 15, 2000 and designated at current position w.e.f. July 17, 2008.
Directorship held in other Public (excluding private companies)	: None
Membership/Chairmanship Of Committees in other Companies	: None
No of Shares held in the Company (as on date)	: 11,24,190
Relationship with other directors	: Wife of Mr. Ajayprakash Kanoria, Chairman, Managing Director & CEO of the Company.

**Appointed as Whole-time Director of the Company as on December 12, 2000 and her tenure as Whole-time Director is fixed for 5 Years w.e.f April 1, 2019 and as per the Articles of Association of the Company is liable to retire by rotation under Section 152(6) of the Companies Act, 2013.*

DIRECTOR'S REPORT

Dear Shareholders,

Your Board of Directors is pleased to present the 28th Annual Report for the financial year 2022-23, together with the Standalone Audited Financial Statements for the year ended on March 31, 2023.

Financial Highlights:

Particulars	Amount in Crores (INR)	
	F.Y. 2023	F.Y. 2022
Total Revenue from Operations	88.62	70.81
Other Income	16.42	13.87
Total Expenditure (excl. depreciation, interest and tax)	45.16	37.24
Profit before depreciation, interest and tax	59.88	47.44
Less: Interest	0.14	0.11
Less: Depreciation and amortization expense	3.11	3.33
Profit before tax	56.63	44.00
Less: Net tax expense	12.50	8.74
Profit for the year	44.13	35.26
Add: Surplus carry forward from the last year Balance sheet	164.24	128.98
Balance carried over to Balance Sheet	208.37	164.24
Earnings Per share (INR)	41.35	33.04

Results of Operations

The total revenue from operation for the F.Y. 2022-23 is INR 8,861.57 lakh marking increase of 25.15% to last year's operational revenue generation of INR 7,080.67 lakh. The company has earned Profit before depreciation, Interest and Taxes (PBDIT) of INR 5987.67 lakh during the financial year under review over the previous financial year's PBDIT of INR 4744.29 lakh. The profit after tax for the financial Year 2022-23 was INR 4412.78 as against profit after tax of INR 3525.91 lakh for the financial year 2021-22.

Amidst adverse global economic difficulties, the company was able to secure satisfactory growth in the national and international business during the year under review. The Company managed well to navigate the challenges ahead and gain market share.

The working of both divisions of the Company is given as below:

◆ Taps and Cutting Tools

During the year under review, the turnover for Taps and Cutting Tools segment has increased by 24.39% from the last financial year. Cutting Tools Industry plays a major role in production of automobiles, which includes 2 wheelers, 4 wheelers and heavy commercial vehicles. Apart from automobiles, there are many ancillaries to supply to these auto companies and also expanding their capacities for exports.

◆ Wind Power

The company has two wind farm projects one at Shivapura Kavalu Village, Belur Taluka, Hassan District in Karnataka and the

other at Kita & Ugawa District, Jaisalmer in Rajasthan, both are developed and maintained by Suzlon Energy Limited and Enercon (India) Limited respectively. The combine contribution of the two wind farm projects to the gross revenues in the F.Y. 2022-23 was INR 149.49 lakh from the power sale during the year under review.

Share Capital

The paid-up equity share capital as on 31st March 2023 was 10671300 equity shares of INR 10/- each (Rupee Ten only) amounting to total of INR 10,67,13,000. The Company has not issued any shares with differential voting rights or granted stock options or sweat equity or through any other permissible mode during the FY 2022-23.

Dividend

Your Board of Directors did not recommend dividend for the year under review.

Transfer to Reserve

The Company has not transferred any amount to any reserve during the year under review.

Material changes / developments during the year:

There are no material changes and development affecting the financial position of the Company which has occurred during the Financial Year ended on 31st March 2023.

Material Changes / Events after the date of balance Date

Proposed Scheme of Arrangement - Demerger of Manufacturing Undertaking

Your Board of Directors in their meeting held on June 29, 2023 has approved the Scheme of Arrangement between Emkay Taps and Cutting Tools Limited ("the Demerged Company") and Emkay Tools Limited ("Resulting Company") and their respective Shareholders and Creditors under Sections 230 to 232 read with Section 66 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules and regulations framed thereunder. An application under Regulation 37 of the SEBI (LODR) Regulations, 2015 for the proposed Scheme of Arrangement has been submitted to National Stock Exchange of India Limited ("NSE" or "the Stock Exchange") and Securities Exchange Board of India (SEBI) through the Stock Exchange for obtaining their Observation Letter(s) (NOC) to file the Scheme for seeking approval of NCLT.

Change in the nature of business

During the year under review, there is no change in the nature of business of the company.

Deposits

During the year under review, the Company did not accept any deposits from the public within the ambit of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

Particulars of loans, guarantees or investments under section 186 of the Companies Act, 2013

Pursuant to Section 186 of the Companies Act, 2013, the details of the Loans given, guarantees on securities provided and investments made are as under:

- ◆ Loans given: Nil
- ◆ Guarantees provided: NIL
- ◆ Investment Made: Details regarding investment made during the period under review are given in the Note No. 13 to the financial statement. for F.Y. 2022-23

Subsidiary, Associate and Joint Venture

The Company does not have any Associate and Joint Venture Company during the year under review. However, the Board of Directors in their meeting held on March 30, 2023 has decided to incorporate a wholly owned Subsidiary with an authorized capital of INR 15,00,000/-, which has been subsequently increased to INR 1,25,00,00/-, and a paid up capital of INR 1,00,000/-. Emkay Tools Limited, a Wholly Owned Subsidiary has been incorporated by Registrar of Companies, Maharashtra Mumbai on April 25, 2023.

Corporate Governance

The Company has taken all necessary steps to implement the provisions of the Regulations and detailed Corporate Governance Report for the F.Y. 2022-23 forms integral part of this Annual Report.

Management Discussion and Analysis [MDA]

Management Discussion and Analysis, for the year under review, as stipulated under Regulation 34 (2) (e) of SEBI (LODR), 2015, is

presented in a separate section forming integral part of this Annual Report.

Related party transactions

All contracts/ arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. There were no materially significant transactions with related parties during the financial year which were in the conflict of interest of the Company. An "Annexure A- Form AOC-2" on Related Party disclosures for the year under review, form part of this Annual Report.

Extract of Annual Return

In accordance with section 134 (3) (a) of the Companies Act, 2013, the extract of the Annual Return is available on www.etctl.com

Board Meetings

During the year under review 05 (five) Board Meetings were convened and held, the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

The details of Meetings of the Board and its Committees are given in the Corporate Governance Report.

Committees

Pursuant to the provisions of the Act and Rules made there under and SEBI (LODR) regulation, 2015, the board has constituted various committees. Composition and other details on the committee are given in the Corporate Governance Report.

Directors and Key Management Personnel

I. Retirement by Rotation

In accordance with the provisions of section 152[6] of the Companies Act, 2013 and in terms of Articles of Association of the Company, Mr. Ajayprakash Kanoria (DIN: 00041279) retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible offers himself for re-appointment. The Board recommends him reappointment by the members at the ensuing AGM.

II. Profile of the Directors seeking Appointment / Reappointment

As required under Regulation 36 (3) of SEBI (LODR), 2015, particulars of the Directors retiring by rotation and seeking appointment / reappointment at the ensuing Annual General Meeting is annexed to the notice convening 28th Annual General Meeting.

III. Re-appointment of Managing Director and Whole time Director

In accordance with the provisions of section 196[2] of the Companies Act, 2013 Mr. Ajayprakash Kanoria and Mrs. Alka Kanoria has been reappointed as Managing Director and Whole-time Director respectively, to be effective from 1st April, 2024 for 5 years till 31st March, 2029 by the Board of Directors in their meeting held on August 25, 2023 subject to approval of Members of the Company at this annual general meeting.

IV. Key Managerial Personnel

Pursuant to Section 2(51) and Section 203 of the Companies, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, following are the Key Managerial Personnel and during the year there was no change in KMP's of the Company;

- ◆ Mr. Ajayprakash Kanoria - Chairman, Managing Director & Chief Executive Officer (CEO)
- ◆ Mrs. Alka Kanoria - Whole-time Director
- ◆ Mr. Vishnu Sontakke - Chief Financial Officer (CFO)
- ◆ Ms. Shruti Sohane - Company Secretary & Compliance Officer

V. Board Evaluation

Pursuant to the provisions of the Act and Rules made thereunder and as provided under Schedule IV of the Act and Regulation 17(10) of SEBI (LODR), 2015, annual performance evaluation of the Directors individually as well as its committees has been carried out by the Board.

The Policy for Evaluation of Performance of the Board of Directors was formulated by Nomination and Remuneration Committee of the Board of Directors and same has been approved and adopted by the Board of Directors in their Meeting held on February 24, 2023.

The criteria for evaluation have been provided in the Corporate Governance Report, which forms integral part of

this Report. Also, the Policy for Evaluation of Performance of the Board of Directors is available on the website of the Company, for reference visit www.etctl.com.

VI. Declaration by Independent Directors

The Independent Directors have submitted their declarations of independence, as required pursuant to the provisions of section 149(7) of the Act, stating that they meet the criteria of independence as provided in section 149[6].

VII. Familiarization Program for Independent Directors

With the commencement of SEBI (LODR) Regulation, 2015 w.e.f. December 2, 2015 the listed entity is required to conduct the program for the new joining director of the company to get him/her familiarized with the company. No new Director joined the Board of the Company during the year under review; hence no such program has been conducted during the FY 2022-23.

VIII. Policies

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies.

We seek to promote and follow the highest level of ethical standards in all our business transactions. All our corporate governance policies are available on our website (<http://etctl.com>). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

Key policies that have been adopted by the Company are available on www.etctl.com

POLICY NAME	BRIEF DESCRIPTION
Insider Trading Policy	The Company has adopted the Code of Conduct to regulate, monitor and report trading by insiders and Code of fair disclosure of unpublished price sensitive information for the Directors, KMP and other designated officers and connected persons of the Company.
Code of Conduct	The Company has formulated and adopted Code of Conduct for the Senior Management and officers of the Company.
Policy on Vigil Mechanism (Whistleblower Policy)	The Company has adopted the Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics.
CSR Policy	The company believes in the Philosophy of moving together and growing together. The Directors have adopted policy on CSR to spend as required under the Companies Act, 2013 for activities those are benefiting to the Society as a Whole.
Nomination & Remuneration Policy	As required under the provisions of the Companies Act, 2013 Board of Directors has adopted policy for appointment of the Director and for determination of remuneration payable to them.
Policy for Determination of Materiality of Event or Information	This policy has been formulated by the Board of Directors deals with the determination of materiality of the Event/ Information and its dissemination to the Stakeholders at large.
Archival Policy	This policy is for retention and preservation of documents and records of the Company.
Prevention of Sexual Harassment at workplace policy	This policy has been formulated define the guidelines and the process to be followed in order to provide protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment in addition to the matters connected therewith or incidental thereto.
Policy for Evaluation of Performance of the Board of Directors	The company has formulates this policy for annual performance evaluation of the Directors individually as well as its committees has been carried out by the Board in compliance of SEBI (LODR) Regulations, 2015

Directors' Responsibility Statement

In terms of section 134[3] [c] of the Act, your Directors state that:

- i. in the preparation of the annual financial statements for the year ended on March 31, 2023, applicable accounting standards read with requirements set out under schedule III of the Act, have been followed along with proper explanation relating to material departures, if any,
- ii. such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2023 and of the profit of the company for the year ended on that date,
- iii. proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities,
- iv. the annual financial statements are prepared on a going concern basis,
- v. proper internal financial controls are in place and that the financial controls are adequate and are operating effectively and
- vi. the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

Statutory Audit

In accordance with provisions of Section 139(1) of the Companies Act, 2013 M/s. P.S. Thakare & Co., Chartered Accountants, (FRN No. 128572W), has been appointed as statutory auditors of the company for 5 consecutive financial years i.e. from conclusion of 23rd AGM till the conclusion of 28th AGM.

In accordance with provisions of Section 139(1) of the Companies Act, 2013 they have completed 5 consecutive financial years and is eligible to be reappointed for further 5 consecutive financial years i.e. from conclusion of 28th AGM till the conclusion of 33rd AGM.

M/s P.S. Thakare, Peer Reviewed Chartered Accountants, Nagpur, (FRN No. 128572W), has submitted their eligibility and consent under section 141 of the Companies Act, 2013 and the rules made thereunder, to the Board of Directors on August 19, 2023 and are eligible for appointment as Peer Reviewed Statutory Auditors for the FY 2023-24.

Section 139(1) of the Companies Act, 2013, further provides that the appointment of statutory auditors shall be placed before the members for their approval. Accordingly, a resolution seeking members approval for the appointment of M/s. P.S. Thakare & Co., Chartered Accountants, (FRN No. 128572W), as statutory auditors of the company is included at Item No. 3 of the Notice convening the AGM.

In view of the above and on recommendation of Audit Committee, the Board of Directors approves and recommends their appointment as Peer Reviewed Statutory Auditors at the ensuing

Annual General Meeting from the conclusion of the 28th AGM till the conclusion of 33rd AGM and to conduct statutory audit and report thereon from FY 2023-24 till FY 2027-28.

Board's Comment on the Auditors' Report

M/s Thakare & Co., Chartered Accountants, has submitted Auditor's Report with unmodified opinion and unmodified figures for the F.Y. March 31, 2023 in compliance of Reg. 33 (1) (d) of SEBI (LODR) Regulations, 2015. The Board has duly reviewed the Auditor's Report and the Observations and comments, appearing in the Auditor's Report are self-explanatory and do not call for any further explanation/ clarification by the Board of Directors as provided under section 134 of the Act.

Secretarial Audit

Pursuant to the provisions of section 204[1] of the Act read with rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, company is required to annex the Secretarial Audit report with its Board Report. Accordingly, the appointment of M/s H. Roshan & Associates, Nagpur has been made by the Board in their meeting held on August 22, 2023 to conduct Secretarial Audit and report thereon for F.Y. 2022-23.

Accordingly, the Secretarial Audit Report given by M/s H. Roshan & Associates, Nagpur for the F.Y. 2022-23 is annexed herewith as "Annexure B". The Board has duly reviewed the Secretarial Auditor's Report and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation/ clarification by the Board of Directors as provided under Section 134 of the Companies Act, 2013.

Details of Fraud Report by Auditor

As per auditors' report, no fraud u/s 143(12) of the Companies Act, 2013 reported by the auditor.

Maintenance of Cost Records

In compliance with rule (8) sub-rule (5) clause (ix) of Companies (Accounts) amendment Rules, 2018, the Board of Directors of your company confirms the maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is required by the Company and accordingly such accounts and records are made and maintained by the Company.

Business Risk Management

The Company has in place a comprehensive Risk Management framework to identify, monitor, review various risk elements. On a periodic basis all necessary steps towards mitigation of various risk elements which can impact the existence of the Company are taken by the Management of the Company. All the identified risks are managed through continuous review of business parameters by the Management and the Board of Directors are also informed of the risks and concerns.

Discussion on risks and concerns is covered separately under section the Management Discussion and Analysis Report, which forms integral part of this Annual Report.

Vigil Mechanism

The Board of Directors has formulated a Vigil Mechanism/Whistle Blower Policy which provides a robust framework for dealing with genuine concerns and grievances.

Internal Control Systems

The Internal Financial Control systems of the Company are adequate with reference to the Financial Statement, size and operations of the Company. Internal Auditor of the Company observes the effective functioning of internal financial controls. The scope and functions of Internal Auditor is defined and reviewed by the Audit Committee.

During the year under review, the Internal Financial Control were tested and no reportable material weakness in the design or operation were observed.

Insider Trading Code

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("the PIT Regulations") and amendments thereto on prevention of Insider Trading, your Company has a comprehensive Code of Conduct for Regulating, monitoring and reporting of trading by Insiders along with policy on legitimate purpose. Your Company also has a Code of Practices and Procedures of fair disclosures of unpublished price sensitive information and these code(s) are in line with the PIT regulations.

Corporate Social Responsibility

The Annual Report on the CSR activities of the Company, pursuant to Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed to this report in "Annexure D".

Acknowledgement

The Directors express their gratitude and warm appreciation for the sincere co-operation to the Dealers, Suppliers, Shareholders, NSE, Bankers, workers and Employees and various government authorities for their support and look forward to their continued support in the future.

Nagpur, Friday August 25, 2023

Particulars of Employees

The information required under section 197 of the Act read with Rule 5[1] of the Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014 is given in "Annexure E" that forms part of the Board's Report.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under section 134[3][m] of the Act read with the Companies [Accounts] Rules, 2014, are provided in the Annexure- "F" that forms part of this Report.

Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

In terms of provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rule (8) sub-rule (5) clause (x) of Companies (accounts) amendment Rules 2018, the Company has formulated a Policy to prevent Sexual Harassment of Women at Workplace and Internal complaint Committee has been constituted for the prevention and redressal of complaints of sexual harassment and to look after the matters connected therewith or incidental thereto.

Significant and Material Orders

There are no significant material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operation.

For and on behalf of the Board of Directors
EMKAY TAPS AND CUTTING TOOLS LIMITED

 Ajayprakash Kanoria
Chairman, Managing Director & CEO

Annexures to Director's Report

Annexure A - Form AOC-2

Particulars of Contract or Arrangements with Related Parties

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions;

1. **Details of contracts or arrangements or transactions not at arm's length basis** : NIL
 - (a) Names(s) of the related party and nature of relationship : NA
 - (b) Nature of the contracts/arrangements/transactions : NA
 - (c) Duration of the contracts / arrangements/transactions : NA
 - (d) Salient terms of the contracts or arrangements or transactions including the value, If any : NA
 - (e) Justification for entering into such contracts or arrangements or transactions : NA
 - (f) Date(s) of approval by the Board : NA
 - (g) Amount paid as advances, if any : NA
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 : NA

2. **Details of the material contracts or arrangements or transactions at arm's length basis:**
 - (a) Names(s) of the related party and nature of relationship: Please see Annexure to AOC -2
 - (b) Nature of contracts/Arrangements/ Transactions: Please see Annexure to AOC -2
 - (c) Duration of the contracts /Arrangements/ Transactions: During the Financial Year 2022-23.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: No salient terms defined for the transactions with the related parties.
 - (e) Date(s) of approval by Audit Committee: May 30, 2022 (Omnibus Approval)
 - (f) Amount paid as advances during the F.Y. 2022-23, if any: Please see Annexure to AOC -2.

Note: In item 2, material is defined as greater than 10% of the turnover. However, the company has opted to disclose all the transactions with related parties during the year under review.

For and on behalf of the Board of Directors
EMKAY TAPS AND CUTTING TOOLS LIMITED

Nagpur, Friday August 25, 2023

 **Ajayprakash Kanoria**
Chairman, Managing Director & CEO

Annexure to AOC -2

Names(s) of the related party	Nature of relationship	Nature of contracts/ Arrangements / Transactions	Amount paid as advances during the F.Y. 2022-23, if any:	Amount of Transactions (in INR)	
				2022-23	2021-22
(a)	(b)	(c)	(d)		
Nagpur Tools Private Limited	Promoter Group Company	Job Work	-	9,04,68,587.00	76,140,996.00
		Purchase of Scrap	-	-	-
Adishree Engineering Private Limited	Promoter Group Company	Job Work	-	97,11,520.00	10,186,176.00
		Purchase of HSS Taps	-	-	-
Mr. Ajayprakash Kanoria	Chairman, Managing Director & CEO	Managerial Remuneration	NIL	2,05,86,770.00	16,798,700.00
Mrs. Alka Kanoria	Whole-time Director	Managerial Remuneration	NIL	1,25,24,520.00	9,999,130.00
Mr. Vishnu Sontakke	Chief Financial Officer	Salary	NIL	9,68,383.00	808,782.00
Ms. Shruti Sohane	Company Secretary	Salary	NIL	6,20,880.00	4,93,200.00

For and on behalf of the Board of Directors
EMKAY TAPS AND CUTTING TOOLS LIMITED

Nagpur, Friday August 25, 2023

 **Ajayprakash Kanoria**
 Chairman, Managing Director & CEO

Annexure B

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March 2023

[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,
EMKAY TAPS AND CUTTING TOOLS LIMITED,
Plot No B-27 and B-27/1, MIDC HINGNA,
INDUSTRIAL ESTATE
NAGPUR-440016

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices by EMKAY TAPS AND CUTTING TOOLS LIMITED (herein after called 'the Company'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, and to the best of our information, knowledge and belief and according to the explanations given to me, the Company has, during the audit period covering the financial year ended on 31st March 2023, 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 reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2023, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the Rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the Rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; which is not applicable to the Company during the year;
- v. The following Regulations and Guidelines prescribed under Securities and Exchange Board of India Act, 1992, (SEBI Act):
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.
 - iii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
 - iv. The Securities and Exchange Board of India (Issue of capital and Disclosure of requirements) Regulations, 2018*
 - v. The Securities and exchange Board of India (Employees Stock option scheme and employees stock purchase scheme) Guidelines, 1999*.
 - vi. The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulations 2008*.
 - vii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client.
 - viii. The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009*.
 - ix. The Securities and Exchange Board of India (Buy back of securities) Regulations, 2018.

*(Note: * Not applicable to the company during the year under review)*

Industry Specific Acts

As the Company is engaged in manufacturing business, the Company is covered by all the financial and general laws applicable to Manufacturing Company, but there is no industry specific act applicable to the Company.

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- ii. Listing agreement entered into by the Company with National Stock Exchange of India Limited.

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

I further report that:

- ◆ The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
- ◆ Adequate notice was given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent 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.

All decisions at Board Meetings and Committee(s) Meetings are carried through unanimously as recorded in the meetings of the Board and Committee(s) of the Board, as the case may be.

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

I further report that during the audit period there was no events occurred which had bearing on the Company's Affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Nagpur, Friday August 25, 2023

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

 **ROSHAN HARDE**
(Proprietor)

Mem. No. 34630

CP. No. 13138

UDIN:- A034630E000848850

Peer Review Certificate no. 1442/2021

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

'ANNEXURE -1' TO SECRETARIAL AUDIT REPORT

To,
The Members,
EMKAY TAPS AND CUTTING TOOLS LIMITED,
Plot No B-27 and B-27/1, MIDC HINGNA,
INDUSTRIAL ESTATE
NAGPUR-440016

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

- a. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on the secretarial records based on our audit.
- b. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for our opinion.
- c. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is a part of financial audit.
- d. I have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc., wherever required.
- e. The Compliance of the 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.
- f. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Nagpur, Friday August 25, 2023

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

 **ROSHAN HARDE**
(Proprietor)

Mem. No. 34630

CP. No. 13138

UDIN:- A034630E000848850

Peer Review Certificate no. 1442/2021

Annexure D

ANNUAL REPORT ON CSR ACTIVITIES

Your Company is committed and believes in promoting well-being of the society in which it operates and the CSR Committee of the Company has been cautioned in identification of those CSR projects as covered under CSR Policy of the Company and promptly executing and monitoring the identified projects in association with various local charitable and Not for Profit organizations. In coming times, the Company shall continue to assess fresh projects and explore new geographies for undertaking CSR activities under CSR Policy of the Company and shall always remain committed to meet its CSR obligations on annual basis.

1. Outline of the CSR policy:

- ◆ The Corporate Social Responsibility (CSR) Policy of the Company covers the causes that Company may pursue as its CSR.
- ◆ Based on the profit for each financial year, the CSR Committee shall indicate the amount to be spent during the year.
- ◆ The procedure for approval of the project(s), investment/incurring costs and monitoring is also laid down in the policy.
- ◆ The said CSR Policy and the activity to be pursued by the Company are placed under the web link: https://etctl.com/wp-content/uploads/2016/02/CSR-POLICY_ETCTL-1.pdf

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Ajayprakash Kanoria	Chairman, Managing Director & CEO	04	04
2.	Mrs. Alka Kanoria	Whole-time Director	04	04
3.	Mr. Mahesh Mor	Independent Director	04	03

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://etctl.com/wp-content/uploads/2016/02/CSR-POLICY_ETCTL-1.pdf
4. Provide the 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**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set-off for the financial year, if any (in Rs.)
1	2021-22	1,23,953.68	1,23,953.68
	Total	1,23,953.68	1,23,953.68

6. Average net profit of the company as per section 135(5) : **INR 24,51,35,422.49**
7. (a) Two percent of average net profit of the company as per section 135(5) : **INR 49,02,708.45**
- (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 : **INR 1,23,953.68**
- (d) Total CSR obligation for the financial year (7a+7b-7c) : **INR 47,78,754.77**

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

Total Amount Spent for the Financial Year 2022-23 (in Rs.)	Amount Unspent (in Rs.)				
	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.
51,93,046.00	-	-	-	-	-

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

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

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project: State, District	(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
							Name.	CSR registration number.
1.	Drinking Water Tank provided on per day basis	Making available safe drinking water	Yes	Digdoh (Deevi) grampanchayat Nagpur, Maharashtra	1,92,000.00	Yes		NA
2.	Distribution of blankets	Measures for reducing inequalities faced by socially and economically backward groups	Yes	Nagpur, Maharashtra	97,600.00	Yes		NA
3.	Organise Blood donation camps in and nearby Nagpur	Promotion of Healthcare	Yes	Local areas of Nagpur, Maharashtra	2,00,000.00	No	Hedgewar Blood bank, Nagpur	CSR00005252

**EMKAY TOOLS**

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No).	(5) Location of the project: State, District	(6) Amount spent for the project (in Rs.).	(7) Mode of implementation - Direct (Yes/No).	(8) Mode of implementation - Through implementing agency.	
							Name.	CSR registration number.
4.	Adoption of school(s) for imparting Education to children of rural and tribal areas	Promotion of Education for all	Yes	Local areas of Nagpur, Maharashtra	15,40,000.00	No	Friends of Tribal Society, Nagpur for EKAL movement- Education for all	CSR00001898
5.	Treatment of needy patients	Promotion of Healthcare	Yes	Local areas of Nagpur, Maharashtra	11,00,000.00	No	Swami Vivekanand Medical Mission	CSR00005068
6.	Promotion of Healthcare- Hedgewar blood bank- Financial Assistance to thalassimia and sickle cell patients	Promotion of Healthcare	Yes	Nagpur, Maharashtra	15,00,000.00	No	Hedgewar Blood bank, Nagpur	CSR00005252
7.	Computer Training Institute	Promotion of Education for all	Yes	Rui-Nagpur, Maharashtra	5,63,446.00	No	Niramay Bauudeshiya Sansthan, Nagpur	CSR00023675
TOTAL CSR amount spent during F.Y. 2022-23				51,93,046.00				

- (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) : **INR 51,93,046.00**
- (g) Excess amount for set off, if any : **INR 4,14,291.23**

(Note: The set off amount includes amount for F.Y. 2021-22 and F.Y. 2022-23)

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	49,02,708.45
(ii)	Total amount spent for the Financial Year	51,93,046.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,90,337.55
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,90,337.55

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	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 Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	2021-22	-	-	-	-	-	-
2.	2020-21	-	-	-	-	-	-
3.	2019-20	-	-	-	-	-	-
	Total	-	-	-	-	-	-

Note: * Amount to be transferred to Unspent CSR Account under section 135 (6) w.e.f. January 22, 2021

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
1			NA					
	Total							

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: **Not Applicable**

(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 per cent of the average net profit as per section 135(5) : **Not Applicable**

For **EMKAY TAPS AND CUTTING TOOLS LIMITED**

Nagpur, Friday August 25, 2023

 **Ajayprakash Kanoria**
Chairman of CSR Committee/
Chairman, Managing Director & CEO

Annexure E

PARTICULARS OF EMPLOYEES

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

1. A. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year; and
- B. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary in the F.Y. 2022-23.

(Amount in INR)

Sr. No.	Name	Designation	Total Remuneration (in INR)	Ratio of Directors Remuneration to Median remuneration	% increase in the remuneration
				(A)	(B)
I. Executive Director					
1.	Mr. Ajayprakash Kanoria	Chairman, Managing Director & CEO	2,05,86,770.00	58.16	NA
2.	Mrs. Alka Kanoria	Whole-time Director	1,25,24,520.00	35.38	NA
II. Key Managerial Personnel					
3.	Mr. Vishnu Sontakke	Chief Finance Officer	9,68,383.00	NA	NA
4.	Ms. Shruti Sohane	Company Secretary	6,20,880.00	NA	NA

- C. The percentage increase in the median remuneration of employees in the financial year is given below:

Median Remuneration (INR)		% Increase In The Median Remuneration For Fiscal 2022-23
2022-23	2021-22	
3,56,124.00	3,19,242.00	11.55%

- D. The number of permanent employees on the rolls of company as on March 31, 2023 : **Seventy Eight (78)**
- E. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Particulars	Average % increase / decrease in salaries for fiscal 2022-23
All permanent Employees	13.30%
Executive Directors/ Managerial Remuneration	
Mr. Ajayprakash Kanoria	NA*
Mrs. Alka Kanoria	NA*

Note: Fixed component of the remuneration has not been changed however Increase/decrease in overall remuneration to the Executive Directors is due to increase in remuneration as % of Net Profit which in turn is due to increase/decrease in Profit earnings of the Company.

F. Affirmation that the remuneration is as per the remuneration policy of the Company: The remuneration(s), of the Managing Director ("MD")/ Whole-time Director ("WTD")/ KMP/ rest of the employees, are [as per the Nomination and Remuneration Policy of the Company](#).

2. [In terms of the provisions of Section 197\(12\) of the Act read with Rules 5\(2\) and 5\(3\) of the Companies \(Appointment and Remuneration of Managerial Personnel\) Rules, 2014 is as follows:](#)

The names of the top ten employees in terms of remuneration drawn and the name of every employee, who-

- (i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than [one crore and two lakh rupees]; [NIL](#)
- (ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than [eight lakh and fifty thousand rupees per month]; [Not Applicable](#)
- (iii) if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company; [Not Applicable](#)

* * * *

Annexure F

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

Pursuant to Section 134(3) (m) of the Companies Act, 2013 and the rules made therein and forming part of the Directors' Report for the year ended March 31, 2023.

Conservation Of Energy

◆ Steps taken or impact on conservation of energy:

The Company has always been conscious about the conservation of energy. Strong efforts are continued for the conservation of energy. A systematic effort is instituted to switch over for lighting purposes to LED lights.

◆ Steps taken by the Company for utilising the alternate sources of energy:

During the year under review, the company has installed solar panels in the company to be used for office premises of the company.

◆ Capital investment on energy conservation equipment's : NIL

Technology Absorption

◆ Efforts made towards technology absorption:

Moving further with the latest technology upgradation and adoption the company has been successfully improving the production cycle and productivity. Technology absorption and adoption along with research and development is a continuous process and company is progressively looking forward for more advancement in the years to come.

◆ Benefits derived like product improvement, cost reduction, product development or import substitution:

It is a continuous process and company is largely benefited by the technology absorption.

◆ Information regarding technology imported during last three year's: NIL

◆ The expenditure incurred on Research and Development : NIL

Foreign Exchange Earnings and Outgoing

Amount in Crores (INR)

Particular	2022-23	2021-22
Total Foreign Exchange Outgo	03.17	01.99
Total Foreign Exchange Earned	02.92	02.30

Corporate Governance Report 2022-23

Philosophy

The Company's philosophy on the 'Corporate Governance' is based on compliance of applicable provisions, exchange of relevant information and timely appropriate disclosures to the regulator(s), each group of stakeholders and Public at large, connected with the area of common interest/stake between the Company and the Stakeholder.

The Company is led by a distinguished Board, which includes independent directors. The Company has established systems and procedures to ensure that the Board of the Company is well-informed and well-equipped to fulfill its oversight responsibilities and to provide management the strategic direction it needs.

Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in the corporate governance.

As per regulation 15(2) (a) and 15(2) (b) of SEBI (LODR) regulation, 2015 Para C, D, E of Schedule V of the regulation shall not apply to SME listed companies. The Company has voluntarily opted to give the CGR-2022-23 as a good corporate governance practice.

In terms of regulation 34(3) of SEBI (LODR) regulation, 2015 the details of compliances, are as follows: -

► Board of Directors

◆ Composition of the Board

As on date of signing this report, the Company's Board comprised of 5(five) Directors viz., a Managing Director & CEO, a Whole time Director and three (3) Non-Executive Independent Directors. The Managing Director is the Chairman of the Company.

◆ Directors' Attendance Record and Directorships held, Composition and other details of the Board of Directors

Sr. No.	Name of the Director	Category/Status of Directorship	No. of Board Meetings attended during the F.Y. 2022-23	No. of Directorship(s) in other Public Limited Companies	No. of Committee positions held in other Public Limited Companies		No. of Equity Shares held in the Company as on March 31, 2023
					Chairman	Member	
1.	Ajayprakash Kanoria	CMD	05	Nil	Nil	Nil	6,28,050
2.	Alka Kanoria	WTD	05	Nil	Nil	Nil	11,24,190
3.	Mahesh Mor	NEID	05	Nil	Nil	Nil	0
4.	Ravindra Loiya	NEID	05	Nil	Nil	Nil	0
5.	P.C. Ramchandran	NEID	05	Nil	Nil	Nil	0

The composition of the Board is as per the provisions of section 149 of the Companies Act, 2013 and is in conformity with regulation 17 of SEBI (LODR) regulation, 2015 which stipulates that: (i) the Board should have at least a woman director; (ii) not less than 50% of the Directors should be Non-Executive Directors; and (iii) where the Chairman of the Board is a Executive Director not related to the promoter group, at least half of the Board should comprise of independent directors.

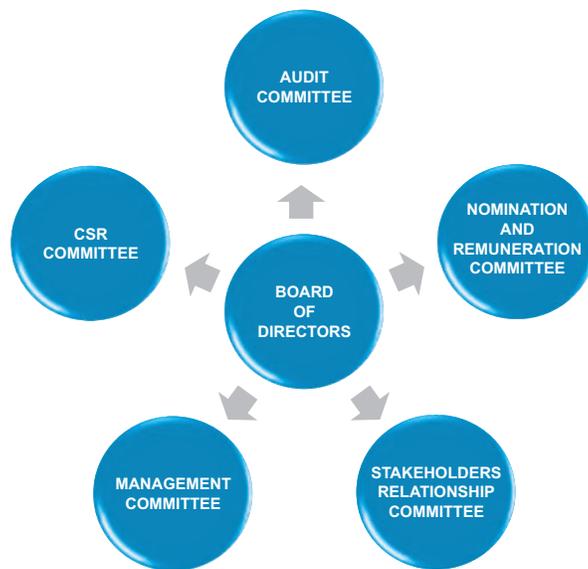
◆ Number of Board Meetings

During the financial year from 1st April, 2022 to 31st March 2023, the Board of Directors met five (5) times on May 30, 2022, August 22, 2022, November 14, 2022, February 24, 2023 and March 30, 2023. The maximum time gap between any two consecutive board meetings was more than 120 days.

◆ Code of conduct for Board Members and Senior Management Personnel

The Board had approved a code of conduct for Board Members and Senior Management Personnel of the company which also incorporates the duties of Independent directors as laid down in Companies Act, 2013. The Code has been displayed on the company's website www.etctl.com

The Board Members and Senior Management Personnel have affirmed compliance with the aforesaid code. A declaration signed by the Chairman, Managing Director & CEO in this regard is attached and forms part of this Report.



The Board of the Company takes all decisions with regard to constituting, assigning, co-opting, delegating and fixing the terms of reference of the Committees. Recommendations / decisions of the Committees are submitted / informed to the Board for approval/ information.

► **Audit Committee**

The Audit Committee of the Board of Directors met four (4) times during the F.Y. under review viz., May 30, 2022, August 22, 2022, November 14, 2022 and February 24, 2023. The maximum time gap between any two consecutive meetings was less than 120 days.

Composition of Audit Committee and Directors' Attendance Record in Committee meeting:

Sr. No.	Name	Designation	Position in Committee	No. of Committee Meetings attended during the F.Y. 2022-23
1.	Mr. Mahesh Mor	NEID	Chairman	04
2.	Mr. P. C. Ramchandran	NEID	Member	04
3.	Mr. Ajayprakash Kanoria	CMD	Member	04

The terms of reference of the Audit Committee are in line with the provisions of Section 177 of the Companies Act, 2013. The role of the Audit Committee is to provide oversight over the accounting systems, financial reporting and internal controls of the Company. The powers and role of the Audit Committee are as set out in the Listing Agreement and Section 177 of the Companies Act, 2013.

The Company Secretary acts as the Secretary to the Committee. Mr. Mahesh Mor, Chairman of the Audit Committee, possesses accounting and financial management expertise and all the members of the Committee also have accounting and financial knowledge.

► **Nomination and Remuneration/Compensation Committee**

The Nomination and Remuneration Committee of the Company met two (2) times during the F.Y. 2022-23 on August 22, 2022 and February 24, 2023.

Composition of Committee and Directors' Attendance Record in Committee meeting:

Sr. No.	Name	Designation	Position in Committee	No. of Committee Meetings attended during the F.Y. 2022-23
1.	Mr. Mahesh Mor	NEID	Chairman	02
2.	Mr. Ravindra Loiya	NEID	Member	02
3.	Mr. P. C. Ramchandran	NEID	Member	02

The terms of reference of the Committee are in line with the provisions of the Clause 52 of the Listing Agreement and Section 178 of the Companies Act, 2013 and the Rules made thereunder.

Terms of Reference:

- ◆ Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluations of every director's performance.
- ◆ Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for directors, KMPs and other employees.
- ◆ Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- ◆ Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- ◆ Decide the amount of Commission payable to the Whole time Directors.
- ◆ Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- ◆ To formulate and administer the Employee Stock Option Scheme.

Nomination and Remuneration Policy

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto, as amended from time to time and applicable provisions of SEBI (LODR) Regulations, 2015.

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

- ◆ Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ◆ Chief Financial Officer;
- ◆ Company Secretary; and
- ◆ Such other officer as may be prescribed.

“Senior Managerial Personnel” mean the personnel of the company who are members of its core management team, excluding Board of Directors. Normally, this would comprise all members of management, of rank equivalent to General Manager and above, including all functional heads.

Objective

The objective of the policy is to ensure that:

- ◆ the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors to run the company successfully;
- ◆ relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- ◆ Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee

The role of the NRC will be the following:

- ◆ To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- ◆ To formulate criteria for evaluation of Independent Directors and the Board.
- ◆ To carry out evaluation of Director's performance.
- ◆ To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- ◆ To recommend to the Board the appointment and removal of Directors and Senior Management.
- ◆ To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- ◆ To devise a policy on Board diversity, composition, size.
- ◆ Succession planning for replacing Key Executives and overseeing.

- ◆ To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.

Appointment and Removal of Director, Key Managerial Personnel and Senior Management:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/ her appointment, as per Company's Policy.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are sufficient/ satisfactory for the position.
- c) The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/ Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

Term/Tenure

- a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director or Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

- b) Independent Director:

An Independent Director shall hold office for a term up to the term fixed by the Board of Directors as prescribed under the Act, and shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiration of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

Evaluation

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy for Remuneration to Directors/KMP/Senior Management Personnel

1. Remuneration to Managing Director / Whole-time Directors:
 - I. The Remuneration/Commission etc. to be paid to Managing Director/Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
 - II. The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.
2. Remuneration to Non- Executive / Independent Directors:
 - a. The Non-Executive/ Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
 - b. All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case maybe.

An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any remuneration paid to Non-Executive/ Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (III) above if the following conditions are satisfied:

1. The Services are rendered by such Director in his capacity as the professional; and
2. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- c. The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share based payments to be made to Directors (other than Independent Directors).
3. Remuneration to Key Managerial Personnel and Senior Management:
 - a. The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
 - b. The Compensation Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share based payments to be made to Key Managerial Personnel and Senior Management.
 - c. The Fixed pay may include monthly remuneration, employer's contribution to Provident Fund contribution to pension fund, pension schemes, etc. as decided from time to time.
 - d. The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Implementation

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

The Committee may Delegate any of its powers to one or more of its members.

◆ Stakeholders' Relationship Committee

The Committee met once on February 24, 2023 at the registered office of the company which was attended by Mr. Mahesh Mor, Mr. Ravindra Loiya and Mr. P. C. Ramchandran. The Stakeholders' Relationship Committee comprised as under: -

Sr. No.	Name	Designation	Position in Committee	No. of Committee Meetings attended during the F.Y. 2022-23
1.	Mr. Mahesh Mor	NEID	Chairman	01
2.	Mr. Ravindra Loiya	NEID	Member	01
3.	Mr. P. C. Ramchandran	NEID	Member	01

Ms. Shruti Sohane Company Secretary is the Compliance Officer of the Company and also acts as secretary to the Committee.

Investor's grievance status report as appearing on SCORES and as reported by the RTA during the year under review is as follows:

Category of Complaint(s)	No. of Complaint(s) Received	No. of Complaint(s) Resolved	No. of Complaint(s) Pending
NA	Nil	NA	NA
Total :	Nil	NA	NA

◆ Corporate Social Responsibility Committee

The Committee met for four (4) times on May 30, 2022, August 22, 2022, November 28, 2022 and February 24, 2023 during the year under review. A detailed annual report on CSR during F.Y. 2022-23 form part of this Annual Report and the CSR Policy approved and adopted by the Board on recommendation of the CSR Committee, indicating the activities to be undertaken by the Company, can be referred on our website www.etctl.com

Sr. No.	Name	Designation	Position in Committee	No. of Committee Meetings attended during the F.Y. 2022-23
1.	Ajayprakash Kanoria	CMD	Chairman	04
2.	Alka Kanoria	WTD	Member	04
3.	Mr. Mahesh Mor	NEID	Member	04

◆ Management Committee

The Committee met seven (7) times in the F.Y. 2022-23 on May 31, 2022, August 26, 2022, October 04, 2022, November 21, 2022, December 09, 2022, January 12, 2023 and February 24, 2023. Ms. Shruti Sohane Company Secretary is the Compliance Officer of the Company and also acts as secretary to the Committee.

Sr. No.	Name	Designation	Position in Committee	No. of Committee Meetings attended during the F.Y. 2022-23
1.	Ajayprakash Kanoria	CMD	Chairman	07
2.	Alka Kanoria	WTD	Member	07

◆ Remuneration of Managing and Whole-time Director

The details of remuneration paid from 1st April, 2022 to 31st March, 2023 are given below:

Name and Designation	Ajayprakash Kanoria Chairman, Managing Director & CEO	Alka Kanoria Whole-Time Director
Particulars	Amount (In INR)	
Basic Salary	3,600,000.00	1,200,000.00
Perquisites & Allowances	0.00	0.00
% of Net Profit	1,69,86,770.00	1,13,24,520.00
Contribution to PF and superannuation fund	28,800.00	21,600.00
Total	2,06,15,570.00	1,25,46,120.00

◆ Sitting fees to Non-Executive Directors

The Board of Directors has fixed the sitting fee payable to non-executive independent directors for attending meetings of the Board and its Committees as prescribed in the Companies Act, 2013. The sitting fee structure as payable to the Non-Executive Independent Directors on the Board of the Company is as follows:

Sr. No.	Name	Designation	Name of the Meeting		Amount payable per meeting (INR)	
			Meeting of Board of Directors	Meeting of all Committees*	Board Meeting	Committee Meetings
1.	Mr. Mahesh Mor	NEID	03	06	2,500.00	1,000.00
2.	Mr. Ravindra Loiya	NEID	05	02	2,500.00	1,000.00
3.	Mr. P. C. Ramchandran	NEID	05	08	2,500.00	1,000.00

Note: *Includes one meeting of Independent directors

- ◆ **Subsidiary:** The Company has no subsidiary company during the F.Y. 2022-23; however the Board of Directors in their meeting held on March 30, 2023 decided to incorporate Emkay Tools Limited, a Wholly Owned Subsidiary with an authorized capital of INR 15,00,000/- and a paid-up capital of INR 1,00,000/- and the Registrar of Companies, Maharashtra Mumbai has issued incorporation certificate dated April 25, 2023.

◆ Related Party Transactions

All contracts/ arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. There were no materially significant transactions with related parties during the financial year which were in the conflict of interest of the Company.

Your attention is drawn to "Annexure A- Form AOC-2" which sets out Related Party disclosures.

◆ Management Discussion and Analysis

Detailed chapter on Management Discussion and Analysis is provided in the Annual Report.

◆ Share Reconciliation Audit

As stipulated by SEBI, Mr. Roshan Harde, Qualified Practicing Company Secretary from Nagpur, carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited

(CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the NSE (India) Limited. The Audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form.

◆ **Investors Complaints**

There were no complaints received during year under review and no pending complaints as on March 31, 2023. To facilitate the shareholders, Stakeholders Relationship Committee, headed by Mr. Mahesh Mor has been formed. Further, stakeholders may contact Ms. Shruti Sohane, the Company Secretary and Compliance Officer for redressal of Investors Grievances at investor@etctl.com

◆ **Mandatory Requirements of SEBI (LODR) Regulation, 2018**

The company has complied with all applicable mandatory requirements of Regulation 34 and schedule V of SEBI (LODR) Regulation, 2018.

◆ **General Body Meetings**

Particulars of last three Annual General Meetings:

AGM	Year Ended	Venue	Date	Time
25 TH	March 31, 2020	Plot No B-27 And B-27/1,	September 24, 2020	11:00 AM
26 TH	March 31, 2021	MIDC Hingna, Industrial Estate,	September 11, 2021	11:00 AM
27 TH	March 31, 2022	Nagpur-440016	September 17, 2022	11:30 AM

◆ **Special Resolutions**

There was no special resolution passed during the F.Y. 2022-23.

◆ **Postal Ballot**

No resolution requiring postal ballot was placed before the last Annual General Meeting. No resolution requiring postal ballot is being proposed at the ensuing Annual General Meeting.

◆ **Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration/ Compensation Committee, Stakeholder Relation Committee, CSR Committee and the Management Committee. Annual performance evaluation of the Directors individually as well as its committees has been carried out by the Board.

◆ **Criteria for Evaluation:**

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of Independent Directors and the Board.

1. Attendance and contribution at Board and Committee meetings.
2. His/her stature, appropriate mix of expertise, skills, behavior, experience, leadership qualities, sense of sobriety and understanding of business, strategic direction to align company's value and standards.
3. His/her knowledge of finance, accounts, legal, investment, marketing, foreign exchange/ hedging, internal controls, risk management, assessment and mitigation, business operations, processes and Corporate Governance.
4. His/her ability to create a performance culture that drives value creation and a high quality of debate with robust and probing discussions.
5. Effective decisions making ability to respond positively and constructively to implement the same to encourage more transparency.
6. Open channels of communication with executive management and other colleague on Board to maintain high standards of integrity and probity.
7. Recognize the role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board.
8. His/her global presence, rational, physical and mental fitness, broader thinking, vision on corporate social responsibility etc.
9. Quality of decision making on source of raw material/procurement of roughs, export marketing, understanding financial statements and business performance, raising of finance, best source of finance, working capital requirement, forex dealings, geopolitics, human resources etc.
10. His/her ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders.
11. His/her contribution to enhance overall brand image of the Company.

◆ Disclosures

Whenever and Wherever necessary and required by the Statute(s), the Directors and Senior Management Personnel makes disclosures to the Board of Directors relating to all the material financial and commercial transactions where they have a personal interest that may create a potential conflict with the interest of the Company at large.

All the related party transactions have been disclosed in the notes to the accounts of the Balance Sheet presented in the Annual Report. All the Directors have disclosed their interest in Form MBP-1 pursuant to Section 184 of the Companies Act, 2013 and Rules made thereunder and as and when any changes in their interests take place, they are placed at the Board Meetings for taking the same on record.

Means of Communication

- 1) The Company's corporate website, <http://etctl.com> provides comprehensive information to the Shareholders.
- 2) The Half yearly and Annual Financial results submitted to the Stock Exchange in accordance with the SEBI (LODR) Regulation, 2015 are available on the Company's website, <http://etctl.com>
- 3) The requirements of publication of Advertisement in Newspaper under Regulation 47 of SEBI (LODR) Regulation, 2015 shall not be applicable in case of listed entities which have listed their specified securities on SME Exchange as per proviso to sub-regulation 4 of Reg. 47 of SEBI (LODR) Regulation, 2015.

◆ General Information to Shareholders

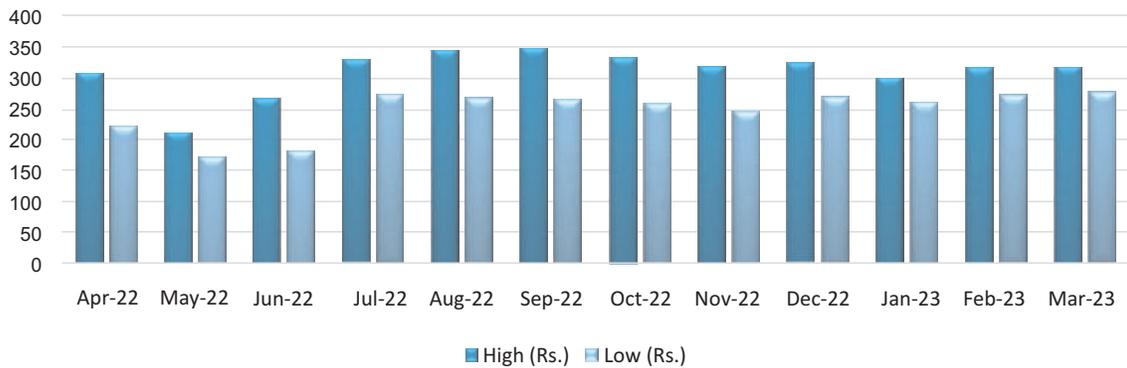
Sr. No.	Salient Items of Interest	Particulars
1.	AGM Day and Date Time Venue	: On Monday September 18, 2023 : 11.30 AM : Plot No B-27 And B-27/1, MIDC Hingna, Industrial Estate Nagpur-440016
2.	Financial Year	: April 1 st 2022 to March 31 st 2023
3.	Date of Book Closure for AGM From	: From: Friday September 15, 2023 To: Monday September 18, 2023 (both days inclusive)
4.	Dividend Payment, if any declared	: NA
5.	Listing on Stock Exchanges	: The Company's equity shares are listed on SME Platform of NSE on 13th August, 2015. The listing fee for the F.Y. 2023-24 has been paid.
6.	Custodian Fees to Depositories	: The Company has paid fees for the F.Y. 2023-24 to National Securities Depository Limited and Central Depository Services (India) Limited (CDSL) on time.
7.	Symbol	: EMKAYTOOLS
8.	Registrar and Transfer Agents	: Bigshare Services Private Limited Registered office Address: E-2/3, Ansa Industrial Estate, Sakhivihar Road, Sakinaka, Andheri (E), Mumbai -400 072. Tel: 91-22-28470652 40430200 28470653 Fax: 91-22-2847 5207 Website: www.bigshareonline.com email: info@bigshareonline.com
9.	Share Transfer System	: As all the shares are held in demat mode, the transfer takes place instantaneously between the transferor, transferee, and the Depository Participant through electronic debit/credit of the accounts involved.
10.	Dematerialization of shares and liquidity	: All the Equity shares i.e. 100 % of the total issued, subscribed and paid-up equity share capital of the Company are held in dematerialized form.
11.	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	: Not Applicable
12.	Plant Locations	: Plot No. B-27 And B-27/1, MIDC Hingna, Industrial Estate Nagpur-440016
13.	Address for correspondence	: Compliance Officer: Plot No B-27 And B-27/1, MIDC Hingna, Industrial Estate Nagpur-440016 Ph. No. 91-7104-237584/237363, Fax No. 91-7104-232862 Email: ID : investors@etctl.com

Market Price Data

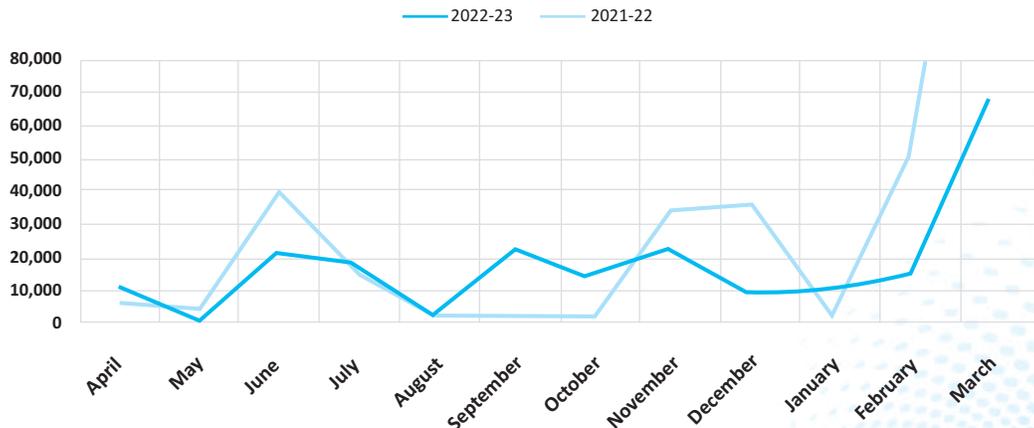
Market data as available on NSE (India) Limited website <https://www.nseindia.com/emerge> during each month of the financial year 2022-23 is given below:

MONTH	HIGH (IN INR)	LOW (IN INR)	NO. OF SHARES TRADED
March 2023	314.00	276.00	68,400
February 2023	315	272	15,600
January 2023	297.70	259.05	10,800
December 2022	320.75	268	9,600
November 2022	314.40	247.05	23,400
October 2022	329.40	259.05	15,000
September 2022	345.15	265	24,000
August 2022	341.65	268	5,400
July 2022	326.25	270.60	19,800
June 2022	263.80	180.60	23,400
May 2022	211.05	172	3,000
April 2022	306	220.40	13,200

MARKET PRICE



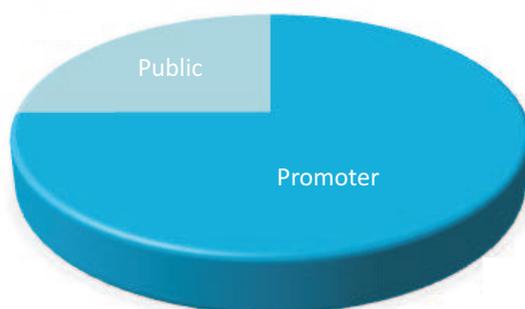
MARKET DATA



◆ Shareholding Pattern as on 31st March 2023

Categories	Total Shareholder	% of shareholders	No. Of shares held	Percentage of total (%)
A. Promoter and Promoter Group	06	03.77	8002800	74.99
Promoters	04	02.52	6107700	57.23
Corporate Bodies (Promoter Group)	02	01.25	1895100	17.76
Person related to Director	00	00.00	00	00.000
B. Public	153	96.23	2668500	25.01
Non-Institutional (Individual)	134	84.28	1452900	13.62
Corporate Bodies	05	03.14	1188000	11.13
Clearing members	01	00.63	5400	0.05
Any other	11	06.92	15600	00.15
C. Non-resident Indians	02	01.26	6600	00.06
TOTAL (A+B+C)	159	100.00	10671300	100.000

SHAREHOLDING



◆ Distribution of Shareholding as on 31st March 2023

Shareholding of nominal		Number of shareholders	Percentage of total	Share amount	Percentage of total
(INR)	(INR)				
5001	10000	75	45.7317	450000	0.4217
10001	20000	23	14.0244	327000	0.3064
20001	30000	25	15.2439	618000	0.5791
30001	40000	04	02.4390	144000	0.1349
40001	50000	04	02.4390	186000	0.1743
50001	100000	09	05.4878	654000	0.6129
100001	9999999999999999	24	14.6341	104334000	97.7707
TOTAL		142	100.0000	10671300	100.0000

◆ Top 10 Shareholders as on 31st March 2023

Sr. No.	Name of shareholder	Category of shareholder	No. of shares held	% of holding
1.	Ajayprakash Murlidhar Kanoria (HUF)	Promoter	4353960	40.8007
2.	Nagpur Tools Private Limited	Corporate Promoter Group	1893600	17.7448
3.	Alka Ajayprakash Kanoria	Promoter	1124190	10.5347
4.	Sudarshan Trading and Manufacturing Pvt. Ltd.	Corporate Bodies	1045800	09.8001
5.	Ajayprakash Kanoria	Promoter	628050	05.8854
6.	Rahim Khan	Public	566400	05.3077
7.	Naginadevi Brajkishore Agrawal	Public	244800	02.2940
8.	Brajkishore Agrawal	Public	180000	01.6868
9.	PriyaVinyog Pvt. Ltd.	Corporate Bodies	69000	00.6466
10.	Nikhil S. Agrawal	Public	68400	00.641

◆ Shares held in dematerialized form as on 31st March 2023

Particulars	Number of shares	% of total issued capital
Issued Capital / Listed Capital (as per Company records)	10671300	100.00
Held in Dematerialized form in NSDL	206700	01.94
Held in Dematerialized form in CDSL	10464600	98.06
Physical	0.00	0.00
Total No. of shares	10671300	100.00

◆ Legends used in the report:

CMD- Chairman & Managing Director, WTD- Whole-time Director, NEID- Non-Executive Independent Director

For **EMKAY TAPS AND CUTTING TOOLS LIMITED**

Nagpur, Friday August 25, 2023

 Shruti Sohane

Company Secretary & Compliance Officer

Affirmation of Compliance

WITH THE CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL

I declare that the Company has received affirmation of compliance with the “Code of Conduct for Board Members and Senior Management Personnel” laid down by the Board of Directors, from all the Directors and Senior Management Personnel of the Company, for the period the Director's Report has been prepared.

For **EMKAY TAPS AND CUTTING TOOLS LIMITED**

Nagpur, Friday August 25, 2023

 Ajayprakash Kanoria

Chairman, Managing Director & CEO

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
[Emkay Taps and Cutting Tools Limited](#)
Nagpur

We have reviewed the compliance of the conditions of Corporate Governance by M/s. Emkay Taps and Cutting Tools Limited as on the date of Director's Report for the F.Y. 2022-23, as stipulated in the regulation 34(3) of SEBI (LODR) regulation, 2018 ("Listing Regulation") of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our review was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in above mentioned Listing Regulation.

We further state that such compliance 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.

Nagpur, Friday August 25, 2023

For [H. ROSHAN & ASSOCIATES](#)
Company Secretaries

 [ROSHAN HARDE](#)
(Proprietor)
Mem. No. 34630
CP. No. 13138
UDIN:- A034630E000848861
Peer Review Certificate no. 1442/2021

CERTIFICATION FROM THE MANAGING DIRECTOR AND THE CFO

In terms of regulation 34(3) of SEBI (LODR) regulation, 2018, we hereby certify as under:

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violates the Code of Conduct of the Company.
- c) We accept responsibility for establishing and maintaining

internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

- d) We do Further certify that there has been:
 - i. No Significant changes in internal control over financial reporting during the year;
 - ii. No Significant changes in accounting policies during the year;
 - iii. No Instances of fraud of which we have become aware and the involvement therein, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Nagpur, Friday August 25, 2023

For Emkay Taps and Cutting Tools Limited

 Ajayprakash Kanoria

Chairman, Managing Director & CEO

 Vishnu Sontakke

Chief Financial Officer

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Our organizational functioning -**Manufacturing - Cutting Tools** (Metal cutting machine tools) - catering to the needs of automobile and auto-ancillary industry, electrical fittings industry, Defense components along with Aerospace and general engineering industry requirements **covering major sectors of Engineering and Capital Goods Industry in broader sense.**

Amidst adverse global economic difficulties posed by prevailing post pandemic situations, the global inflation and financial crisis, the company was able to secure satisfactory growth in the national and international business during the year under review.

"The outlook is uncertain again amid financial sector turmoil, high inflation, ongoing effects of Russia's invasion of Ukraine, and three years of COVID. Global cooperation is also necessary to accelerate the clean energy transition, mitigate climate change, and provide debt relief for the rising number of countries experiencing debt distress."

Government measures and incentives per se Automobile industry are not sufficient enough to revive the demand. The management is not optimistic about the sales position in the coming months unless suitable measures to revive the automobile demand are taken by the Government. This is not in control of the Company and position will change as the situation changes in the country. Although there are uncertainties, the Company managed well to navigate the challenges ahead and gain market share.

Following the Pandemic and the war in Ukraine, there is bank failures and climate change which requires a well-balanced monetary policy and increase resilience to combat climate changes. This situation will contribute to a significant slowdown in global growth in 2023 and add further to inflation.

The company is continuously assessing impact of currently prevailing adverse conditions in the world and the country on its operations, profitability liquidity position and demand for its products manufactured by the company. Management is optimistic for the growth of the business subject to changes in the situation country-wide and world-wide amidst the effects of Ukraine Russia War and other prevailing adverse conditions.

◆ The Global Economy in Crisis

A Challenging Outlook

A return of the world economy to the pace of economic growth that prevailed before the bevy of shocks in 2022 and the recent financial sector turmoil is increasingly elusive. More than a year after Russia's invasion of Ukraine and the outbreak of more contagious COVID-19 variants, many economies are still absorbing the shocks. The recent tightening in global financial conditions is also hampering the recovery.

As a result, many economies are likely to experience slower growth in incomes in 2023, amid rising joblessness. Moreover, even with central banks having driven up interest rates to reduce inflation, the road back to price stability could be long. Over the medium term, the prospects for growth now seem dimmer than in decades.

Global Growth - The global recovery from the COVID-19 pandemic and Russia's invasion of Ukraine is slowing amid widening divergences among economic sectors and regions. The World Health Organization (WHO) announced in May that it no longer considers COVID-19 to be a "global health emergency." Supply chains have largely recovered, and shipping costs and suppliers' delivery times are back to pre-pandemic levels. But forces that hindered growth in 2022 persist. Inflation remains high and continues to erode household purchasing power. Policy tightening by central banks in response to inflation has raised the cost of borrowing, constraining economic activity. Immediate concerns about the health of the banking sector have subsided, but high interest rates are filtering through the financial system, and banks in advanced economies have significantly tightened lending standards, curtailing the supply of credit. The impact of higher interest rates extends to public finances, especially in poorer countries grappling with elevated debt costs, constraining room for priority investments. As a result, output losses compared with pre-pandemic forecasts remain large, especially for the world's poorest nations.

Scarring effects are expected to be much larger in emerging market and developing economies than in advanced economies-reflecting more limited policy support and generally slower vaccination-with output expected to remain below the pre-pandemic trend throughout the forecast horizon.

Global growth is projected to fall from 3.5 percent in 2022 to 3.0 percent in both 2023 and 2024 on an annual average basis. Compared with projections in the April 2023 WEO, growth has been upgraded by 0.2 percentage point for 2023, with no change for 2024. The forecast for 2023-24 remains well below the historical (2000-19) annual average of 3.8 percent. It is also below the historical average across broad income groups, in overall GDP as well as per capita GDP terms. Advanced economies continue to drive the decline in growth from 2022 to 2023, with weaker manufacturing, as well as idiosyncratic factors, offsetting stronger services activity. In emerging market and developing economies, the growth outlook is broadly stable for 2023 and 2024, although with notable shifts across regions. On a year-over-year basis, global growth bottomed out in the fourth quarter of 2022. However, in some major economies, it is not expected to bottom out before the second half of 2023.

World trade growth is expected to decline from 5.2 percent in 2022 to 2.0 percent in 2023, before rising to 3.7 percent in 2024, well below the 2000-19 average of 4.9 percent. The decline in 2023 reflects not only the path of global demand, but also shifts in its composition toward domestic services, lagged effects of US dollar appreciation-which slows trade owing to the widespread invoicing of products in US dollars-and rising trade barriers.

The fight against inflation continues. Inflation is easing in most countries but remains high, with divergences across economies and inflation measures. Following the build-up of gas inventories in Europe and weaker-than-expected demand in China, energy and food prices have dropped substantially from their 2022 peaks, although food prices remain elevated. Together with the normalization of supply chains, these developments have contributed to a rapid decline in headline inflation in most countries. Core inflation, however, has on average declined more gradually and remains well above most central banks' targets. Its persistence reflects, depending on the particular economy considered, pass-through of past shocks to headline inflation into core inflation, corporate profits remaining high, and tight labor markets with strong wage growth, especially in the context of weak productivity growth that lifts unit labor costs. However, to date, wage-price spirals-wherein prices and wages accelerate together for a sustained period-do not appear to have taken hold in the average advanced economy, and longer-term inflation expectations remain anchored. In response to the persistence of core inflation, major central banks have communicated that they will need to tighten monetary policy further. The Federal Reserve paused rate hikes at its June meeting but signalled further ones ahead, and the Reserve Bank of Australia, Bank of Canada, Bank of England, and European Central Bank have continued to raise rates. At the same time, in some other economies, particularly in East Asia, where mobility curbs during the pandemic restricted demand for services longer than elsewhere, core inflation has remained low. In China, where inflation is well below target, the central bank recently cut policy interest rates. The Bank of Japan has kept interest rates near zero under the quantitative and qualitative monetary easing with yield curve control policy.

The ongoing climate emergency: Despite some steps on the path toward a green transition, global emissions are-on current trends-very likely to overshoot the Paris Agreement temperature goals by the end of the century and lead to catastrophic climate change (with low-likelihood outcomes such as the ice sheet collapse, abrupt ocean circulation changes, and some extreme events and warming that cannot be ruled out). Indeed, the effects of warming are already starting to show: droughts, forest fires, floods, and major hurricanes have become more frequent and more severe. And it is often those least able to cushion the blows of such events who are also most exposed to them. Depending on their implementation, policies to speed the green transition could have near-term inflationary effects which could weaken support for the vital climate policy agenda.

Risks to the Outlook

The balance of risks to global growth remains tilted downward, but adverse risks have receded since the publication of the April 2023 WEO. The resolution of US debt ceiling tensions has reduced the risk of disruptive rises in interest rates for sovereign debt, which would have increased pressure on countries already struggling with increased borrowing costs. The quick and strong action authorities took to contain banking sector turbulence in the United States and Switzerland succeeded in reducing the risk of an immediate and broader crisis.

Upside risks

More favourable outcomes for global growth than in the baseline forecast have become increasingly plausible. Core inflation could fall faster than expected-from greater-than-expected pass-through of lower energy prices and a compression of profit margins to absorb cost increases, among other possible causes--and declining job vacancies could play a strong role in easing labor markets, which would reduce the likelihood of unemployment having to rise to curb inflation. Developments along these lines would then reduce the need for monetary policy tightening and allow a softer landing. Scope exists for more favorable surprises to domestic demand around the world, as in the first quarter of 2023. In numerous economies, consumers have not yet drained the stock of

excess savings they accumulated during the pandemic; this could further sustain the recent strength in consumption. Stronger policy support in China than currently envisaged--particularly through means-tested transfers to households--could further sustain recovery and generate positive global spillovers. Such developments, however, would increase inflation pressure and necessitate a tighter monetary policy stance.

Downside risks

Despite the recent positive growth surprises, plausible risks continue to be skewed to the downside:

- **Inflation persists:** Tight labor markets and pass-through from past exchange rate depreciation could push up inflation and risk de-anchoring longer-term inflation expectations in a number of economies. The institutional setup of wage setting in some countries could amplify inflation pressures on wages. Moreover, El Niño (warming of the ocean surfaces) could bring more extreme temperature increases than expected, exacerbate drought conditions, and raise commodity prices. The war in Ukraine could intensify, further raising food, fuel, and fertilizer prices. The recent suspension of the Black Sea Grain Initiative is a concern in this regard. Such adverse supply shocks might affect countries asymmetrically, implying different dynamics for core inflation and inflation expectations, a divergence in policy responses, and further currency movements.
- **Financial markets reprice:** Financial markets have adjusted their expectations of monetary policy tightening upward since April 2023 but still expect less tightening than policymakers have signalled, raising the risk that unfavourable inflation data releases could--as in the first quarter of 2023--trigger a sudden rise in expectations regarding interest rates and falling asset prices. Such movements could further tighten financial conditions and put stress on banks and nonbank financial institutions whose balance sheets remain vulnerable to interest rate risk, especially those highly exposed to commercial real estate. Contagion effects are possible, and a flight to safety, with an attendant appreciation of reserve currencies, would trigger negative ripple effects for global trade and growth.
- **China's recovery underperforms:** Recent developments shift to the downside the distribution of risks surrounding China's growth forecast, with negative potential implications for trading partners in the region and beyond. The principal risks include a deeper-than-expected contraction in the real estate sector in the absence of swift action to restructure property developers, weaker-than-expected consumption in the context of subdued confidence, and unintended fiscal tightening in response to lower tax revenues for local governments.
- **Debt distress increases:** Global financial conditions have generally eased since the March 2023 episode of banking stress but borrowing costs for emerging market and developing economies remain high, constraining room for priority spending and raising the risk of debt distress. The share of emerging market and developing economies with sovereign credit spreads above 1,000 basis points remained at 25 percent as of June (compared with only 6.8 percent two years ago).
- **Geoeconomic fragmentation deepens:** The ongoing risk that the world economy will separate into blocs amid the war in Ukraine and other geopolitical tensions could intensify, with more restrictions on trade (in particular that in strategic goods, such as critical minerals); cross-border movements of capital, technology, and workers; and international payments. Such developments could contribute to additional volatility in commodity prices and hamper multilateral cooperation on providing global public goods.

Policy Priorities

- **Conquer inflation** - Central banks in economies with elevated and persistent core inflation should continue to clearly signal their commitment to reducing inflation. A restrictive stance--with real rates above neutral--is needed until there are clear signs that underlying inflation is cooling. Multilayered uncertainty complicates the task for central banks: Levels of neutral rates and lags of policy transmission are difficult to estimate with confidence, and the potency of the transmission mechanism may differ across economic sectors. In view of these uncertainties, adjusting policy in a data-dependent manner and avoiding a premature easing before price pressures have adequately receded is warranted, while continuing to use tools to maintain financial stability when needed. Although the primary responsibility for restoring price stability lies with central banks, legislated government spending cuts or tax increases aimed at ensuring public debt sustainability can, by reducing aggregate demand and reinforcing the overall credibility of disinflation strategies, further ease inflation. This is especially the case in countries with overheated economies and steep inflation-unemployment trade-offs.
- **Maintain financial stability and prepare for stress** - The fast pace of monetary policy tightening continues to put the financial sector under pressure. Strengthened supervision (by implementing Basel III and removing forbearance measures) and monitoring risks to anticipate further episodes of banking sector stress is warranted. The intensity of supervision must be commensurate with banks' risks and systemic importance, and it is essential to address oversight gaps in the nonbank financial sector. Macroprudential policy measures could be employed pre-emptively to address emerging risks in banks and nonbank financial institutions.

- **Rebuild fiscal buffers while protecting the vulnerable** - With fiscal deficits and government debt above pre-pandemic levels, credible medium-term fiscal consolidation is in many cases needed to restore budgetary room for maneuver and ensure debt sustainability. Sovereign spreads remain historically elevated, impeding market access for many economies reliant on short-term borrowing. Faster and more efficient coordination on debt resolution, including through the Group of Twenty (G20) Common Framework and the Global Sovereign Debt Roundtable, is needed to provide a positive signal that lowers short-term borrowing costs and to avoid the risk of debt crises' spreading. The recent agreement between Zambia and its official creditor committee is a welcome step in that direction.
- **Enhance the supply side and strengthen resilience to climate change** - Reforms that loosen labor markets-by encouraging participation and reducing job search and matching frictions-would facilitate fiscal consolidation and a smoother decline in inflation toward target levels. They include short-term training programs for professions experiencing shortages, passing labor laws and regulations that increase work flexibility through telework and leave policies, and facilitating regular immigration flows. Carefully designed industrial policies could be pursued--fiscal space permitting--if market failures are well established, but domestic-content requirements and barriers to trade should be avoided, as they can lower productivity, weaken trade relations, jeopardize food security, and hold back countries seeking to converge to higher income levels. A push on clean energy investment is necessary to ensure sufficient energy supplies given countries' decarbonization goals. Multilateral cooperation is essential to speed the green transition, mitigate climate change, and regulate potentially disruptive emerging technologies such as artificial intelligence.

Source: <https://www.imf.org>- World Economic outlook April 2023 and July 2023.

◆ Indian Overview

FY 2022-23 ended on a positive note, due to higher-than-expected agriculture output and strong government spending. However, high inflation, in particular for energy and food, and the ensuing monetary tightening to anchor expectations are weighing on purchasing power and household consumption, particularly in urban areas. Tighter financial market conditions are reflected in weakening credit-supported demand for capital goods, a good proxy for business investment. The merchandise trade deficit was 40% larger in FY 2022-23 than in FY 2021-22, with trade in petroleum accounting for over two-fifths of the deterioration. Although services export growth remains brisk and the sectoral surplus rose by 35%, it is insufficient to offset the imbalance in goods' trade. Low labour productivity is affecting the competitiveness of "Made in India" goods and participation in global value chains. The current account deficit narrowed in the October-December quarter to 2.2% of GDP, from 2.7% in the same period in FY 2021-22. Headline inflation has fallen below 6% (the central bank's upper bound of the tolerance band) since March 2023, mostly due to lower food prices, as well as base effects. Employment and wage estimates suggest improving labour market conditions in rural areas, while export-oriented service firms report increasing difficulties filling vacancies.

Despite an impressive growth and development record, daunting challenges remain. Weak global demand and the effect of monetary policy tightening to manage inflationary pressures will constrain the economy in FY 2023-24, limiting real GDP growth to 6%. Moderating inflation and monetary policy easing in the second half of 2024 will help discretionary household spending regain momentum. This, along with improved global conditions, will help economic activity to accelerate, with growth of 7% in real GDP in FY 2024-25.

Source: <https://www.imf.org>

The economy will not escape the global slowdown

After reaching 7.2% in FY 2022-23, real GDP growth is expected to slow to 6% in FY 2023-24, before rising to 7% in FY 2024-25. While indicators suggest that India's growth is stable for now, headwinds from the impact of rapid monetary policy tightening in the advanced economies, heightened global uncertainty and the lagged impact of domestic policy tightening will progressively take effect. With slower growth, inflation expectations, housing prices and wages will progressively moderate, helping headline inflation converge towards 4.5%. This will allow interest rates to be lowered from mid-2024. The trade restrictions (including export bans on various rice varieties) imposed in 2022 to fight inflation are assumed to be withdrawn. The current account deficit will narrow, reflecting abating import price pressures. Most risks to the projections are tilted to the downside. While banks' solvency ratios and financial results have improved and the authorities have enhanced loan-loss provisioning and established a 'bad bank', any deterioration of banks' asset quality could threaten macro-financial stability. In the run-up to the 2024 elections, fiscal consolidation may be delayed, and the conclusion of trade agreements may become more difficult. A potentially below-normal monsoon season

could also impact growth. Declining geopolitical uncertainty, on the other hand, would boost confidence and benefit all sectors, as would a faster-than-expected conclusion of free-trade agreements with key partners and the incorporation therein of services.

Climate change and gender gaps require targeted policies

More than half of the Indian population lives in the Indo-Gangetic Plain and is exposed to the increasingly frequent and extreme heatwaves caused by climate change. It is estimated that almost 100 000 extra lives are lost every year due to hot weather and the flooding that can follow. The economic costs are also large, including labour losses, a meagre wheat harvest, greater livestock mortality and power outages. Reducing global greenhouse gas emissions, including in India, will help limit such losses in the long term. However, measures that can immediately reduce the impact of extreme weather events are also needed, such as improved infrastructure to prevent flooding. Sustainable development also requires further progress in gender equality across many dimensions, including access to health, education and capital. Impressive results have been attained, for instance in financial inclusion, but substantial gaps remain. Policy formulation and execution should fully incorporate gender considerations and specific indicators. Enhanced policy efforts to increase childcare assistance, vocational training and life-long education for working women would also be welcome. Better enforcement of the land rights of women would strengthen their economic position and, by making it possible to use this asset as collateral, may also facilitate investments in climate mitigation and adaptation.

Source: *OECD ECONOMIC OUTLOOK, VOLUME 2023 ISSUE*

The government is expected to focus on a three-pronged strategy:

A well-balanced monetary policy: Amidst inflation concerns, the RBI is unlikely to let its guard down and will keep the monetary policy tight. The downside of the move is that higher policy rates will raise borrowing costs, which will in turn moderate credit growth (although it is very strong relative to the past five years).

While prioritizing stability is the need of the hour, the government cannot afford to overlook growth. India needs investments to remove supply bottlenecks and meet the rising demand. Low credit availability will impact capacity-building. In short, too much tightening will result in a vicious circle of low credit availability, investment, and supply, thereby causing further inflation. The RBI's latest move to halt the rate-hike cycle is an indication that the RBI also wants to keep economic growth into consideration as it aligns inflation with the target.

Amplify efforts in spending on infrastructure while consolidating expenses: Over the last year, investment flows from abroad have remained modest. The drying up of global liquidity due to tighter monetary policies in central banks across industrial countries resulted in low gross inward FDI to US\$61.5 billion during 2022-23 (April 2022-January 2023) from US\$70.5 billion a year ago.

The investment gap caused by low private and foreign investment has to be filled by the government through higher spending on infrastructure and improving the logistics ecosystem. Initiatives such as the National Infrastructure Pipeline, PM Gati Shakti, and National Logistics Policy (NLP), among others, are efforts in that direction. These will also improve logistics costs and efficiency and crowd in private investment. Thankfully, a study by the State Bank of India suggests that capital productivity has improved significantly over the last decade, and hence, any incremental investment spending will generate much larger output than it did in the past.

Capitalize on services as manufacturing ramps up: Emphasis on manufacturing and initiatives such as production-linked incentives will attract investment and those efforts must continue. At the same time, the government must take advantage of the rising demand for services worldwide. The services sector has shown promising growth in exports lately, thanks to global digitization efforts and greater acceptance among multinationals (MNCs) to run operations remotely. India must reap benefits where it has a comparative advantage and build a robust and efficient ecosystem to bring more MNCs to its shore. This will have a spill over on investments in the manufacturing space as well.

India Celebrating 75 years of Independence: Azadi Ka Amrit Mahotsav

Like the history of the freedom movement, the journey of 75 years after independence is a reflection of the hard work, innovation, enterprise of ordinary Indians. Whether in the country or abroad, we Indians have proved ourselves with our hard work. We are proud of our Constitution. We are proud of our democratic traditions. The mother of democracy, India is still moving forward by strengthening democracy. India, rich in knowledge and science, is leaving its mark from Mars to the moon.

The Azadi Amrit Mahotsav means elixir of energy of independence; elixir of inspirations of the warriors of freedom struggle; elixir of new ideas and pledges; and elixir of Aatmanirbharta. Therefore, this Mahotsav is a festival of awakening of the nation; festival of fulfilling the dream of good governance; and the festival of global peace and development.

Source: <https://amritmahotsav.nic.in/>

Chandrayaan-3, India's third lunar mission, was successfully launched on July 14, 2023, from the Satish Dhawan Space Centre in Sriharikota. India's private space-tech ecosystem is beaming with a vast horizon of opportunities. Just a couple of years ago, India's space economy was valued at over \$9.6 billion in 2020. By 2025, this could go up to \$13 billion, according to EY India. This sector will get a big boost from the launch of Chandrayaan-3 and in turn will set Indian economy to bloom.

◆ Our Industry

Our industry is mainly dependent on automobile and auto ancillary industries and other engineering industries however due to privatisation of defence and addition of new customer base to our existing customer base our growth is consequently linked to the future of these industries which is bright as of now. Brief outlook of automobile industry and Auto component industry, Electrical and fittings, Defence and aerospace industry (Engineering and Capital Goods Industry) together representing as "Our Industry" forms part of this report under "Outlook of Industry".

Outlook of Industry

In light of the above scenario and prevailing pandemic, humanitarian crisis and need to tackle climate change which present tossup scenario for the overall economy, we are optimistic that the "Our Industry" in India will continue to do well to have sustained performance in years to come.

● Automobile Industry

The Indian automotive industry is expected to reach US\$ 300 billion by 2026. Strong policy support from the Government will ensure growth in this sector. A study by CEEW Centre for Energy Finance recognised a US\$ 206 billion opportunity for electric vehicles in India by 2030. This will necessitate a US\$ 180 billion investment in vehicle manufacturing and charging infrastructure.

The automotive manufacturing industry comprises the production of commercial vehicles, passenger vehicles, three-wheelers, and two-wheelers. The Indian auto industry is expected to record strong growth in FY23, post recovering from the effects of the COVID-19 pandemic. Electric vehicles, especially two-wheelers, are likely to witness positive sales in FY23. A report by India Energy Storage Alliance estimated that the EV market in India is likely to increase at a CAGR of 36% until 2026. In addition, a projection for the EV battery market is forecast to expand at a CAGR of 30% during the same period.

Focus shifting on electric cars to reduce emissions. The Government aims to transform India into an R&D hub. India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles. The electric vehicles industry is likely to create five crore jobs by 2030.

Automotive Mission Plan 2016-26 is a mutual initiative by the Government of India and the Indian automotive industry to lay down the roadmap for the development of the industry. The Government aims to develop India as a global manufacturing centre. In Union Budget 2022-23, the government announced an increased allocation of capex, a high target for national highways, and proposed an EV battery policy.

Source: <https://www.ibef.org/industry/automobiles-presentation>

● Auto Component Market

The Indian auto-components industry has experienced healthy growth over the last few years. The Indian auto components industry is expected to grow to US\$ 200 billion by FY2026. This growth will be backed by strong export demand which is expected to rise at an annual rate of 23.9% to reach US\$ 80 billion by 2026. The turnover of the automotive component industry grew 34.8% to Rs. 2.65 lakh crore (US\$ 33.8 billion) during April-September 2022 compared to the first half of the previous year.

The growth of global original equipment manufacturers' (OEM) sourcing from India & the increased indigenisation of global OEMs is turning the country into a preferable designing and manufacturing base. Due to a shift in supply chains, India can possibly increase its share in the global auto component trade to 4-5% by 2026. The auto components industry accounted for 2.3% of India's GDP and provided direct employment to 1.5 million people. The industry is estimated to be worth US\$ 200 billion contributing 5-7% of India's GDP by 2026. The global move towards electric vehicles will generate new opportunities for automotive suppliers.

Source: <https://www.ibef.org/industry/autocomponents-india>

● Indian Engineering and Capital Goods Industry

The engineering sector, being closely associated with the manufacturing and infrastructure sectors, is of strategic importance to India's economy. Demand in the engineering industry segment is driven by investments and capacity creation in core sectors like power, infrastructure developments, mining, oil and other sectors like the general manufacturing sector, automotive and process industries, and consumer goods industry. To enhance opportunities for private investment in infrastructure - Infrastructure Finance

Secretariat is being established who will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure and power.

Engineering Industry comprises of two major segments viz., Heavy engineering and light engineering. Machine tools forms vital part of heavy engineering segment. The Indian machine tool market size reached US\$ 1.4 billion in 2022. The market is expected to reach US\$ 2.5 billion by 2028, exhibiting a growth rate (CAGR) of 9.4% during 2023-28. The manufacturers of machine tools are mostly SMEs, few of them are mid-sized manufacturers which have an annual turnover varying between US\$ 36-60 million (Rs. 300-500 crore). The types of machine tools currently manufactured are general/special purpose machines, standard Computer Numerical Control (CNC) machines, gear cutting, grinding, medium size machines, electrical discharge machining (EDM), presses, press brakes, pipe bending, rolling, bending machines, etc.

Engineering accounts for about 25% of India's total global exports in the goods sector and is one of the largest foreign exchange earners. In FY22, India exported engineering goods worth US\$ 111.63 billion, a 45.51% YoY growth. Cumulative engineering exports for April-December 2022-23 stood at US\$ 79.83 billion. In December 2022, exports of engineering goods from India stood at US\$ 9.08 billion. India's engineering goods are exported to key markets such as the US, Europe, and China.

Growth drivers for the Indian engineering sector- POLICIES- New export policy in Uttar Pradesh, a policy aimed at promoting export growth and competitiveness and Voluntary Vehicle-Fleet Modernisation Programme (VVMP) launched by Prime Minister Mr. Narendra Modi in August 2021, also known as the Vehicle Scrapping Policy; INVESTMENT- With 100% FDI allowed through the automatic route, major international players such as Cummins, GE, ABB and Alfa Laval have entered the Indian engineering sector due to growth opportunities.

Source: <https://www.ibef.org/industry/indian-engineering-industry-analysis-presentation>

● Aerospace and Defense (A&D) Industry

Despite multiple significant challenges, the A&D industry has weathered the pandemic's disruption due to strong order books, and 2022 is expected to be the year where A&D companies will focus on rebuilding lost revenue streams, increasing agility in operations, and recalibrating supply networks to serve changing market demands. As the industry recovers, companies that focus on digital innovation could thrive, particularly those that prioritize greater efficiency in their engineering, manufacturing, and supply chain processes by implementing digital thread and smart factory solutions. By investing in digital initiatives across production and the supply network, A&D manufacturers can solve specific challenges such as fluctuating demand. This comprises data capture and analysis across their manufacturing footprint to identify breakpoints and opportunities for improvement. Moreover, the heightened use of digital technologies such as additive manufacturing and cognitive can contribute to a more sustainable future.

Source: <https://www2.deloitte.com/ch/en/pages/manufacturing/articles/aerospace-and-defense-industry-outlook.html>

◆ Outlook for the Company

The company has sufficient capacity and is looking out for export orders from USA, Turkey etc.; Other than export orders we are also concentrating on local markets. Overall growth depends on how the economy progress in the scenario explained above.

Nevertheless, the Company is now more focused on getting customers who are looking for application taps with special geometries, where the prices are good. Towards this objective, the Company participated in ACMEE Chennai Trade Centre, Chennai from December 09-13, 2021 and IMTEX 2023 at Bangalore city from January 19-21, 2023.

Along with increasing customer base the Company is also adding new products and improving levels of finished goods inventory to provide better services to our existing customers.

● Opportunities and Threats

The growth of global OEM sourcing from India and the increased indigenization of global OEM's is turning the country into a preferable designing and manufacturing base. India is expected to become the fourth largest automobiles producer globally by 2020 after China, US and Japan. Growing working population, rapid urbanization, boost in rural economy and rising middle class income are expected to remain key demand drivers. Other areas of opportunities explained above like electrical fittings, defense sector, aerospace, etc., are all growing very fast in India and we expect full benefits of growth from these sectors also.

Since auto sector is still our main market any down fall in the auto sector is likely to affect our industry. Also imports of cutting tools from China may pose a threat in some segments of our industry. The threat is medium, given the concentration of Industry clusters in specific strategic centers. However, now the Automobile industry wants proper services at local levels and materials are required just in time. We therefore have to keep specific inventories for different customers and have to supply to them immediately on the same

day when we get the order. Because of superior quality and prompt services we shall be able to overcome threats from imported tools in the years to come. However, it is likely that adverse after effects of COVID-19 on overall economy may pose certain threats and challenges to the business.

Further, clear cut policy of Government of India on E-vehicles is awaited. Once the policy is declared on this, we will have to review the total impact it will have on various cutting tools being manufactured by us.

- **Risks and Concerns**

The Company is exposed to external and internal risks associated with the business. The operations of the Company are directly dependent on the Automotive Industry and the cyclical nature of the industry affects us. General Economic conditions impact the automotive industry and in turn our operations as well. The Company is exposed to strong competitive pressures, both domestic and overseas. Company's established reputation, close customer relationships, ability to provide higher level of engineering design support and relentless drive for improvement gives us a competitive edge.

We are fully aware of risks and a systematic risk identification and mitigation framework is in place to ensure that a suitable action plan is drawn up to mitigate the same. The Company has virtually no control over external risks such as a general down turn in the economy, new regulations, government policies and interest rates.

- **Internal control systems and their accuracy**

Considering the size and nature of the business, presently adequate internal control systems are in place. However, as and when company achieves further growth and higher level of operations, company will review the internal control system to match with changed requirement.

The company has proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against unauthorized use or disposition and that transaction are authorized and recorded correctly.

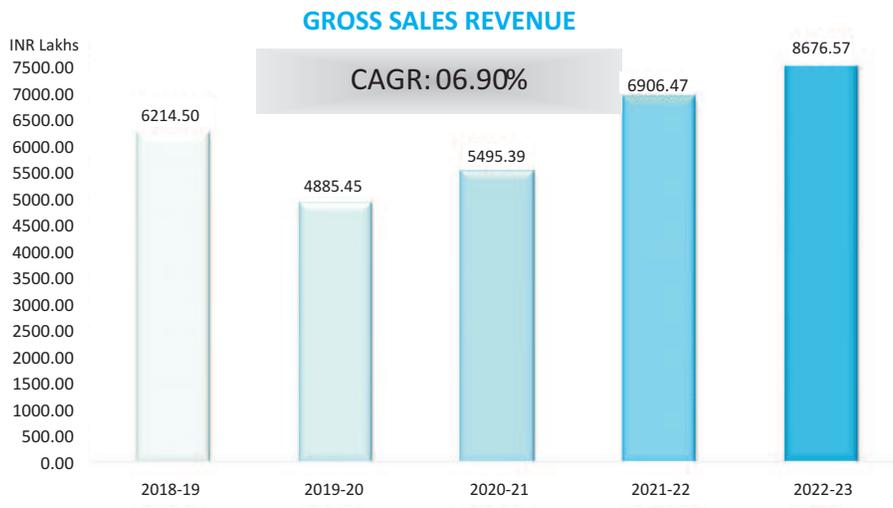
The company has constituted Audit Committee consisting of non-executive and independent Directors to look into various aspects of Accounts. The company has a clearly defined organization structure in place.

- ◆ **Discussion on Financial Performance with Respect To Operational Performance**

- **Revenue**

Gross Revenue from operations was INR 8861.57 lakh as recorded in the previous financial year 2022-23 with an increase of 25.15% reinforcing the business growth. This has been possible because of low base in previous year. We feel that business is yet to pick-up and if overall economy progress is well we will see further progress in the years to come.

The financial year continued to be un-conducive as the global economy witnessed financial turmoil and the harsh climate changes. In first half of 2022-23 sales marked for INR 4454.26 lakh which was 17.57% more as compared to second half of the financial year 2021-22. Post first half, the previous year was about to be conducive however there was financial turmoil in USA during the fourth quarter of the F.Y. 2022-23 which has worsen the situation leading to increase in oil and gas prices that in turn has resulted into mounted inflation around the world. During this period company has marked good amount of sales, domestic as well as international, though the increase in revenue seems more of an outcome of increased degree of inflation.



- **Profits**

The company has earned Profit before depreciation, Interest and Taxes (PBDIT) of INR 5987.67 lakh during the financial year under review over the previous financial year's PBDIT of INR 4744.29 lakh. The profit after tax for the financial Year 2022-23 was INR 4412.78 as against profit after tax of INR 3525.91 lakh for the financial year 2021-22.

- **Earnings per share (EPS)**

The basic and diluted EPS of INR10/- paid up share are INR 41.35 and INR 41.35 respectively for the financial year ended March 31, 2023. The basic and diluted EPS of INR 10/- paid up share is INR 33.04 and INR 33.04 respectively for financial year ended March 31, 2022.

- **Reserves and Surplus**

The Reserves and Surplus of the Company as on March 31, 2023 stood at INR 21,525.00 lakh as against INR 17,034.37 lakh as on March 31, 2022.

- ◆ **Net worth**

As on March 31, 2023 the Net worth of the company stands at INR 22,592.13 lakh as against INR 18,101.50 lakh in the financial year 2021-22.

- ◆ **Details of significant changes (i.e. Change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefore, including:**

- **Net Capital Turnover Ratio :** Net Capital Turnover Ratio for current year is 4.22 as against last year Net Capital Turnover Ratio of 2.95.
- **Inventory Turnover Ratio:** Inventory Turnover Ratio for current year is 6.43 as against previous year 8.50.

The Change in Net Capital Turnover ratio and Inventory Turnover ratio is due to the increased inventory held by the company as on date of Balance Sheet.

- ◆ **Details of any change in return on net worth as compared to the immediately previous financial year along with a detailed explanation thereof:**

Return on Net-Worth for current year is 19.53% as against previous year 19.48%. There is subtle change in Operating Profit Margin and Net Profit Margin has remain unchanged during the current year. Hence there is negligible change in the return on Net-worth ratio in the current year.

- ◆ **Segment Wise or Product Wise Performance**

The company has only two reportable segments viz. Engineering Tools and Power on Consolidation basis. Detailed reporting along with figures relating to each reportable segment is disclosed as a part of the notes to the accounts in Note no. 37.

- ◆ **Material Developments in Human Resources / Industrial Relations Front, Including Number of People Employed**

The company believes that human resources will play a key role in its future growth. Planned efforts are made to develop and retain talent. Learning and development initiatives focus on developing the professional capabilities. The company continues to provide growth opportunities to internal talent by assigning them higher responsibilities with suitable exposure and training. The company continues to maintain positive work environment and constructive relationship with its employees with a continuing focus on productivity and efficiency.



Cautionary statement

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include, amongst others, economic conditions affecting demand/supply and price conditions in the markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and incidental factors.

The information in this section is based on Industry sources and publications. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.



INDEPENDENT AUDITOR'S REPORT

To,
The Members of,
M/s Emkay Taps and Cutting Tools Limited
Report on the standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of M/s. Emkay Taps and Cutting Tools Limited ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, and statement of cash flows 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 standalone financial statements give the information required by 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, 2023, and profit/loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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.

Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the

accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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.

That Board of Directors is also responsible for overseeing the company's financial reporting process

Auditor's Responsibility 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.

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure "A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

Place: Nagpur

Date: 30/05/2023

UDIN : 22127522AJWIYD5778

As required by Section 143(3) of the Act, we report that:

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.

- a. 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.
- b. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- c. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- d. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- f. 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on Behalf of
M/S P.S. THAKARE & CO.
Chartered Accountants
FRN: 128572W

 Pushkar Thakare
Partner
Membership No. 162457

Annexure – A - To The Independent Auditor's Report

The annexure referred to in our independent auditor's report to the members of Emkay Taps And Cutting Tools Limited (“the Company”), on the Financial Statements for the period ended 31st March 2023, we report 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 does not have any intangible assets.
- (b) All the Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, the records examined by us and on examination of registered sale deeds provided to us, we report that the title deeds of all the immovable properties are held in the name of the company as at the Balance Sheet date.
- (d) The company has not undertaken any revaluation of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies in the verification of inventory were noticed.
- (b) The company has been sanctioned working capital limits in excess of five crore rupees from ICICI Bank Ltd, in aggregate, from banks or financial institutions on the basis of security of current assets during the period under reporting and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- (iii) The company during the year has neither provided any guarantee or security nor granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. The investment made by the company during the year has been done in compliance of Section 186 and duly accounted in the books.
- (iv) In our opinion and according to the information and explanation given to us, the company has complied with the provisions of sections 185 and 186 of the Companies Act in respect of loans, investments, guarantees, and security. There were no loans granted during the year under section 185 of the Act.
- (v) The company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31st, 2023 and thus the provisions of clause (v) of the Order are not applicable to the company.
- (vi) The company has maintained cost records as specified by the Central Government under sub- section (1) of section 148 of the Companies Act and such accounts and records have been so made and maintained.
- (vii) According to the information and explanation given to us, in respect of statutory dues :
 - (a) The company has been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it with the appropriate authorities.
 - (b) The company does not have any disputed statutory dues during the period under reporting.
- (viii) As per the information available from the management and as per the books of accounts of the Company, we have not come across any instances where unrecorded income of the preceding years have been accounted in the Books of Accounts of the Company for the period under reporting.
- (ix) (a) The company has not defaulted in repayment of loans or other borrowings and in the payment of interest thereto any lender.
- (b) The company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) The term loans which were obtained by the company were applied for the purpose for which the loans were obtained.
- (d) The funds raised by the company on short term basis have not been utilized for long term purposes.
- (e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

- (f) The company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer during the year and hence reporting under clause (x) of the Order is not applicable to the company.
(b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year.
- (xi) (a) To the best of our knowledge and according to the information and explanations given to us, neither fraud by the company nor any fraud on the company has been noticed or reported during the year.
(b) No report under sub-section (12) of section 143 of the Companies Act has been filed as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) We have considered whistle-blower complaints, if any, received during the year by the company;
- (xii) The company is not a Nidhi company and thus reporting under clause 3 (xii) of the Order is not applicable to the company.
- (xiii) In our opinion and according to the information and explanation given to us, the company is in compliance with provisions of section 177 and 188 of Companies Act where applicable, for all the transactions with the related parties and the details have been properly disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) The company has an internal audit system which commensurates with the size and nature of its business.
(b) The reports of the Internal Auditors for the period under audit were considered by us.
- (xv) In our opinion and according to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
(b) The company has not conducted any Non-Banking Financial or Housing Finance activity without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
(c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
(d) We have not come across to instance where the Group has more than one CIC as part of the Group.
- (xvii) The company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- (xviii) We have not found any instances wherein the Statutory Auditor of the Company has resigned during the period under reporting.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no 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;
- (xx) (a) In respect of other than ongoing projects, the company during the period under reporting does not have any unspent amount required to be transferred to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;
(b) The Company does not have any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, which is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.
- (xxi) There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the Consolidated Financial Statements.

Place: Nagpur

Date: 30/05/2023

UDIN : 22127522AJWIYD5778

For and on Behalf of
M/S P.S. THAKARE & CO.
Chartered Accountants
FRN: 128572W

 **Pushkar Thakare**
Partner
Membership No. 162457

Annexure B - To The Independent Auditor's Report Of Even Date On The Standalone Financial Statements

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

We have audited the internal financial controls over financial reporting of Emkay Taps & Cutting Tools Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone 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 controls 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on 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.

Place: Nagpur

Date: 30/05/2023

UDIN : 22127522AJWIYD5778

For and on Behalf of
M/S P.S. THAKARE & CO.
Chartered Accountants
FRN: 128572W

 Pushkar Thakare
Partner
Membership No. 162457

**EMKAY TOOLS****Emkay Taps And Cutting Tools Limited**
Balance Sheet as on 31st March 2023

Figures in Lakh

PARTICULARS	Note. No.	Figures as at the end of 31 st March 2023	Figures as at the end of 31 st March 2022
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	4	1,067.13	1,067.13
(b) Reserves And Surplus	5	21,525.00	17,034.37
(2) Share Application Money Pending Allotment		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	6	12.50	62.50
(b) Deferred Tax Liabilities (Net)	7	87.21	91.15
(4) Current Liabilities			
(a) Short-Term Borrowings	8	560.02	264.21
(b) Trade Payables	9	511.58	393.79
(c) Other Current Liabilities	10	615.05	532.43
(d) Short-Term Provisions	11	1,305.37	899.54
Total :		25,683.86	20,345.12
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Property, Plant and Equipment	12	1,644.57	1,903.32
(ii) Intangible assets			
(iii) Capital work-in-progress			
(iv) Intangible assets under development			
(b) Non-Current Investments	13	18,746.80	14,410.10
(c) Deferred tax assets (net)			
(d) Long term loans and advances	14	24.62	14.20
(e) Other non-current assets		-	-
(2) Current Assets			
(a) Current Investments		-	-
(b) Inventories	15	1,705.99	1,048.28
(c) Trade Receivables	16	1,964.15	1,739.98
(d) Cash And Cash Equivalents	17	128.94	124.39
(e) Short-Term Loans And Advances	18	32.16	36.30
(f) Other Current Assets	19	1,436.63	1,068.55
Total :		25,683.86	20,345.12
Cash Flow Statement		Note 1	
Significant Accounting Policies		Note 2 & 3	
Notes forming Part of Balance Sheet		Note 4 to 46	

For **Emkay Taps And Cutting Tools Ltd.**

Ajayprakash Kanoria
Chairman,
Managing Director & CEO
DIN No : 00041279

As Per My Report of Even Date Attached
For **M/s P.S. Thakare & Company**
Chartered Accountant
FRN 128572W

Shruti Sohane
Company Secretary

V.K Sontakke
Chief Finance Officer

Pushkar Thakare
Partner
Membership No. 162457

Place : Nagpur
Dated : 30/05/2023
UDIN : 23162457BGYVKE2187

**EMKAY TOOLS**

Emkay Taps And Cutting Tools Limited
Profit and Loss Account for the Year Ended 31st March 2023

Figures in Lakh

PARTICULARS	Note No.	For the year ended 31 st March 2023	For the year ended 31 st March 2022
I. Revenue From Operations	20	8,861.57	7,080.67
II. Other Income	21	1,641.65	1,387.16
III. Total Income		10,503.22	8,467.83
IV Expenses			
(a) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	(308.13)	(190.66)
(b) Cost of Raw Material Consumed	23	1,330.37	964.60
(c) Cost of Stores Consumed	24	174.46	143.38
(d) Cost of Packing Material Consumed	25	79.05	60.18
(e) Cost of Trading Goods Consumed	26	5.69	1.23
(f) Manufacturing Expenses	27	1,798.56	1,552.41
(g) Windmill Expenses	28	56.69	59.04
(h) Shares Expenses	29	85.99	77.05
(i) Employee Benefit Expenses	30	606.50	490.87
(j) Administration Expenses	31	557.13	466.83
(k) Selling & Distribution Expenses	32	129.24	98.61
(l) Finance Costs	33	14.27	11.31
(m) Depreciation And Amortization Expenses	34	311.14	333.41
Total Expenses :		4,840.96	4,068.26
V. Profit Before Exceptional And Extraordinary Items And Tax	[III - IV]	5,662.26	4,399.57
VI. Exceptional Items		-	-
VII. Profit Before Extraordinary Items And Tax	[V - VI]	5,662.26	4,399.57
VIII. Extraordinary Items		-	-
IX. Profit Before Tax	[VII - VIII]	5,662.26	4,399.57
X. Tax Expenses :			
(a) Income Tax	35	1,253.42	869.87
(b) Deferred Tax		(3.94)	3.79
XI. Profit / (Loss) From The Period From Continuing Operations	[IX - X]	4,412.78	3,525.91
XII. Profit / (Loss) From Discontinuing Operations		-	-
XIII. Tax Expense of Discounting Operations		-	-
XIV. Profit / (Loss) From Discontinuing Operations After Tax	[XII - XIII]	-	-
XV Profit / (Loss) For The Period	[XI + XIV]	4,412.78	3,525.91
XVI Earning per equity share :	36		
(1) Basic		41.35	33.04
(2) Diluted		41.35	33.04

For Emkay Taps And Cutting Tools Ltd.

 **Ajayprakash Kanoria**
Chairman,
Managing Director & CEO
DIN No : 00041279

 **Shruti Sohane**
Company Secretary

 **V.K Sontakke**
Chief Finance Officer

As Per My Report of Even Date Attached
For **M/s P.S. Thakare & Company**
Chartered Accountant
FRN 128572W

 **Pushkar Thakare**
Partner
Membership No. 162457

Place : Nagpur
Dated : 30/05/2023
UDIN : 23162457BGYVKE2187



Emkay Taps And Cutting Tools Limited

Note 1

Statement of Cash Flow

Figures in Lakh

Particulars	For the year ended	
	31.03.2023	31.03.2022
Cash Flow From Operating Activities:		
Profit before tax	5,662.26	4,399.57
Adjustment for:		
Depreciation & Amortisation Expenses	311.14	333.41
Interest Paid	14.27	11.31
- Interest Received / Other Non Operative Receipt	(1,628.53)	(1,383.45)
Operating Profit before Working Capital Changes	4,359.14	3,360.84
Movement in working capital		
Decrease / (Increase) in inventories	(657.71)	(431.28)
Decrease / (Increase) in trade receivable	(224.18)	64.52
Decrease / (Increase) in short term loans & advances	4.14	124.01
Decrease / (Increase) in other current assets	122.31	573.52
Increase / (Decrease) in trade payable	117.79	124.18
Increase / (Decrease) in other current liabilities	82.62	178.77
Increase / (Decrease) in short term provisions	1.94	4.39
Cash Generated from Operation	3,806.05	3,998.95
Taxes Paid (Net of Refunds)	(1,262.06)	(785.33)
Net Cash from Operating Activities	2,543.99	3,213.62
Cash Flow Used In Investing Activities:		
Fixed Asset Purchased (Net)	(51.73)	(246.97)
Interest Received / Other Non Operative Receipt	1,627.86	1,307.30
Adjustment for:		
Long Term Loan & Advances	(10.41)	(0.13)
Non Current Investments	(4,336.70)	(4,545.33)
Other Non Current Assets	-	-
Net Cash flow used in Investing Activities	(2,770.98)	(3,485.13)
Cash Flow From Financing Activities:		
Payment on Buy Back of Share Capital	-	-
Proceeds from Short term borrowings	295.81	264.21
Proceeds from Long term borrowings	(50.00)	62.50
Payment of Dividend and tax on it	-	-
Interest paid	(14.27)	(11.31)
Net Cash flow from Financing Activities	231.54	315.40
Net Increase / (Decrease) in Cash & Cash Equivalents	4.55	43.89
Cash & Cash Equivalents at the beginning of the year	124.39	80.50
Cash & Cash Equivalents at the end of the year	128.94	124.39

Notes:-

- The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard - 3 On Cash Flow Statements as recommended by Companies Accounting Standard Rules, 2006
- Figures in Brackets represents outflow

For Emkay Taps And Cutting Tools Ltd.

Ajayprakash Kanoria
Chairman,
Managing Director & CEO
DIN No : 00041279

As Per My Report of Even Date Attached
For M/s P.S. Thakare & Company
Chartered Accountant
FRN 128572W

Shruti Sohane
Company Secretary

V.K Sontakke
Chief Finance Officer

Pushkar Thakare
Partner
Membership No. 162457

Place : Nagpur
Dated : 30/05/2023
UDIN : 23162457BGVYKE2187

Emkay Taps And Cutting Tools Limited

Notes Forming Part of the Financial Statements

Note	Particulars
2	The Company is presently engaged in the business of Manufacture of Taps & Cutting Tools and Production of Power through Windmill. The registered office of the company is situated at Plot No. B-27 & B-27/1, MIDC Hingna Industrial Estate, Nagpur - 440016. The Company is Public Limited Company Limited by shares.
2.1	The Company is a Public Company and is listed on National Stock Exchange (India) Ltd. SME EMERGE Platform.
3	SIGNIFICANT ACCOUNTING POLICIES :
3.1	Basis of accounting and preparation of financial statements The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards as notified and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention . The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year .
3.2	Use of estimates The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
3.3	Depreciation and amortisation Depreciation has been provided on the value of Fixed Assets acquired as per the rates and manner as prescribed in Schedule II to the Companies Act, 2013. In respect of additions/extensions forming integral part of existing assets & adjustments to Fixed Assets on account of exchange difference, if any, depreciation has been provided over residual life of the respective fixed assets. Leasehold Land, if any, has been amortised over the period of lease.
3.4	Revenue recognition Income & expenses are recognised and accounted on accrual basis . Where the ability to assess the ultimate collection with reasonable certainty is lacking at the time of raising any claim, revenue recognition is postponed to the extent of uncertainty involved.
3.5	Tangible fixed assets Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date.
3.6	Earnings per share Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. The company has not issued any dilutable Shares to any persons. The EPS has been calculated as per Accounting Standard 20 "Earning Per share" issued by The Institute of Chartered Accountants of India.
3.7	Taxes on income "Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability."

Note	Particulars
3.8	<p>Investment</p> <p>Current Investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term investments are carried at cost. Provision for diminution in the value of Long Term Investments is made only if; such a decline is other than temporary.</p>
3.9	<p>Inventory</p> <p>The inventories, i.e. Raw Materials, Stores and spares, Finished Goods etc. have been value at lower of cost or net realisable value. Cost of Inventories comprises of all costs of purchase, cost of conversion and other cost incurred in bringing them to their respective present location and condition. The cost of raw Material and Stores & Spares is determined at Weighted Average Cost basis. By-products are valued at Net Realisable value. The cost of work in progress and finished stock is determined on the absorption costing method. The value of Finished Goods includes Excise Duty wherever applicable.</p>
3.10	<p>Employee Benefits</p> <p>The Company makes contribution towards Provident Fund and ESIC to a defined contribution retirement benefit plan for qualifying employees. The provident plan is operated is operated partly by Regional Provident Fund Commissioners and partly by an independent Trust, ESIC by Government agencies. Under the said schemes the company is required to contribute a specific percentage of pay roll costs in respect of eligible employees to the retirement benefit schemes to the fund benefits.</p> <p>Short Term Employee Benefits are recognized as an expense in the year in which the related service is rendered at the undiscounted amount in the statement of Profit and Loss.</p> <p>During the Period, the company has recognised Rs. 15,37,988/- for Provident Fund contribution, Rs. 1,42,369/- for ESIC. The Contributions payable to these plans by the Company are at the rates specified in the rules of the Schemes.</p>
3.11	<p>Cash Flow Statements</p> <p>The Cash Flow Statement of the Company has been prepared as per Accounting Standard - 3 : "Statement of Cash Flow" as prescribed by the Institute of Chartered Accountants of India using the Indirect Method.</p>
3.12	<p>Impairment of assets</p> <p>An impairment loss is recognized wherever the carrying amount of fixed assets exceeds the recoverable amount i.e. the higher of the assets' net selling price and value in use.</p>
3.13	<p>Segment Reporting</p> <p>The segment reporting of the Company as prepared in the Notes to Accounts of the Company has been prepared in accordance with the Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India. For the purpose of Reporting the Company has Two (2) segments as mentioned below which are considered as primary segments based on Business undertaken by the Company.</p> <p>Segment A : Manufacturing of Taps & Cutting Tools Segment B : Production of Power through Windmill</p>
3.14	<p>Provisions and contingencies</p> <p>A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. The Accounting Standard - 29 issued has been duly followed while preparing the Balance Sheet for the year ended on 31st March 2023.</p>

**EMKAY TOOLS****Emkay Taps And Cutting Tools Limited****Note Forming Part of Balance Sheet as on 31st March, 2023****Note 4 : SHARE CAPITAL**

Figures In Lacs

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
Authorised 1,20,00,000 Share of Rs. 10/- Each	1,200.00	1,200.00
Issued and Subscribed 1,06,71,300 Shares of Rs. 10/- Each Fully Paid Up	1,067.13	1,067.13
Paid Up 1,06,71,300 Shares of Rs. 10/- Each Fully Paid Up	1,067.13	1,067.13
TOTAL :	1,067.13	1,067.13

4.1 Reconciliation of number of shares outstanding at the beginning and at the year of the year

	As on 31 st March 2023		As on 31 st March 2022	
	No. of Share	In INR	No. of Share	In INR
Number of shares at the beginning of the year	10671300.00	1,067.13	10671300.00	1,067.13
Add : Alloted during the year				
On Preferential Basis	-	-	-	-
On Rights Issue	-	-	-	-
On Bonus Issue	-	-	-	-
Less : Buy Back during the year	-	-	-	-
Number of shares at the end of the year	10671300.00	1,067.13	10671300.00	1,067.13

4.2 Terms/Rights attached to equity Shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each Shareholder is eligible for one vote per share held. In an event of liquidation of the company, the equity shareholders will be entitle to receive any of the remaining assets of the Company, after distribution of all preferential amounts. the distribution will be in the proportion to the number of equity shares held by the shareholder.

4.3 The Company does not have any Holding/Ultimate Holding Company.

4.4 No convertible securities have been issued by the Company during the period under reporting.

4.5 No shares have been reserved for issue under options and contracts/ commitments for the sale of shares/disinvestments.

4.6 No calls are unpaid by any Director(s) of the Company during the year under reporting.

4.7 Details of Share holding more than 5% shares in the company.

	As on 31 st March 2023		As on 31 st March 2022	
	No. of Share	% Holding	No. of Share	% Holding
1. Ajayprakash Kanoria (HUF)	4353960	40.80%	4353960	40.80%
2. Alka Ajayprakash Kanoria	1124190	10.53%	1124190	10.53%
3. Nagpur Tools Pvt. Ltd.	1893600	17.74%	1893600	17.74%
4. Ajayprakash Kanoria	628050	5.89%	628050	5.89%
5. Sudarshan Trading & Manufacturing Pvt. Ltd.	1045800	9.80%	1045200	9.79%
6. Anmesh Trade & Investments	566400	5.31%	566400	5.31%

4.8 Details of Share holding by Promoters in the company.

Promoter Name	No. of Shares as on 31/.03/2023	% of total shares	% Change during the year
1. Ajayprakash Murlidhar Kanoria (HUF)	4353960	40.80%	-
2. Nagpur Tools Private Limited	1893600	17.74%	-
3. Alka Ajayprakash Kanoria	1124190	10.53%	-
4. Ajayprakash Murlidhar Kanoria	628050	5.89%	-
5. Apoorvashree Kanoria	1500	0.01%	-
6. Adishree Engineering Pvt. Ltd.	1500	0.01%	-
TOTAL	8002800	74.99%	

Note 5 : RESERVE AND SURPLUS

Particulars		As on 31 st March 2023		As on 31 st March 2022
Share Premium Account				
Balance as per last Balance Sheet	420.41		420.41	
Less: Withdrawal During the Year	-	420.41	-	420.41
Sicom Capital Incentive Reserve				
Balance as per last Balance Sheet	29.75		29.75	
Add : Addition during the year	-	29.75	-	29.75
D.C.V.L. Subsidy				
Balance as per last Balance Sheet	9.71		9.71	
Add : Addition during the year	-	9.71	-	9.71
" Industrial Promotion Subsidy (From Govt. of Maharashtra under Package Scheme) "				
Balance as per last Balance Sheet	150.11		150.11	
Add : Addition during the year	77.84	227.95	-	150.11
Profit & Loss Account				
Balance as per last Balance Sheet	16,424.40		12,897.87	
Add : Profit During the year	4,412.78		3,525.91	
Add : Dividend Income Short Accounted Last Year	-	20,837.18	0.62	16,424.40
TOTAL :		21,525.00		17,034.37

Note 6 : LONG TERM BORROWINGS

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
Secured Loans		
ICICI Bank Term Loan	12.50	62.50
(Secured against Hypothecation of Current Assets and movable Fixed Assets)		
TOTAL	12.50	62.50

Note 7 : DEFERRED TAX LIABILITIES

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Liabilities arising out of Fixed Assets				
Balance as per Last Balance Sheet	91.15		87.36	
Asset Created During the Year	3.94	87.21	(3.79)	91.15
TOTAL :		87.21		91.15

Note 8 : SHORT TERM BORROWINGS

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
ICICI Bank Ltd :	508.09		214.21	
Cash Credit Account No. : 624251000017 (Secured Against Hypothecation of Entire Current Assets including Inventory, book debts & Receivable)				
ICICI Bank Ltd :	50.00		50.00	
Current Maturity of Long Term Loan due within 12 months (Secured against Hypothecation of Current Assets and movable Fixed Assets)				
ICICI Bank Ltd :	1.93		-	
FD Overdraft Account No. : 624205019910 (Secured Against FDR)	560.02			264.21
TOTAL	560.02			264.21

Note 9 : TRADE PAYABLES

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Due to :				
Micro and Small Enterprises	19.76		25.74	
Other Payables	346.73		291.41	
Related Party	145.09	511.58	76.64	393.79
(Refer Note No 43 for Trade payables ageing Schedule)				
TOTAL :		511.58		393.79

Note 10 : OTHER CURRENT LIABILITIES

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Deposits & Advances Received	12.50		66.79	
Liability For Expenses	324.43		255.66	
Statutory Liabilities	274.74		204.66	
Other Credit Balances	3.38	615.05	5.32	532.43
TOTAL :		615.05		532.43

Note 11 : SHORT TERM PROVISIONS

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
For Employee Benefits	25.61		23.21	
For Others	1,279.76	1,305.37	876.33	899.54
TOTAL :		1,305.37		899.54

Note 12
PROPERTY, PLANT & EQUIPMENT

PARTICULARS	RATE OF DEP.	GROSS BLOCK			DEPRECIATION			NET BLOCK			
		BALANCE AS ON 01-04-2022	ADDITION DURING THE YEAR	SALE/ TRANSFER DURING THE YEAR	BALANCE AS ON 31-03-2023	BALANCE AS ON 01-04-2022	DEPRECIATION DURING THE YEAR	DEPRECIATION REVERSED	BALANCE AS ON 31-03-2021	BALANCE AS ON 31-03-2023	BALANCE AS ON 31-03-2022
Land No. 1	0.00%	13.50	-	-	13.50	-	-	-	-	13.50	13.50
Land No. 2	0.00%	7.67	-	-	7.67	-	-	-	-	7.67	7.67
Building No. 1	9.50%	331.06	-	-	331.06	137.47	18.39	-	155.86	175.20	193.59
Building No. 2	9.50%	38.34	-	-	38.34	29.22	0.87	-	30.09	8.25	9.11
Furniture & Fixture	25.89%	51.93	0.50	-	52.43	28.40	5.93	-	34.33	18.10	23.52
Mobile Phone	63.16%	8.65	-	-	8.65	6.29	1.31	-	7.60	1.05	2.36
Office Equipments	45.07%	27.58	2.15	-	29.73	22.21	2.34	-	24.55	5.18	5.38
Plant & Machinery	18.10%	3,298.77	38.01	-	3,336.78	2,158.14	207.40	-	2,365.54	971.24	1,140.63
Generator	18.10%	8.97	-	-	8.97	8.52	-	-	8.52	0.45	0.45
Compressors	18.10%	33.58	1.60	-	35.18	17.95	2.90	-	20.85	14.33	15.64
Transformers	18.10%	9.93	-	-	9.93	5.11	0.87	-	5.98	3.95	4.82
Transport Trolleys	18.10%	0.62	-	-	0.62	0.44	0.03	-	0.47	0.15	0.18
Coolant Tower (L-6)	18.10%	8.12	-	-	8.12	3.66	0.81	-	4.47	3.65	4.46
Coolant Tower (B-27)	18.10%	9.94	0.83	-	9.94	1.57	1.52	-	3.09	6.85	8.37
Air Conditioners	18.10%	25.23	-	-	26.06	17.65	1.35	-	19.00	7.06	7.58
Elevator (Lift)	18.10%	6.74	-	-	6.74	2.56	0.76	-	3.32	3.42	4.18
Computers	63.16%	65.35	4.44	-	69.79	52.00	8.16	-	60.16	9.63	13.35
Computer Software	63.16%	6.00	-	-	6.00	5.70	-	-	5.70	0.30	0.30
Inspection Equipments	18.10%	47.16	5.35	-	52.51	31.97	2.98	-	34.95	17.56	15.19
Electricals Installations	25.89%	35.66	-	-	35.66	26.62	2.14	-	28.76	6.90	9.04
Fax Machine	18.10%	1.08	-	-	1.08	1.03	-	-	1.03	0.05	0.05
Pollution Control Equipment	18.10%	12.50	-	-	12.50	9.74	0.45	-	10.19	2.31	2.76
Motor Car	31.23%	133.62	-	8.00	125.62	87.09	13.59	6.56	94.12	31.50	46.53
Loader E-Cart (Electric Rickshaw)	31.23%	1.18	-	-	1.18	0.76	0.13	-	0.89	0.29	0.42
Motor Cycle	25.89%	1.98	0.94	-	2.92	1.75	0.17	-	1.92	1.00	0.22
Fire Safety Equipment	18.10%	10.15	-	-	10.15	2.13	1.45	-	3.58	6.57	8.02
Solar Plant	8.20%	72.49	-	-	72.49	6.02	5.45	-	11.47	61.02	66.47
TOTAL (A) :		4,267.80	53.82	8.00	4,313.62	2,664.00	279.00	6.56	2,936.44	1,377.18	1,603.79
WIND MILL DIVISION :											
Wind Mill [Mysore]	12.73%	612.91	-	-	612.91	521.91	11.58	-	533.49	79.42	91.00
Wind Mill 2 [Rajasthan]	12.73%	828.00	-	-	828.00	666.47	20.56	-	687.03	140.97	161.53
Lease Hold Land [Rajasthan]	0.00%	15.00	-	-	15.00	-	-	-	-	15.00	15.00
Lease Hold Land 2 [Rajasthan]	0.00%	32.00	-	-	32.00	-	-	-	-	32.00	32.00
TOTAL (B) :		1,487.91	-	-	1,487.91	1,188.38	32.14	-	1,220.52	267.39	299.53
TOTAL (A+B) :		5,755.71	53.82	8.00	5,801.53	3,852.38	311.14	6.56	4,156.96	1,644.57	1,903.32
PREVIOUS YEAR :		5,455.56	332.82	32.68	5,755.70	3,549.59	333.41	30.62	3,852.39	1,903.32	1,905.97

Note 13
NON-CURRENT INVESTMENTS

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
a) In Mutual Funds	2,568.69		1,811.82	
b) In Quoted Equity Shares	10,958.54		9,359.78	
c) In Unquoted Equity Shares	164.94		9.79	
d) In Portfolio Management Service (PMS)	3,935.38		3,223.39	
e) In Fixed Deposit Receipts	1,119.25	18,746.80	5.32	14,410.10
TOTAL :		18,746.80		14,410.10

Note : No diminution in value, if any, has been ascertained in case of Mutual Funds/Quoted Equity Shares/Unquoted Equity Shares held by the Company and have been recorded in the books at the Cost of Purchase by the Management. (Kindly refer attached Annexure listing non-current investments)

Note 14
LONG TERM LOANS AND ADVANCES

(Advances recoverable in cash or in kind or for value to be received)

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
a) Capital Advances (Unsecured and considered good)	0.22		0.22	
b) Security Deposits	24.40		13.98	
c) Other Loans & Advances	-	24.62	-	14.20
TOTAL :		24.62		14.20

Note 15
INVENTORIES

(Valued at Lower of Cost or Realisable Value as Certified by the Management)

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Raw Material	691.81		348.93	
Consumable Stores	17.07		13.15	
Work In Progress	103.51		71.42	
Finished Goods	890.61		614.13	
Trading Goods	2.83		0.07	
Scrap Material (At Estimated Realisable Value)	0.16	1,705.99	0.58	1,048.28
TOTAL :		1,705.99		1,048.28

Note 16
TRADE RECEIVABLES

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
a) Secured & Considered Good	-		-	
b) Unsecured & Considered Good	1,964.15		1,739.98	
c) Considered Doubtful (Refer Note No. 43 for Trade Receivables ageing Schedule)	-	1,964.15	-	1,739.98
TOTAL :		1,964.15		1,739.98



Note 17

CASH AND CASH EQUIVALENTS

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Cash in Hand (As certified by the Management)	3.30		1.70	
Balances with Bank	125.64	128.94	122.69	124.39
TOTAL :		128.94		124.39

Note 18

SHORT TERM LOANS AND ADVANCES

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Advances with the Suppliers	7.65		5.63	
Loans & Advances to Staff	13.38		11.50	
Other Advances	11.13	32.16	19.17	36.30
TOTAL :		32.16		36.30

Note 19

OTHER CURRENT ASSETS

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Advances with Revenue Authorities	1,353.46		875.32	
Other Debit Balances	83.17	1,436.63	193.23	1,068.55
TOTAL :		1,436.63		1,068.55

Note 20

REVENUE FROM OPERATIONS

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
1. Domestic Sale				
Sale of Taps & Tools				
a) Sales	10,030.44		8,055.04	
b) Deemed Export Sales (SEZ)	22.69		21.21	
TOTAL:-	10,053.13		8,076.25	
Less : CGST Receipts	292.10		238.46	
: SGST Receipts	292.10		238.46	
: IGST Receipts	945.32		751.29	
: Discount & Rate Difference	133.72		105.29	
: Sales Return	50.33		41.54	
: T.C.S. Receipts	3.53	8,336.03	3.45	6,697.76
2. Export Sale				
a) Sale of Taps & Tools	331.98	331.98	207.25	207.25
3. Trading Sale				
a) Trading Sale	10.13		1.71	
Less : CGST, SGST, IGST & TCS	1.55		0.26	
Less : Sales Return	0.02	8.56	-	1.45
4. Scrap Sale				
a) Scrap Sale	46.81		26.64	
Less : CGST, SGST, IGST & TCS	7.47	39.34	4.25	22.39
5. Power Generation Unit Sale				
Power Generation Unit Sale	146.38		146.57	
Less : Discount	0.79	145.59	0.56	146.01
6. Licence Sales	-			5.81
7. Job Work Receipts		0.07		-
TOTAL :		8,861.57		7,080.67

Note 21

OTHER INCOME

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Dividend Received		186.23		111.29
Duty Draw Back Receipts		5.93		3.70
Rodtep Duty Receipts		6.71		-
Exchange Rate Fluctuation		2.98		5.86
F.D.R. Interest Received		26.57		0.36
Interest Received		4.55		3.34
Sales Tax Refund Received		0.48		-
Profit on Sale of Machinery		-		71.00
Profit on Sale of Motor Car		0.67		5.15
Short Term Capital Gain	242.15		853.62	
Less : Short Term Capital Loss	170.07	72.08	119.24	734.38
Long Term Capital Gain	1,498.71		582.15	
Less : Long Term Capital Loss	422.43	1,076.28	224.98	357.17
Short Term Gain on Mutual Fund	1.06		1.06	
Less : Short Term Loss on Mutual Fund -		1.06		1.06
Long Term Gain on Mutual Fund	258.11		93.85	
Less : Long Term Loss on Mutual Fund -		258.11		93.85
TOTAL :		1,641.65		1,387.16

Note 22

CHANGES IN INVENTORY

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
1. Finished Goods :				
Opening stock	614.13		459.45	
Less : Closing stock	890.61	(276.48)	614.13	(154.68)
2. Work-In-Progress :				
Opening stock	71.42		31.76	
Less : Closing stock	103.51	(32.09)	71.42	(39.66)
3. Scrap Material :				
Opening stock	0.58		4.26	
Add : Purchase of Scrap	0.02	-	4.26	
Less : Closing stock	0.16	0.44	0.58	3.68
TOTAL :	0.60	(308.13)		(190.66)

Note 23

COST OF RAW MATERIAL CONSUMED

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Opening Stock	348.93		119.97	
Add : Purchase of Raw Material	1,658.69		1,180.21	
Add : Purchase of HSS Taps	14.56		13.35	
	2,022.18		1,313.53	
Less : Closing Stock of Raw Material	691.81	1,330.37	348.93	964.60
TOTAL :		1,330.37		964.60

Note 24

COST OF STORES CONSUMED

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Opening Stock	13.15		1.50	
Add : Purchase of Consumable Stores	178.38		155.03	
Less : Closing stock of Consumable Stores	17.07	174.46	13.15	143.38
TOTAL :		174.46		143.38

Note 25

COST OF PACKING MATERIAL CONSUMED :

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Purchases		79.05		60.18
TOTAL :		79.05		60.18

Note 26

COST OF TRADING GOODS CONSUMED

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Opening Stock	0.07		0.04	
Add : Purchase of Trading Goods	8.45		1.26	
Less : Closing stock of Trading Goods	2.83	5.69	0.07	1.23
TOTAL :		5.69		1.23

Note 27

MANUFACTURING EXPENSES :

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Building Repairs	23.39		28.38	
Electricity Charges	163.27		125.33	
Freight & Octroi	11.61		6.89	
Job Work Expenses	1,478.08		1,278.07	
Repairs and Maintenance	118.61		110.87	
Testing Expenses	0.17		0.06	
Water Charges	2.42		2.81	
Generator Expenses	1.01		-	
TOTAL :		1,798.56		1,552.41

Note 28

WINDMILL EXPENSES :

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Insurance (Wind Mill)	1.07		1.09	
Repairs & Maintenance	54.94		57.46	
Electricity Charges	-		0.12	
Lease Rent Charges	0.68		0.08	
Electrical Inspection Charges	-		0.29	
TOTAL :		56.69		59.04

Note 29
SHARES EXPENSES :

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
PMS Portfolio Management Fees & Expenses	70.79	59.03
PMS Portfolio Security Transaction Tax	3.28	3.33
Security Transaction Tax	8.83	11.17
Stamping Charges	0.73	0.92
Stock Holding Expenses	-	0.03
Transaction Charges	0.35	0.36
Share Expenses	0.06	0.13
SEBI Tax	0.01	0.01
SGST & CGST on Shares	1.94	2.07
TOTAL :	85.99	77.05

Note 30
EMPLOYEE BENEFIT EXPENSES :

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
Bonus	27.17	25.77
E. S. I. C.	1.42	1.47
Exgratia	16.04	10.68
Gratuity	7.12	5.33
Incentive A/c.	73.83	55.40
Labour Welfare	10.95	7.85
Leave with Wages	1.45	2.41
Medical Expenses	0.64	0.50
Provident Fund	15.38	13.52
Stipend	100.90	75.94
Salary and Wages	351.60	292.00
TOTAL :	606.50	490.87

Note 31
ADMINISTRATION EXPENSES :

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
Profession Tax	0.05	0.05
Bank Charges	2.48	2.21
Books and Periodicals	0.08	0.09
Car Expenses	8.56	4.88
Computer Software Expenses	5.49	1.79
Conveyance Expenses	20.16	17.85
Consultancy Fees	1.52	0.65
CSR Expenses	51.93	45.79
Director Travelling Expenses	12.27	5.35
Donation	0.26	0.02
Insurance	9.10	10.35
Interest on Service Tax, GST & TDS	0.21	1.11
Internet / Website Expenses	2.33	1.27
Keyman Insurance	25.00	25.00
Legal and Professional Expenses	20.96	11.49
Licence Fees	2.61	0.82
Membership Fees and Subscription	1.63	0.93
Office Expenses	8.32	7.16
Postage & Telegram Expenses	0.69	0.57

Continue ...

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Printing and Stationery	10.05		6.74	
Rent, Rates and Taxes	5.55		4.59	
Security Service Charges	8.45		7.43	
Sundry Balances W/Off	3.08		20.68	
Telephone Expenses	4.52		4.52	
Traveling Expenses	15.87		8.25	
GST / VAT Audit Fees	1.20		1.44	
Cenvat/Excise Expenses	-		1.25	
VAT/CST Expenses	1.32		4.93	
GST Expenses	0.86	224.55	0.03	197.24
Payment to Directors				
- For Remuneration	283.11		219.98	
- For Salary	48.00		48.00	
- For Sitting Fees	0.47	331.58	0.61	268.59
Payment to Auditors				
- For Audit	1.00		1.00	
- For Taxation	-		-	
- For Consultancy & Others	-	1.00	-	1.00
TOTAL :		557.13		466.83

Note 32

SELLING AND DISTRIBUTION EXPENSES :

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Advertisement	26.91		11.74	
Carriage Outward	55.04		50.88	
Commission on Sales	22.57		18.21	
Entertainment Expenses	1.01		0.31	
Hospitality Expenses	0.16		0.43	
Sales Promotion	7.27		2.66	
Sales Promotion & Consultancy Charges	16.28		14.38	
TOTAL :		129.24		98.61

Note 33

FINANCE COST :

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Bank Interest	5.99		2.92	
Interest on Term Loan	8.28		8.39	
TOTAL :		14.27		11.31

Note 34

DEPRECIATION & AMORTISATION EXPENSES :

Particulars	As on 31 st March, 2023		As on 31 st March, 2022	
Depreciation for the Year	311.14		333.41	
Less:- Depreciation reversed	-	311.14	-	
TOTAL :		311.14		333.41

Note 35

INCOME TAX EXPENSES :

Particulars	As on 31 st March, 2023	As on 31 st March, 2022
Current Year Income Tax Provision	1,265.90	862.00
Add : Tax for Earlier Year	1.42	-
: Short Provision of Income Tax of Earlier Year	-	12.76
Less : Excess provision of income Tax Earlier Year	13.90	4.89
TOTAL :	1,253.42	869.87

Note 36

EARNING PER SHARE

Particulars	As on 31 st March, 2022	As on 31 st March, 2021
(A) Profit for the Year	4,412.78	3,525.91
(B) Weighted Average Number of Shares	106.71	106.71
Basic Earning Per Share	41.35	33.04
Diluted Earning per Share	41.35	33.04

For Emkay Taps And Cutting Tools Ltd.

 **Ajayprakash Kanoria**
Chairman,
Managing Director & CEO
DIN No : 00041279

As Per My Report of Even Date Attached
For **M/s P.S. Thakare & Company**
Chartered Accountant
FRN 128572W

 **Shruti Sohane**
Company Secretary

 **V.K Sontakke**
Chief Finance Officer

 **Pushkar Thakare**
Partner
Membership No. 162457

Place : Nagpur
Dated : 30/05/2023
UDIN : 23162457BGYVKE2187

Note 37
SEGMENT REPORTING

Particulars	31 st March 2023				31 st March 2022			
	Tools	Power	Others	Total	Tools	Power	Others	Total
Revenues								
Sales to External Customers	8,733.61	149.49	1,620.12	10,503.22	7,021.01	148.90	1,297.92	8,467.83
Total Segmental Revenues	8,733.61	149.49	1,620.12	10,503.22	7,021.01	148.90	1,297.92	8,467.83
Segmental Result								
Profit before Interest	4,247.34	57.23	1,371.96	5,676.53	3,483.30	52.20	875.38	4,410.88
(net of allocated corporate expenses)								
Less: unallocated corporate expenses								
(Net of Other Income)								
Operating Profit	4,247.34	57.23	1,371.96	5,676.53	3,483.30	52.20	875.38	4,410.88
Interest (net of income)	9.50		4.77	14.27	11.31	-	-	11.31
Profit before Tax	4,237.84	57.23	1,367.19	5,662.26	3,471.99	52.20	875.38	4,399.57
Provision for Tax								
- Current Tax	1,082.31	22.49	148.62	1,253.42	830.62	21.78	17.47	869.87
- Deferred Tax				(3.94)				3.79
Profit from Ordinary Activities	3,155.53	34.74	1,218.57	4,412.78	2,641.37	30.42	857.91	3,525.91
Extraordinary Items								-
Net Profit	3,155.53	34.74	1,218.57	4,412.78	2,641.37	30.42	857.91	3,525.91

Particulars	31 st March 2023				31 st March 2022			
	Tools	Power	Others	Total	Tools	Power	Others	Total
Other Information								
Segmental Assets	6,302.31	300.56	19,080.99	25,683.86	4,503.15	305.75	15,536.22	20,345.12
Unallocated Corporate Assets								
Total Assets	6,302.31	300.56	19,080.99	25,683.86	4,503.15	305.75	15,536.22	20,345.12
Segmental Liabilities	1,680.09	2.12	56.41	1,738.62	1,272.49	12.10	5.87	1,290.46
Unallocated Corporate Liabilities								
Total Liabilities	1,680.09	2.12	56.41	1,738.62	1,272.49	12.10	5.87	1,290.46
Capital Expenditure during the year (Including Movement in CWIP)	53.82		-	53.82	325.18	-	-	325.18
Depreciation & Amortisation Exps.	279.00	32.14	-	311.14	296.58	36.83	-	333.41

Notes :

- The above Financials results have been arrived at after going through the Balance Sheet and Profit & Loss Account for the Company for the year ending on 31st March, 2023
- This segment report of M/s Emkay Taps & Cutting Tools Ltd. is prepared in accordance to the Accounting Standard 17 - "Segment Reporting"
- For the purpose of this reporting, Business Segment are considered as primary segments. Since the Company is operating from single location. There are no Geographical segments for the company. However, based on Business Line, there are 2 segments, viz., Manufacturing of Tools and Generation of Power.
- The measurement principles for segment reporting are based on IND AS adopted in the consolidated financial statements. Segments's performance is evaluated based on segment revenue and profit or loss from operating activities, i.e., segment results.
- Operating revenues and expenses related to both third party and inter-segment transactions are included in determining the segment results of each respective segment. Finance income earned and finance expense incurred is not allocated to individual segment and the same has been reflected at the Group Level for segment reporting. Inter-segment pricing and terms are reviewed and changed by the management to reflect changes in market conditions and changes to such terms are reflected in the period the change occurs. Segment information prior to the change in terms is not restated. These transactions have been eliminated on consolidation. The total assets disclosed for each segment represent assets directly managed by each segment, and primarily include receivables, property, plant and equipment, intangibles, inventories, operating cash and bank balances, inter-segment assets and exclude derivative financial instruments, deferred tax assets and income tax recoverable.
- Segment liabilities comprise operating liabilities and exclude external borrowings, provision for taxes, deferred tax liabilities and derivative financial instruments.
- Segment capital expenditure comprises additions to property, plant and equipment and intangible assets (net of rebates, where applicable).

Note 38

EMPLOYEE COSTS

Particulars	As on 31 st March 2023	As on 31 st March 2022
Salary Allowances & Others	583	471
Defined contribution plan	17	15
Defined benefit plan/other long term benefits	7	5
Share based compensation	-	-
TOTAL	607	491

Note 39

INCOME TAXES

The major components of the Income Tax Expenses are Follows :

Particulars	As on 31 st March 2023	As on 31 st March 2022
<u>Current Income Tax</u>		
in India	1,266	862
Overseas	-	-
Deferred Tax		
Relating to origination and reversal of temporary differences	(4)	4
Relating to changes in tax rates	-	-
Tax expense attributable to current year's profit (A) :-	1,262	866
Adjustments in respect of income tax of previous year :		
Current income tax		
in India	(12)	8
Overseas	-	-
Total (B) :-	(12)	8
TOTAL (A+B) :-	1,249	874

The company during the Period has earned a profit of Rs. 5,662.26, A provision of Rs. 1,265.90 for Income Tax as required by Income Tax Act, 1961 has been made in the Books of Account.

Note 40

CURRENT ASSETS, LOANS AND ADVANCES

In the opinion of the management, Current Assets, Loans and Advances are of the values stated, if realised in the ordinary course of business

Note 41

RELATED PARTY TRANSACTIONS

Related Party transactions represent transactions entered into by the Group with entities having significant influence over the Group ('significant influence entities'), associates, joint ventures and other related parties. The transactions and balances with the related parties for the year ended March 31st, 2023 and Year ended March 31st, 2022, respectively are described below :

RELATED PARTY DISCLOSURE

A. Key Management Persons :

Mr. Ajayprakash Kanoria
Mrs. Alka Kanoria
Mr. Vishnu Sontakke
Ms. Shruti Sohane

B. Related Parties

Nagpur Tools Pvt. Ltd.
Adishree Engineering Pvt. Ltd.

Summary of Transactions with Above Parties :

Particulars	As on 31 st March 2023	As on 31 st March 2022
a. Transactions for the period		
Nagpur Tools Pvt. Ltd.:-		
Job Work Expenses (Gross Including Taxes)	904.69	761.41
Adishree Engineering Pvt. Ltd.		
Job Work Expenses (Gross Including Taxes)	97.12	101.86
Closing Balance	As on 31st March 2023	As on 31st March 2022
Due from		
Vishnu Sontakke	0.63	1.80
Shruti Sohane	0.66	0.33
Due to:-		
Ajayprakash Kanoria	112.96	96.63
Alka Ajayprakash Kanoria	82.71	61.41
Nagpur Tools Pvt. Ltd.	113.03	64.15
Adishree Engineering Pvt. Ltd.	32.06	12.49

Note : Outstanding balances at period end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is taken each year through examining the financial position of the related party and market in which the related party operates.

Remuneration to key management personnel were as follows :

Particulars	As on 31 st March 2023	As on 31 st March 2022
1) Ajayprakash Kanoria		
Salary	36.00	36.00
Remuneration	169.87	131.99
2) Alka Kanoria		
Salary	12.00	12.00
Remuneration	113.25	87.99
3) Vishnu Sontakke		
Salary	9.68	8.09
4) Shruti Sohane		
Salary	6.21	4.93
TOTAL	347.01	281.00

Note 42

CONTINGENCIES

Particulars	Year Ended March 31 st , 2023	Year Ended March 31 st , 2022
(i) Taxes, Duties and Other Demands (under adjudication/appeal/dispute)	-	-
(ii) Claims under legal cases including arbitration matters	-	-
TOTAL	-	-

The above mentioned contingent liabilities represent disputes with various government authorities in the respective jurisdiction where the operations are based and it is not possible for the Group to predict the timing of final outcome.

Based on the Company's evaluation, it believes that it is not probable that the claim will materialise for below cases and therefore, no provision has been recognised.

Note 43
AGEING SCHEDULE FOR TRADE PAYABLES AND RECEIVABLES
i) Ageing Schedule of Trade Payables

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	16.96	-	-	2.80	19.76
(ii) Others	490.97	0.85	-	-	491.82
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

ii) Ageing Schedule of Trade Receivables

Particulars	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	
(i) Undisputed Trade Receivables - considered good	1,931.38	19.71	7.88	-	5.18	1,964.15
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables - considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered doubtful	-	-	-	-	-	-

Note 44
ADDITIONAL REGULATORY INFORMATION
i) Title Deeds of Immovable Property not held in the name of the Company

The company does not have any immovable property whose title deeds are not held in the name of the company during the period under reporting.

ii) Disclosures for Loans and Advances to Related persons

During the period under reporting, the Company has not granted Loans and Advances in the nature of loans to Promoters, Directors, KMP's and related parties (as defined under Companies Act, 2013) either severally or jointly with any other person.

iii) Capital - Work - in Progress (CWIP)

The company does not have any Capital-Work-in Progress during the period under reporting.

iv) Intangible Assets under Development

During the period under reporting, the Company has no Intangible Assets which are under Development stage.

v) Borrowing from Banks and Financial Institution on security of Current Assets

The Company has a Cash Credit facility availed from ICICI Bank during the period under reporting.

a) The quarterly returns of statements of current assets filed by the Company with the Bank are in agreement with the books of accounts.

vi) Ratios

Particulars	As on March 31 st , 2023	As on March 31 st , 2022	% Change in Ratio
1. Current Ratio	1.761	1.922	-8.41%
2. Debt - Equity Ratio	0.133	0.119	11.76%
3. Debt Service Coverage Ratio	1.47%	1.45%	1.69%
4. Return on Equity Ratio	19.53%	19.48%	0.28%
5. Inventory Turnover Ratio	6.43	8.50	-24.33%
6. Net Capital Turnover Ratio	4.22	2.95	42.93%
7. Net profit Ratio	49.80%	49.80%	0.00%
8. Return on Capital Employed	25.02%	24.16%	3.53%

The Current Ratio has reduced by 8% majorly due to the high inventory available with the company as on the date of Balance Sheet as against the preceeding year. Further it is noticed that Debt Equity Ratio has increased by 11.76% which is primarily due to the increased provision of Income tax Liability due to high profits earned by the company during the period under reporting. Change Inventory Turnover Ratio as well as Net Capital Turnover ratios is due to the increased inventory held by the company as on the date of Balance Sheet.

vii) Undisclosed Income

The Company does not have any income which have been surrendered or disclosed as income during the year in the tax assessment under The Income Tax Act, 1961.

Note 45

EXPENDITURE IN RELATION TO CSR EXPENDITURE

As per Sec 135 of the Companies Act, 2013, the Company is required to undertake expenditure in respect of Corporate Social Responsibility (CSR). Disclosure in respect of CSR is as follows:

The Company is spending in various Healthcare, education of needy persons and environment protection as a part of its CSR activities.

Particular	Amount	Amount
A) Gross amount required to be spent by the Company during the year	Rs. 49.03 Lacs	Rs. 44.15 Lacs
B) Amount spent by the Company during the Year	Rs. 51.93 Lacs	Rs. 45.79 Lacs
C) Shortfall at the end of the year	Nil	Nil

Note 46

PREVIOUS YEAR FIGURES

The previous year figures have been regrouped, recasted and reclassified wherever necessary to make them comparable with those of current year figures.

For Emkay Taps And Cutting Tools Ltd.

 **Ajayprakash Kanoria**
Chairman,
Managing Director & CEO
DIN No : 00041279

As Per My Report of Even Date Attached
For **M/s P.S. Thakare & Company**
Chartered Accountant
FRN 128572W

 **Shruti Sohane**
Company Secretary

 **V.K Sontakke**
Chief Finance Officer

 **Pushkar Thakare**
Partner
Membership No. 162457

Place : Nagpur
Dated : 30/05/2023
UDIN : 23162457BGYVKE2187

Annexure For Non-current Investments

Investment In Mutual Funds :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
1145.717 Unit ICICI Prudential Liquid Plan - Direct	341,773.12	341,773.12
304.892 Units ICICI Prudential Liquid Plan - Growth	70,449.99	70,449.99
451501.921 Units Motilal Oswal Most Focused Midcap 30 Fund - Regular	10,000,000.00	10,000,000.00
481869.654 Units Motilal Oswal Most Focused Midcap 30 Fund - Direct Plan Growth	10,000,000.00	10,000,000.00
391757.424 Units HSBC Small Cap Fund (Formerly known as L And T Emerging Business Fund)	10,000,000.00	10,000,000.00
0.090 Unit HDFC Mid Cap Opp. Fund Direct Growth	5.02	5.02
1841095.0833 Unit White Oak Equity Fund -II	23,753,440.55	23,753,440.55
329343.931 Unit Axis Small Cap Fund Direct Growth	20,000,000.00	20,000,000.00
456899.480 Unit Edelweiss Mid Cap Fund Direct Plan Growth	25,000,000.00	25,000,000.00
183463.162 Unit Kotak Mid Cap Direct Growth	26,500,000.00	26,500,000.00
1059600.732 Unit Mirae Asset Midcap Fund Direct Plan Growth	21,000,000.00	21,000,000.00
827728.255 Unit Mirae Asset Healthcare Fund Direct Plan Growth	20,000,000.00	20,000,000.00
102.836 Unit NIP IND ETE Liquid Bees	102,836.10	246.28
748632.276 Unit Canara Robeco Smallcap Fund Direct	20,100,000.00	-
130555.666 Unit Quant Small Cap Fund IB DG	20,000,000.00	-
1694968.408 Nippon India Nivesh Lakshya Fund - Growth Plan	25,000,000.00	-
801149.549 Unit Kotak Dynamic Bond Fund Regular Plan	25,000,000.00	-
12067.694 Franklin India Prima Fund -Direct	-	8,283,491.14
180500.406 Unit H. D. F. C. Mid Cap Opp. Fund Direct - Growth	-	6,232,137.52
TOTAL :	256,868,504.78	181,181,543.62

Investment In Shares :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
Quoted		
0125000 Shares of Aditya Birla Capital Ltd.	16,326,098.25	21,574,424.72
0004000 Shares of Aarti Industries Ltd.	2,558,261.16	3,384,838.81
0073500 Shares of Bharti Airtel PP	27,683,717.82	27,683,717.82
0119340 Shares of Axis Bank Ltd.	95,295,903.72	29,817,627.82
0003000 Shares of Bajaj Finserv Ltd.	2,442,183.27	2,442,183.27
0270490 Shares of Bank Of Baroda	23,272,471.50	22,157,769.56
0007000 Shares of B. F. Utilities	3,651,400.00	3,651,400.00
0003000 Shares of Cipla Ltd.	2,698,911.02	2,698,911.02
0015000 Shares of Delta Corp Limited	2,912,990.00	2,912,990.00
0010000 Shares of Deccan Cement Ltd.	4,932,766.39	4,932,766.39
0142600 Shares of DLF Limited	46,917,984.51	46,917,984.51
0080500 Shares of Federal Bank Ltd	4,650,232.87	16,636,942.35
0014500 Shares of Fortis Healthcare Ltd.	4,156,395.10	4,156,395.10
0008500 Shares of Godrej Industries Ltd	4,952,915.97	4,952,915.97
0000009 Shares of Hindustan Engineering & Ind. Ltd.	1.00	1.00
0100900 Shares of Hindalco Industries	35,203,866.42	36,196,621.36

Continue ...

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
0060883 Shares of HDFC Bank Ltd.	74,866,300.23	64,781,104.08
0146475 Shares of ICICI Bank Ltd.	99,688,265.52	87,576,824.08
0016000 Shares of I G Petrochemicals Ltd.	11,641,710.47	16,050,661.41
0001000 Shares of Indigo Paints Ltd.	2,372,894.30	2,372,894.30
0273250 Shares of Indiabulls Real Est. Ltd.	39,637,961.77	39,637,961.77
0007250 Shares of ISGEC Heavy Eng Ltd.	4,434,285.78	4,964,245.33
0145900 Shares of ITC Ltd.	25,552,483.00	31,703,544.64
0230000 Shares of Jindal Saw Ltd.	20,367,653.33	21,859,290.24
0066500 Shares of Jindal Steel & Power Ltd.	27,887,992.47	1,723,324.02
0005000 Shares of JK Lakshmi Cement Ltd.	2,885,790.64	2,885,790.64
0004000 Shares of Kajaria Ceramics Ltd.	3,640,090.66	3,640,090.66
0015200 Shares of Larsen & Toubro Ltd	26,249,540.85	21,242,919.19
0006000 Shares of Laurus Labs Ltd.	2,914,699.35	2,914,699.35
0023000 Shares of Max Healthcare Institute Ltd.	9,937,953.30	2,355,833.35
0001250 Shares of Navin Fluorine International Ltd.	4,022,002.19	4,022,002.19
0005333 Shares of N. E. P. C. Agro Food Ltd.	92,015.00	92,015.00
0017600 Shares of Oberoi Realty Ltd.	13,563,593.52	13,563,593.52
0170000 Shares of Orient Cement Ltd.	22,369,957.88	24,809,236.04
0170000 Shares of Prakash Industries Ltd.	10,668,671.76	16,910,215.65
0002550 Shares of Punjab Chem & Crop Prop Ltd.	3,854,300.87	3,854,300.87
0007802 Shares of Reliance Rs.2.50 PPD	17,979,242.42	17,979,242.42
0012782 Shares of RSWM Limited	2,095,946.98	10,139,795.09
0160000 Shares of Sintex Plastic Technology Ltd.	4,437,251.06	6,707,121.70
0185500 Shares of State Bank Of India	66,306,291.40	77,067,902.62
0010000 Shares of Sun Pharmaceuticals Indus. Ltd.	6,155,391.48	10,284,626.30
0002279 Shares of Tata Consultancy Services	4,934,222.45	4,934,222.45
0100000 Shares of Tata Steel Limited	10,305,326.87	2,799,852.19
0002010 Shares of Titan Company Ltd.	2,149,399.89	2,149,399.89
6100000 Shares of Unitech Ltd.	19,027,057.65	14,961,862.75
0089300 Shares of UPL Limited	51,562,217.57	45,423,690.78
0000750 Shares of Voltamp Transformers	1,079,933.26	1,079,933.26
0050000 Shares of Wipro Ltd.	21,522,542.55	10,531,043.00
0001000 Shares of Aarti Pharmalabs Limited	826,577.65	-
0006000 Shares of APL Apollo Tubes Ltd.	7,154,513.97	-
0005250 Shares of Arvind Fashions Limited	1,742,156.34	-
0027000 Shares of Birla Corporation Ltd.	26,518,437.50	-
0190000 Shares of Canara Bank	43,663,286.70	-
0007500 Shares of Cholamandalam Investment And Finance Ltd.	5,539,554.80	-
0007600 Shares of Cyient Limited	7,014,949.50	-
0030000 Shares of Exide Industries Ltd.	5,524,027.35	-
0001500 Shares of LTI mindtree Limited	6,973,451.16	-
0250000 Shares of NIP Ind ETF PSU Bank	11,551,505.61	-

Continue ...

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
0900000 Shares of NIP Ind ETF IT	27,903,736.70	-
0042600 Shares of NTPC Ltd.	7,027,178.00	-
0005800 Shares of Polycab India Ltd.	16,002,692.21	-
0008500 Shares of United Spirits Limited	7,585,360.80	-
0250000 Shares of Union Bank Of India	18,545,085.20	-
0600000 Shares of Yes Bank Ltd.	10,422,000.00	-
0026500 Shares of Anant Raj Global Ltd. TARC Ltd.	-	-
0003000 Shares of Apollo Tricoat Tubes Ltd.	-	4,083,945.59
0025000 Shares of Aurobindo Pharma Ltd.	-	13,484,100.10
0006500 Shares of Balkrishna Industries Ltd.	-	4,984,419.09
0100000 Shares of Housing Development & Infrastructure Ltd.	-	6,751,944.36
0025000 Shares of JM Financial Limited	-	2,326,861.31
0368875 Shares of The Karnataka Bank Ltd.	-	34,421,976.58
0002700 Shares of MMP Industries Ltd.	-	203,829.30
0160000 Shares of Rashtriya Chemicals	-	6,918,387.96
0010000 Shares of Wockhardt Ltd.	-	7,202,184.15
0000200 Shares of Abbott India Ltd.	-	3,207,902.07
0001500 Shares of ADF Foods Ltd.	-	1,483,098.98
0037000 Shares of Apollo Tyres Ltd.	-	8,545,459.25
0092500 Shares of Ashok Leyland Ltd.	-	11,873,260.57
0002000 Shares of Biocon Limited	-	644,711.75
0006100 Shares of Canfin Homes Ltd.	-	3,355,883.98
0003000 Shares of Deepak Nitrite Ltd.	-	6,030,584.27
0023625 Shares of JK Paper Limited.	-	3,367,562.09
0037500 Shares of Jindal Stainless Ltd.	-	7,515,873.95
0000635 Shares of Oracle Fin Serv Software Ltd.	-	2,298,187.59
0001200 Shares of Syngene International Ltd.	-	684,043.96
0003000 Shares of Valiant Organic Ltd.	-	4,953,329.58
0000500 Shares of Voltas Ltd.	-	503,499.29
Unquoted		
0041000 Shares of Aryan Fine Fab Ltd..	62,735.00	62,735.00
0000700 Shares of Hindustan Developers Corp. Ltd.	12,565.00	12,565.00
0124700 Shares of Nagpur Tools Pvt. Ltd.	748,200.00	748,200.00
0002000 Shares of Pretech Computer Ltd.	41,000.00	41,000.00
0002500 Shares of Rajendra Steel Ltd.	33,545.00	33,545.00
0003000 Shares of Rajendra Pipes Ltd.	33,670.00	33,670.00
0001800 Shares of Rama Phosphates Ltd.	12,240.00	12,240.00
0005000 Shares of Reylon Pen Co. Ltd.	35,250.00	35,250.00
0005350 Shares of NSE Shares Security Deposit Exp. of Int.	15,515,000.00	-
TOTAL :	1,112,347,803.96	936,956,979.25

Investment In Portfolio Management Service (PMS) :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
a) White Oak India Pioneers Equity Portfolio (PMS)		
0000086 Shares of Abbott India Ltd.	1,383,720.88	1,094,668.14
0000847 Shares of Ajanta Pharma Ltd.	864,496.96	864,496.95
0000430 Shares of Asian Paints Limited	1,351,365.05	3,180,620.83
0000788 Shares of Astral Poly Technik Ltd.	840,415.72	1,650,313.45
0001560 Shares of Axis Bank Ltd.	1,189,173.05	2,771,301.15
0000127 Shares of Bajaj Finance Limited	800,396.13	795,242.59
0001060 Shares of Bajaj Finserv Ltd.	997,378.55	1,161,631.49
0000496 Shares of BEML Ltd.	801,752.86	498,413.20
0000244 Shares of Cartrade Tech Limited	390,417.71	390,417.71
0004459 Shares of Cholamandalam Investment & Finance Co. Ltd.	1,775,643.40	1,953,015.33
0001382 Shares of Cipla Ltd.	1,037,736.11	1,612,830.61
0000541 Shares of Coforge Limited	1,804,319.32	815,124.65
0000285 Shares of Computer Age Management Ser. Ltd.	556,181.87	780,896.94
0001458 Shares of Dodla Dairy Limited	886,110.04	886,110.04
0000268 Shares of Dr Lal Pathlabs Ltd.	593,121.67	593,121.67
0000445 Shares of Eicher Motors Ltd.	1,223,404.79	500,565.32
0001746 Shares of FSN E-Commerce Ven Ltd. (Nykaa)	637,341.20	637,341.20
0000052 Shares of Fine Organic Industries Ltd.	157,170.04	722,853.32
0000485 Shares of Garware Technical Fibres Ltd.	1,027,783.33	1,060,144.50
0004225 Shares of HDFC Bank Ltd.	5,873,716.62	5,054,992.52
0000996 Shares of HDFC Life Insurance Co. Ltd.	557,716.18	548,172.62
0002489 Shares of Hindalco Industries Ltd.	1,439,662.87	1,439,662.87
0008136 Shares of ICICI Bank Ltd.	4,109,228.57	4,557,948.08
0000363 Shares of ICICI Lombard Gen Ins Co Ltd.	524,239.73	691,765.38
0000822 Shares of Indigo Paints Limited.	2,214,330.73	2,214,330.73
0000180 Shares of Info Edge India Ltd.	774,745.85	774,745.85
0002841 Shares of Infosys Limited	3,148,303.01	4,399,776.97
0001129 Shares of Kotak Mahindra Bank Ltd.	1,983,823.00	644,316.33
0000069 Shares of L & T Technology Service Ltd.	117,986.40	297,530.93
0000273 Shares of Maruti Suzuki India Ltd.	2,172,167.98	2,143,753.06
0000650 Shares of MCX India Limited	1,058,355.57	1,058,355.57
0000316 Shares of Metropolis Healthcare Ltd.	775,901.52	775,901.52
0000374 Shares of Navin Fluorine Int. Ltd.	916,299.41	916,299.41
0000237 Shares of Nestle India Ltd.	4,035,376.21	4,401,609.38
0000407 Shares of Persistent Systems Ltd.	809,503.73	997,339.02
0000616 Shares of Phoenix Mills Ltd.	410,262.05	373,212.87
0000588 Shares of Poly Medicure Ltd.	388,042.09	276,375.53
0004083 Shares of Sequent Scientific Ltd.	848,344.24	848,344.24
0006340 Shares of Tata Steel Ltd.	819,911.11	819,911.10
0001046 Shares of Titan Company Ltd.	1,749,412.02	2,233,068.39
0000016 Shares of Page Industries Ltd.	666,098.49	452,795.18

Investment In Portfolio Management Service (PMS) :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
0002890 Shares of Saregama India Ltd	1,188,352.14	1,188,352.14
0000800 Shares of Vedant Fashions Ltd.	751,786.60	610,839.54
0001175 Shares of Ambuja Cements Ltd.	479,955.84	-
0000174 Shares of ABB India Ltd.	581,134.76	-
0000292 Shares of BEML Land Assets Limited	2,292.70	-
0000268 Shares of Balkrishna Industries Ltd.	584,442.20	-
0001142 Shares of Campus Activewear Ltd.	432,439.72	-
0002774 Shares of CG Power & Industrial Solutions	678,738.52	-
0001269 Shares of Container Corp. Of India Ltd.	953,763.44	-
0000154 Shares of Craftsman Automation Ltd.	493,292.80	-
0000407 Shares of Data Patterns India Ltd.	506,462.90	-
0000794 Shares of Five Star Business Finance Ltd.	455,961.00	-
0000492 Shares of Grindwell Norton Ltd.	1,006,048.65	-
0000016 Shares of Honeywell Automation India Ltd.	603,260.84	-
0000193 Shares of Hindustan Aeronautics Ltd.	482,711.82	-
0000050 Shares of Indiamart Intermesh Ltd.	249,566.02	-
0000391 Shares of IPCA Laboratories Ltd.	322,581.27	-
0000831 Shares of IIFL Finance Ltd.	290,209.77	-
0001333 Shares of Larsen And Toubro Ltd.	2,911,257.95	-
0000082 Shares of LTI mindtree Limited	402,864.37	-
0001336 Shares of Rainbow Children Medicare Ltd.	787,156.59	-
0000670 Shares of RHI Magnesita India Ltd.	488,989.22	-
0001440 Shares of Syngene International Limited	807,206.40	-
0000059 Shares of SBI Life Insurance Co. Ltd.	63,213.78	-
0000249 Shares of Tube Investments Of India Ltd.	661,848.58	-
0000036 Shares of 3M India Ltd.	-	881,508.78
0002127 Shares of Crompton Greaves Consumer Elec. Ltd.	-	893,480.75
0000275 Shares of Dixon Technologies India Ltd.	-	582,485.92
0001539 Shares of Intellect Design Arena Ltd.	-	551,950.15
0000656 Shares of Mphasis Limited	-	1,025,423.58
0002342 Shares of Orient Electric Ltd.	-	505,686.57
0001129 Shares of Suven Pharmaceuticals Ltd.	-	532,878.84
0001213 Shares of KNR Construction Ltd.	-	340,716.63
0000295 Shares of Newgen Software Technologies Ltd.	-	155,668.30
Sub - Total :	69,896,893.94	65,158,307.84
b) Anand Rathi Advisors Ltd. (PMS)		
0002499 Shares of Aarti Industries Ltd.	1,367,065.45	1,808,766.16
0000358 Shares of Blue Dart Express Ltd.	1,568,591.97	1,568,591.97
0029942 Shares of Bharat Electronics Ltd.	1,551,269.95	2,311,277.60
0000523 Shares of Coforge Limited	1,682,750.12	1,452,133.61
0002255 Shares of Corborundum Universal Ltd.	1,414,876.99	1,773,827.51
0002589 Shares of ICICI Bank Ltd.	1,832,296.67	1,832,296.67

Investment In Portfolio Management Service (PMS) :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
0003771 Shares of K.P.R. Mill Ltd.	708,333.52	769,718.19
0002268 Shares of Radico Khaitan Ltd.	1,166,326.91	1,166,326.91
0001769 Shares of Ratanamani Metals & Tubes Ltd.	1,909,230.59	1,922,215.42
0003143 Shares of Somany Ceramics Ltd.	1,350,987.28	901,670.62
0000712 Shares of Solar Industries India Ltd.	1,200,955.20	2,044,760.51
0002462 Shares of Anupam Rasayan India Ltd.	1,839,795.97	-
0000441 Shares of Bajaj Finance Limited	2,509,071.78	-
0000539 Shares of Eicher Motors Ltd.	1,652,284.92	-
0003538 Shares JK Lakshmi Cement Ltd.	1,390,065.35	-
0001507 Shares of KEI Industries Ltd.	1,850,577.03	-
0001650 Shares of Mahindra And Mahindra Ltd.	2,124,997.05	-
0006259 Shares of Mishra Dhatu Nigam Ltd.	1,411,811.78	-
0004620 Shares of Sharda Cropchem Ltd.	2,839,023.98	-
0001628 Shares of Varun Beverages Limited	1,822,418.04	-
0004154 Shares of Crompton Greaves Consumer Elec. Ltd.	-	1,681,789.53
0000464 Shares of Mind Tree Ltd..	-	794,117.22
0003328 Shares of Tata Consumer Products Ltd.	-	1,991,553.87
0005145 Shares of Allcargo Global Logistics Ltd.	-	1,624,618.13
0001970 Shares of Krishna Institute Medical Science Ltd.	-	2,464,907.36
0002673 Shares of Oberoi Reality Ltd.	-	2,467,014.36
0001225 Shares of Tata Communication Ltd.	-	1,922,995.57
Sub - Total :	33,192,730.55	30,498,581.21
c) Sageone Core Portfolio (PMS)		
0001788 Shares of Aarti Industries Ltd.	1,017,325.37	1,213,732.07
0003005 Shares of APL Apollo Tubes Ltd.	2,281,299.00	2,828,770.93
0000474 Shares of Balkrishna Industries Ltd.	1,057,597.33	1,642,512.02
0003466 Shares of Canfin Homes Ltd.	1,852,039.12	1,478,063.21
0004315 Shares of Century Textiles & Ind.Ltd.	2,306,302.86	2,117,104.52
0004246 Shares of Eid Parry India Ltd.	1,977,719.50	1,472,201.46
0007107 Shares of Indian Energy Exchange Ltd.	1,565,486.73	1,465,631.91
0005152 Shares of Laurus Lab Ltd.	2,834,647.71	3,516,963.54
0000841 Shares of Polycab India Ltd.	1,137,166.66	1,194,094.53
0012821 Shares of Sterlite Technologies Ltd.	2,603,449.02	1,218,093.68
0000896 Shares of Gujarat Fluorochemicals Ltd.	2,948,691.51	-
0008341 Shares of Jindal Stainless Ltd.	1,921,653.47	-
0003110 Shares of K P R Mills Ltd.	1,737,361.78	-
0001071 Shares of KEI Industries Ltd.	1,297,824.74	-
0000432 Shares of Timken India Ltd.	1,331,191.94	-
0000973 Shares of Trent Ltd.	1,309,027.42	-
0001541 Shares of Deepak Nitriate Ltd.	-	2,624,851.19
0001818 Shares of Kajaria Ceramics Ltd.	-	1,761,852.11
0005069 Shares of Suven Pharmaceutical Ltd.	-	2,599,372.75

Investment In Portfolio Management Service (PMS) :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
0000505 Shares of Gland Pharma Ltd.	-	1,591,608.76
0000401 Shares of LTTTS	-	1,834,086.82
Sub - Total :	29,178,784.16	28,558,939.50
d) Sageone Smallcap Portfolio (PMS)		
0004807 Shares of Apollo Pipes Ltd	0.01	2,299,786.05
0000665 Shares of Balaji Amines Ltd.	2,100,535.44	1,254,070.86
0008052 Shares of Gujarat Ambuja Exports Ltd.	1,568,610.35	1,801,329.26
0021577 Shares of Indiabulls Real Estate Ltd.	2,208,273.72	1,493,825.79
0001677 Shares of KEI Industries Ltd.	1,254,596.08	1,369,283.30
0004467 Shares of Kirloskar Pneumatic Co. Ltd.	1,705,107.99	2,245,540.00
0000913 Shares of Mastek Ltd.	2,677,372.97	2,677,372.97
0003459 Shares of Pokarna Ltd.	1,313,900.33	1,367,744.03
0004568 Shares of Saregama India Ltd.	1,871,847.70	1,492,531.64
0002954 Shares of Shankara Building Products Ltd.	2,026,980.91	1,835,398.77
0001417 Shares of TCI Express Ltd.	1,806,441.72	1,806,441.72
0003219 Shares of APL Apollo Tubes Ltd.	969,268.69	-
0003774 Shares of CCL Products India Ltd.	1,949,997.65	-
0002296 Shares of Divgi Torqtransfer Systems Ltd.	1,373,841.12	-
0001571 Shares of FIEM Industries Ltd.	1,603,701.45	-
0007541 Shares of ISMT Ltd.	471,440.53	-
0000858 Shares of Kirloskar Ferrous Ind. Ltd.	316,627.80	-
0005038 Shares of Kirloskar Oil Engines Ltd.	1,573,286.94	-
0001732 Shares of Rajratan Global Wire Ltd.	1,445,887.81	-
0000559 Shares of Timken India Ltd.	1,377,292.63	-
0004977 Shares of Apollo Tricoat Tubes Ltd	-	2,973,852.86
0000894 Shares of Deepak Nitriate Ltd.	-	1,804,687.42
0000397 Shares of Navin Fluorine Int. Ltd.	-	1,133,174.53
0001614 Shares of Valiant Organics Ltd.	-	2,237,817.02
0001037 Shares of Privi Speciality Chemical Ltd.	-	1,970,307.19
0002440 Shares of Somany Ceramics Ltd.	-	1,590,209.46
Sub - Total :	29,615,011.84	31,353,372.87
e) Abakkus Emerging opportunities App (PMS)		
0004740 Shares of Anup Engineering Ltd.	3,218,057.03	2,823,038.28
0019922 Shares of Allcargo Logistics Ltd.	5,215,472.38	5,630,738.26
0011052 Shares of Canfin Homes Ltd.	6,067,021.78	6,067,021.78
0015318 Shares of Canara Bank Ltd.	2,685,212.47	2,685,212.47
0015355 Shares of DCM Shriram Industries Ltd.	1,110,289.35	1,110,289.35
0071795 Shares of Federal Bank Ltd.	5,885,812.57	6,555,987.33
0015317 Shares of Greenpanel Industries Ltd.	3,973,514.18	3,973,514.18
0000867 Shares of HIL Ltd.	2,740,705.06	3,194,724.62
0007581 Shares of H G Infra Engineering Ltd.	4,182,767.08	3,393,171.60
0002833 Shares of ION Exchange India Ltd.	4,517,462.70	4,736,248.06

Investment In Portfolio Management Service (PMS) :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
0017015 Shares of IIFL Finance Ltd.	4,743,986.28	3,737,203.44
0008086 Shares of Jubilant Ingrevia Ltd.	2,992,018.75	2,179,883.76
0026759 Shares of Kopran Ltd.	4,180,126.20	4,180,126.20
0002090 Shares of Mastek Ltd.	3,505,758.81	3,957,036.52
0006097 Shares of Max Financial Services Ltd	6,102,485.09	6,479,073.85
0006338 Shares of Radico Khaitan Ltd.	4,092,231.25	4,700,154.62
0014857 Shares of Rupa And Company Ltd.	6,665,666.54	5,810,044.78
0005068 Shares of Sarda Energy & Mineral Ltd	3,909,530.16	4,019,581.56
0007489 Shares of Siyaram Silk Mills Ltd	3,383,051.69	2,708,536.90
0009252 Shares of UPL Limited	6,407,283.83	6,407,283.83
0045546 Shares of Dwariakesh Sugar Industries Ltd.	4,665,248.55	-
0015367 Shares of Granules India Ltd.	5,178,487.12	-
0033181 Shares of Jindal Stainless Ltd.	2,242,524.60	-
0004793 Shares of Stylam Industries Ltd.	5,410,053.21	-
0027046 Shares of Titagarh Wagons Ltd.	3,650,385.80	-
0021844 Shares of Ujjivan Financial Services Ltd.	5,566,264.13	-
0004262 Shares of Uniparts India Limited	2,401,424.61	-
0130349 Shares of I D F C Ltd.	-	6,634,211.59
0018491 Shares of Jindal Stainless Hisar Ltd.	-	2,412,920.33
0010483 Shares of Jubilant Pharmova Ltd.	-	7,255,107.39
0002242 Shares of Nilkamal Ltd.	-	4,921,964.38
0001240 Shares of Oracle Financial Services Software Ltd.	-	4,526,800.70
0001562 Shares of Saregama India Ltd.	-	2,414,653.25
0003301 Shares of HCL Technologies Ltd.	-	3,683,497.08
0003186 Shares of Qness Corporation Ltd.	-	2,080,303.16
0003670 Shares of Surya Roshni Ltd.	-	2,824,678.53
Sub - Total :	114,692,841.22	121,103,007.80
f) IIFL Phoenix Portfolio (PMS)		
0000793 Shares of Axis Bank Limited	609,962.05	609,441.91
0000194 Shares of Alembic Pharmaceuticals Ltd.	134,787.04	40,010.64
0000541 Shares of Aegis Logistics Ltd.	119,635.89	151,230.03
0000281 Shares of Arvind Fashions Limited.	82,654.20	112,682.27
0000330 Shares of Bharti Airtel Limited	173,479.24	206,044.70
0000170 Shares of Century Textiles India Ltd.	134,935.65	177,198.58
0000281 Shares of Cyient Limited	242,805.15	254,386.28
0000123 Shares of Fairchem Oraganics Ltd.	246,815.01	238,545.43
0000344 Shares of Gati Corporation Ltd.	56,601.31	49,050.50
0000383 Shares of Greenpanel Industries Ltd.	126,004.98	128,359.34
0000505 Shares of Hindustan Petroleum Corp. Ltd.	126,131.55	173,576.71
0000604 Shares of ICICI Bank Ltd.	395,374.20	645,432.06
0000839 Shares of ITC Limited	198,904.91	222,957.72
0000098 Shares of Larsen Toubro Ltd.	148,221.63	149,734.09

Investment In Portfolio Management Service (PMS) :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
0000123 Shares of Max Financial Services Limited	94,242.85	131,793.98
0000119 Shares of Motilal Oswal Financial Services	105,702.95	126,199.70
0000091 Shares of Multi Commodity Exc. Of India Ltd	140,935.86	107,846.73
0000672 Shares of Maharashtra Seamless Ltd.	99,288.21	237,517.94
0003056 Shares of Motherson Sumi Wiring India Ltd.	106,651.63	100,746.73
0001261 Shares of NTPC Limited	174,726.77	205,308.18
0000832 Shares of Oil & Natural Gas Corp. Ltd.	128,393.51	147,872.02
0000048 Shares of Persistent System Limited	140,041.56	142,959.09
0000047 Shares of SKF India Limited	128,056.46	128,921.04
0000251 Shares of Somany Ceramics Limited	179,471.07	180,119.64
0000675 Shares of State Bank Of India	293,941.32	390,167.78
0000270 Shares of Sun Pharmaceutical Industries	206,660.59	385,686.77
0000168 Shares of Symphony Limited	176,483.37	134,492.76
0000032 Shares of Tata Communications Ltd.	38,862.29	111,951.23
0000658 Shares of Tata Motors Ltd.	252,935.95	114,525.89
0000315 Shares of United Spirits Ltd.	212,851.32	200,156.18
0000475 Shares of Wipro Ltd.	236,671.23	233,555.77
0001125 Shares of Coal Indial Limited	211,686.70	-
0000377 Shares of Chennai Petroleum Corp Ltd.	89,247.05	-
0000312 Shares of Eureka Forbes Limited	97,753.64	-
0003920 Shares of Equitas Small Finance Bank Ltd.	177,307.85	-
0000084 Shares of GMM Pfaudler Ltd.	142,921.38	-
0000152 Shares of HDFC Standard Life Ins. Co. Ltd.	90,935.65	-
0000165 Shares of HDFC Bank Ltd.	275,552.70	-
0000944 Shares of Indian Energy Exchange Ltd.	136,791.03	-
0000641 Shares of Kirloskar Oil Engines Ltd.	162,155.13	-
0002222 Shares of NLC India Limited	162,757.27	-
0001037 Shares of National Mineral Dev Corp Ltd.	58,090.52	-
0000162 Shares of Natco Pharma Ltd.	89,491.37	-
0000024 Shares of Oracle Finance Services Software	79,094.83	-
0001204 Shares of RBL Bank Limited	194,242.19	-
0001438 Shares of Sequent Scientific Ltd.	165,141.25	-
0000193 Shares of UTI Asset Management Company	138,857.37	-
0000389 Shares of Zensar Technologies Ltd.	92,147.68	-
0000468 Shares of Zee Entertainment Enterprises	96,635.64	-
0000031 Shares of Blue Dart Express Ltd.	-	181,952.49
0000668 Shares of Bank Of Baroda	-	65,701.57
0000195 Shares of Chemplast Sanmar Limited	-	144,036.37
0002057 Shares of Equitas Holdings Limited	-	204,918.69
0000143 Shares of Godrej Consumer Products Ltd.	-	119,317.52
0001242 Shares of Mangalore Ref. Petrochemical	-	55,110.73
0000201 Shares of Nocil Limited	-	49,691.19

Investment In Portfolio Management Service (PMS) :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
0000175 Shares of Qness Corp Limited	-	142,347.76
0000030 Shares of Ultra Tech Cement Ltd.	-	209,067.81
Sub - Total :	7,973,039.00	7,410,615.82
g) UNIFI Capital pvt. Ltd .- Blended Rangoli (PMS)		
0000241 Shares of Atul Ltd.	2,020,361.25	2,020,361.25
0004474 Shares of Axis Bank Ltd.	2,978,187.71	3,946,192.37
0010559 Shares of Crompton Greaves Consumer Electricals Ltd.	4,264,065.95	2,025,352.06
0003464 Shares of Chemplast Sanmar Ltd	2,027,623.41	2,087,431.60
0001461 Shares of Coromandel International Ltd.	1,139,074.57	2,123,160.96
0005306 Shares of ICICI Securities Ltd	3,318,174.29	2,259,163.90
0001959 Shares of Natco Pharma Ltd	1,526,018.54	1,979,435.64
0004026 Shares of Narayana Hrudayalaya Ltd	2,751,993.02	1,043,307.35
0000719 Shares of Polycab India Ltd	1,749,127.17	1,992,246.36
0004788 Shares of Sonata Software Ltd	2,830,256.00	2,824,431.18
0007228 Shares of State Bank Of India	3,411,828.37	4,051,379.81
0000962 Shares Transpek Industry Ltd	2,055,726.22	2,055,726.22
0003127 Shares of Wipro Ltd.	1,877,442.46	1,877,442.46
0000293 Shares of DCM Shriram Ltd.	297,935.06	-
0001090 Shares of Godrej Consumer Products Ltd.	913,689.57	-
0000402 Shares of Hindustan Aeronautics Ltd.	1,017,371.35	-
0002283 Shares of ICICI Bank Ltd.	1,632,258.53	-
0013549 Shares of RBL Bank Ltd.	2,130,342.01	-
0005757 Shares of Redington India Ltd.	1,024,824.73	-
0015815 Shares of DCB Bank Ltd.	-	1,276,230.12
0007173 Shares of FDC Limited	-	2,062,402.68
0000862 Shares of Tata Communications Ltd	-	1,102,323.14
0002265 Shares of United Spirits Ltd.	-	2,016,472.25
0001636 Shares of Varun Beverages Ltd	-	1,513,621.14
Sub - Total :	38,966,300.21	38,256,680.49
h) Motilal Oswal Asset Management Co. Ltd - NTDOP (PMS)		
0001490 Shares of Aegis Logistics Ltd.	347,942.36	-
0000079 Shares of Alkem Laboratories Ltd.	272,392.82	-
0000055 Shares of Bayer Cropscience Ltd.	271,083.05	-
0000592 Shares of Bharat Forge Ltd.	433,669.64	-
0000250 Shares of Birla Corporation Ltd.	293,571.10	-
0000031 Shares of Bosch Ltd.	451,942.88	-
0000256 Shares of Clean Science & Tech Ltd.	496,418.24	-
0000757 Shares of Container Corp Of India Ltd.	514,131.70	-
0000078 Shares of Cummins India Ltd.	85,052.93	-
0000310 Shares of Eicher Motors Ltd.	781,291.97	-
0001006 Shares of Emami Limited	475,176.68	-
0000433 Shares of Gland Pharma Ltd.	1,124,844.01	-

Investment In Portfolio Management Service (PMS) :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
0000159 Shares of Housing Dev. Finance Corpo. Ltd.	423,437.47	-
0001880 Shares of ICICI Bank Ltd.	1,448,575.08	-
0000723 Shares of IPCA Laboratories Ltd.	755,929.98	-
0002546 Shares of ITC Limited	680,932.10	-
0000838 Shares of Kotak Mahindra Bank Ltd.	1,509,087.42	-
0000340 Shares of L & T Technology Services Ltd.	1,540,152.43	-
0000086 Shares of LTI mindtree Ltd (L & T Infotech)	510,589.30	-
0000257 Shares of Larsen & Toubro Ltd.	488,991.56	-
0001220 Shares of Max Financial Services Ltd.	962,552.99	-
0000031 Shares of Maruti Suzuki India Ltd.	276,201.24	-
0000028 Shares of Page Industries Ltd.	1,248,489.63	-
0000829 Shares of Religare Enterprises Ltd.	151,121.74	-
0001921 Shares of State Bank Of India	1,055,977.38	-
0000096 Shares of Tata Consultancy Services Ltd.	352,771.46	-
0000685 Shares of Tech Mahindra Limited	969,935.38	-
0000305 Shares of Vedant Fashion Ltd.	327,692.64	-
0000462 Shares of Voltas Ltd.	600,140.38	-
0006318 Shares of Zomato Ltd.	389,702.45	-
Sub - Total :	19,239,798.01	-
i) Kotak Portfolio Management Services - K Kore (PMS)		
0003962 Shares of Axis Bank Ltd.	3,411,942.62	-
0004237 Shares of Ambuja Cements Ltd.	1,465,588.89	-
0005468 Shares of Bharti Airtel Ltd. Rs 1.25 Partly	2,370,885.98	-
0005333 Shares of Balrampur Chini Mills Ltd.	1,996,493.34	-
0001530 Shares of Cummins India Ltd.	2,049,377.93	-
0000573 Shares of Divis Laboratories Ltd.	1,917,437.46	-
0008419 Shares of Fortis Healthcare Ltd.	2,420,614.04	-
0004268 Shares of Jindal Steel And Power Ltd.	2,099,739.91	-
9589.552 Units of Kotak Overnight Fund Mutual Fund	11,205,782.79	-
0002419 Shares of Metro Brands Ltd.	2,040,708.80	-
0001353 Shares of PVR Ltd.	2,381,131.62	-
0001424 Shares of Sapphire Foods India Ltd.	2,074,436.35	-
0003349 Shares of SBI Cards & Payment Services Ltd.	2,718,657.92	-
0012251 Shares of Tata Motors Ltd.	2,576,104.97	-
0024500 Shares of Union Bank Of India	1,397,896.50	-
0000358 Shares of Ultratech Cement Ltd.	2,534,472.49	-
0192482 Shares of Yes Bank Ltd.	3,202,764.40	-
0011409 Shares of Zee Entertainment Enterprises Ltd.	2,918,526.55	-
Sub - Total :	50,782,562.56	-
GRAND - TOTAL :	393,537,961.49	322,339,505.53

Fixed Deposit Receipts :

PARTICULARS	As on 31 st March 2023	As on 31 st March 2022
F.D.R. with Bank of Maharashtra	155,285.63	147,627.63
F.D.R. with Bank of Maharashtra (A/c No. 20108225049)	19,222.86	18,168.86
F.D.R. with Bank of Maharashtra (A/c No. 20108246988)	12,493.64	11,791.64
F.D.R. With ICICI Bank	45,699.00	43,545.00
F.D.R. With ICICI Bank (A/c No. 005913044262)	218,599.00	207,153.00
F.D.R. With ICICI Bank (A/c No. 005913044297)	108,663.00	103,535.00
F.D.R. With ICICI Bank (A/c No. 0019578228)	40,523,972.00	-
F.D.R. With ICICI Bank (A/c No. 0019578253)	70,841,439.00	-
TOTAL :	111,925,374.13	531,821.13

* * * *

**28th Annual General Meeting
Attendance Slip**

EMKAY TAPS AND CUTTING TOOLS LIMITED

CIN: L29220MH1995PLC091091

Address of the registered office and contact details: Plot No B-27 and B-27/1, MIDC HINGNA, INDUSTRIAL ESTATE, NAGPUR-440016 MH IN

Tel Ph.: 07104-237584 Email: investors@etctl.com

DPID _____

Client ID _____

Registered Folio No.: _____

No. of Shares: _____

Name(s) and Address of the Shareholder/Proxy in full:

I certify that I am a shareholder / proxy of the shareholder of the Company. I/We hereby record my/our presence at the **28th Annual General Meeting** of the Company being held on **Monday, September 18, 2023 at 11.30 a.m.** at B-27 7 B-27/1 M.I.D.C. Hingna, Industrial Estate at Nagpur-440016.

Signature of Shareholder/Proxy

Note: Please fill in Attendance Slip and hand it over at the Entrance of the Hall.



EMKAY TOOLS

28th Annual General Meeting

FORM NO. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L29220MH1995PLC091091
 Name of the company : **EMKAY TAPS AND CUTTING TOOLS LIMITED**
 Registered office : B-27 7 B-27/1 M.I.D.C. Hingna,
 Industrial Estate, Nagpur-440016.
 Tel. No. 07104-237584
www.etctl.com

Name of the Member(s): _____

Registered Address : _____

Email id : _____

Folio No/Client Id : _____

I/We, being the member (s) of _____ shares of the above named company, hereby appoint

1. Name: _____
 Address: _____
 Email Id: _____
 Signature: _____

or failing him/her

2. Name: _____
 Address: _____
 Email Id: _____
 Signature: _____

or failing him/her

3. Name: _____
 Address: _____
 Email Id: _____
 Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company being held on Monday, September 18, 2023 at 11.30 a.m. at The Registered Office of the Company and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS:

1. To consider and adopt the Audited financial statements of the Company for the year ended March 31, 2023 together with the Reports of the Board of Directors and Auditors' thereon.

2. To consider re-appointment of Mr. Ajayprakash Kanoria (DIN: 00041279), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for re-appointment. For details of Director seeking re-appointment at the Annual General Meeting please refer Annexure - IB to the Notice.

3. To appoint Statutory Auditors of the Company and to fix their remuneration; For Brief Profile of the Auditor recommended by the Board refer Annexure-IC.

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 139, Section 142 and other applicable provisions of the Companies Act, 2013, and rules made there under, as amended from time to time, M/s P.S. Thakare & Co., Peer Reviewed Chartered Accountants from Nagpur be and is hereby appointed as the Statutory Auditor for 2nd term of five financial years starting from F.Y. 2023-24 to F.Y. 2027-28 i.e. from the conclusion of 28th AGM till the conclusion of 33rd AGM of the Company and Directors of the Company be and is hereby authorized to fix their remuneration from time to time in consultation with the Audit Committee of the Board;

RESOLVED FURTHER THAT Mr. Ajayprakash Kanoria, Chairman, Managing Director & CEO of the Company be and is hereby authorised to file necessary form with Registrar of Companies and to do all such act, deeds and things as may be considered necessary to give effect to the above said resolution."

SPECIAL BUSINESS:

4. Re-Appointment of Mr. Ajayprakash Kanoria as Managing Director of the Company; For Brief Profile of Managing Director refer Annexure - ID.

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

"RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, as amended from time to time thereto and the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other consents and permission as may be necessary, variations as may be approved and acceptable by the Members of the Company, approval be and is hereby accorded for the re-appointment of Mr. Ajayprakash Kanoria (DIN: 00041279) as Managing Director of the Company, for a period of 5 (five) years with effect from April 1, 2024 to March 31, 2029 with existing terms and conditions of remuneration i.e. payment of remuneration of 5% of net profit calculated in accordance with Section 198 of the Act, subject to remuneration of INR 3,00,000.00 (Indian Rupees Three Lakhs Only) per month plus 3% of net profit subject to maximum of 5% of net profit (calculated as per section 198 of the Companies Act, 2013, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mr. Ajayprakash Kanoria, whose office will be liable to determination by retirement by rotation;

RESOLVED FURTHER THAT the Board of Directors, be and is hereby also authorized to take such steps, actions and do things, deeds, matters as may be required or are necessary so as to give effect to this Resolution."

5. Re-Appointment of Mrs. Alka Ajayprakash Kanoria as Whole-time Director of The Company; For Brief Profile of Whole-time Director refer Annexure - ID.

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

"RESOLVED THAT pursuant to provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, as amended from time to time thereto and the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other consents and permission as may be necessary, variations as may be approved and acceptable by the Members of the Company, approval be and is hereby accorded for the re-appointment of Mrs. Alka Ajayprakash Kanoria (DIN: 00041346) as Whole-time Director of the Company, for a period of 5 (five) years with effect from April 1, 2024 to March 31, 2029 with existing terms and conditions of remuneration i.e. payment of remuneration of 5% of net profit calculated in accordance with Section 198 of the Act, subject to remuneration of INR 1,00,000.00 (Indian Rupees One Lakhs Only) per month plus 2% of net profit subject to maximum of 5% of net profit (calculated as per section 198 of the Companies Act, 2013, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors and Mrs. Alka Ajayprakash Kanoria, whose office will be liable to determination by retirement by rotation;

RESOLVED FURTHER THAT the Board of Directors, be and is hereby also authorized to take such steps, actions and do things, deeds, matters as may be required or are necessary so as to give effect to this Resolution."

Signed this _____ day of _____ 2023

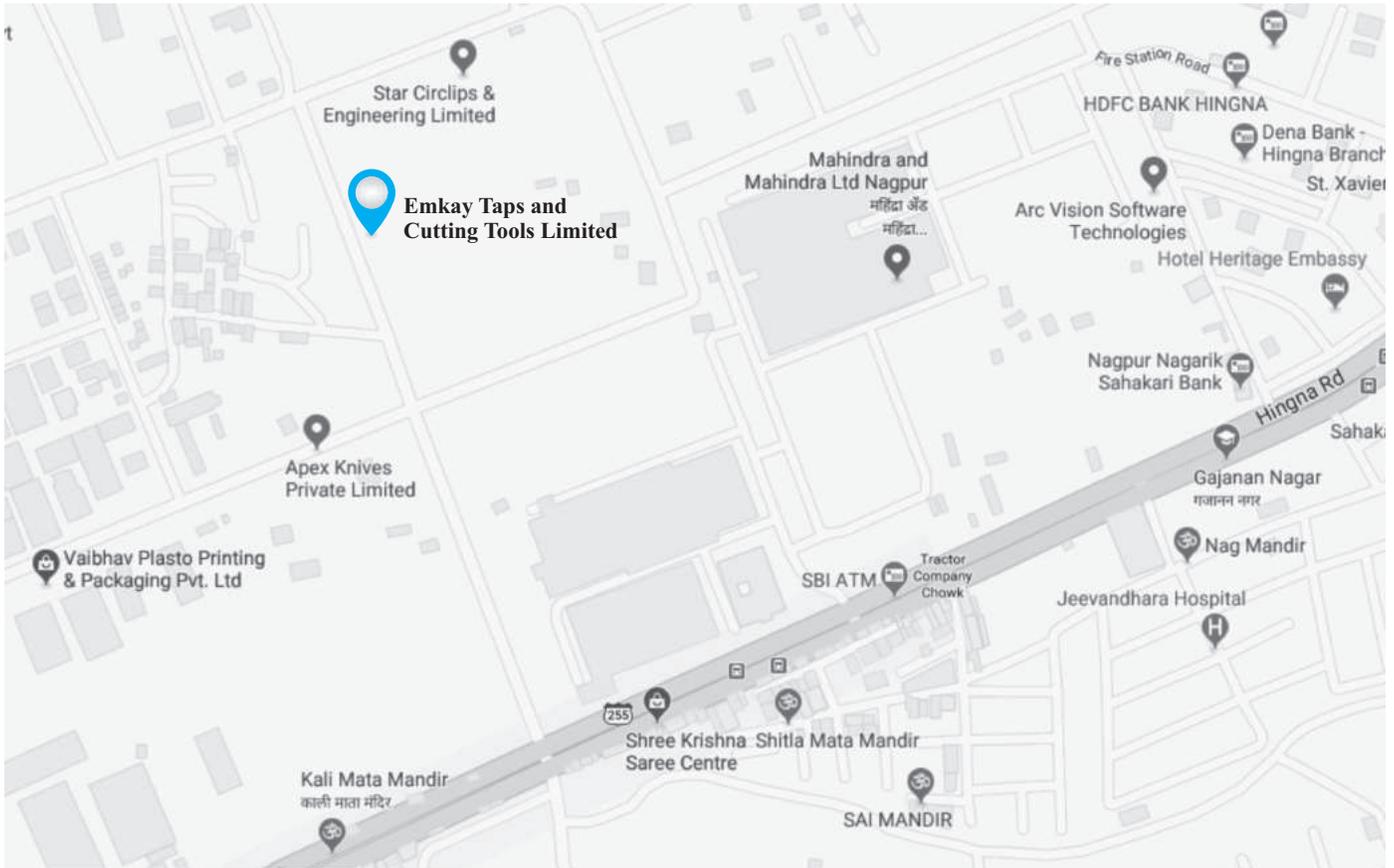
Signature of shareholder _____

Signature of Proxy holder(s) _____

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

MAP FOR AGM VENUE



EMKAY TAPS AND CUTTING TOOLS LTD.

Landmark:

-  Mahindra & Mahindra CO. – 600m- 2 min.
-  Distance from **Hingna T –Point**- 4.5 km – 10 min.
-  Distance from **Mascot Honda Bhagat Chowk**–1.8km- 6 min.
-  Distance from **IC square**- 1.4km-4 min.



EMKAY TOOLS

EMKAY TAPS AND CUTTING TOOLS LTD.

:: Factory Premises & Registered Office:

B-27 & B-27/1, M.I.D.C. Industrial Area, Hingna Road,
Nagpur-440016 (India)