

September 01, 2022

The BSE Ltd. 1 st Floor, New Trading Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400001 corp.relations@bseindia.com Security Code No.: 532884	The National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, C – 1, Block G Bandra – Kurla Complex, Bandra (E) Mumbai – 400051 cmist@nse.co.in Security Code No.: REFEX
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RE: Disclosures under Regulation 30 and 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

Subject: Submission of Annual Report for the financial year 2021-22, including Notice of the 20th Annual General Meeting.

Dear Sir(s)/ Madam,

In terms of Regulation 30 read with Para A of Part A of Schedule III and Regulation 34 of the SEBI Listing Regulations, we hereby submit a copy of the **Annual Report of the Company for the financial year 2021-22, along with Notice of the 20th Annual General Meeting (“AGM”)** of the members of the Company, scheduled to be held on **Friday, the 23rd day of September, 2022 at 11:00 A.M. (IST)** through Video Conferencing / Other Audio-Visual Means (“VC” / “OAVM”) facility.

The same are also available on the website of the Company at <http://www.refex.co.in>.

Please note that the Notice of the 20th AGM along with the Annual Report for the financial year 2021-22, has been sent to the eligible shareholders of the Company, **only through electronic mode** on the e-mail IDs registered with the Depositories/ Depository Participants/ Company/ RTA and will also be disseminated on the websites of the Company and the Stock Exchanges i.e., the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

For ease of participation of the members at AGM, **the key details with respect to AGM** are provided below: -

S. No.	Particulars	Details
1.	Cut-off Date	Friday, 16th September, 2022
2.	Time Period for Remote e-Voting	Commencement of remote e-Voting: 09:00 A.M. IST on Tuesday, 20th September, 2022 End of remote e-Voting: 05:00 P.M. IST on Thursday, 22nd September, 2022
3.	Book Closure Period	Saturday, 17th September, 2022 To Friday, 23rd September, 2022 (both days inclusive) (for the purpose of AGM)

Refex Industries Ltd.,

Regd Office: No. 10, Bascon Futura SV IT Park,
11th Floor, Venkatnarayana Rd, T. Nagar,
Chennai - 600017. Ph : 91 44 4340 5950
E : info@refex.co.in | www.refex.co.in

Factory: No: 1/171, Old Mahabalipuram Road,
Thiruporur - 603110, Chengalpattu District,
Tamil Nadu. Ph : 91 44 2744 5295
CIN : L45200TN2002PLC049601



4.	Process for updating the e-mail id	Physical Mode - Write to: Company at cscompliance@refex.co.in ; and/or RTA at investor@cameoindia.com .
5.	Contact details of participation through VC or remote e-Voting / e-Voting	Mr. Rakesh Dalvi, Sr. Manager Central Depository Services (India) Limited A Wing, 25 th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400 013 Maharashtra Designated email address: helpdesk.evoting@cdslindia.com Toll Free No. 1800 22 55 33
6.	Company's Contact details	Mr. Gopalakrishnan Srinivasan Company Secretary & Compliance Officer 11 th Floor, Bascon Futura IT Park, New No. 10/2, Old No. 56L, Venkat Narayana Road, T Nagar, Chennai – 600017, Tamil Nadu Tel: +91 44 4340 5950 Email: cscompliance@refex.co.in
7.	Scrutinizer to scrutinize remote e-Voting process and e-Voting during the AGM	Mr. R Muthu Krishnan Practicing Company Secretary FCS-6775, CP No. 3033

In view of the COVID-19 pandemic, the 20th AGM of the Company is being held through VC/OAVM on Friday, 23rd September, 2022 at 11:00 a.m. (IST), without the physical presence of the members at a common venue, in compliance of the various directions issued by the Ministry of Corporate Affairs ('MCA') and the Securities and Exchange Board of India ('SEBI').

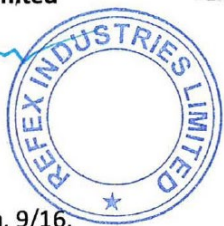
You are requested to take the above information on records and disseminate the same on your respective websites.

Thanking you,

Yours faithfully,

For Reflex Industries Limited


S. Gopalakrishnan
Company Secretary
ACS – 3588
Address: Krishna Vatika, 9/16,
New Giri Road,
T Nagar, Chennai – 600017 Tamil Nadu



Encl.: Annual Report 2021-22 along with Notice of 20th AGM.

refex
INDUSTRIES LIMITED

ANNUAL REPORT

2021-22



CELEBRATING

20 | YEARS
OF
EXCELLENCE!

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Disclaimer

This document contains statements about expected future events and financials of Refex Industries Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

Celebrating 20 Years of Excellence!



It has been a 20-year long journey of learning, resilience and agility, which Refex has traversed on the path of excellence. From the modest beginning as a refrigerant gas company, it has flourished and diversified in areas like coal & ash handling and power trading. Built on the strong founding principles of integrity, diversity, dedication, commitment and competitiveness, the Company is striving to achieve excellence in all endeavours. A 'Growth Mindset' is Refex's most powerful asset, which has allowed to seize emerging opportunities. It is this spirit of leading by example, customer centricity, constant improvement, integrity and transparency, which has provided the company as a competitive edge that has enabled it to meet the high expectations of all stakeholders.

As Refex is celebrating 20 years of completion of its business, the Company would like to look beyond stakeholders' value creation and commitment towards safety, protection of health, environment and sustainable development. As a company-wide goal, the Company has been deploying the resources sustainably. Refex's continuous improvement approach and adaptability to the ever-changing market needs has enabled it to grow as a global player. The core of the Company's business remains the commitment towards excellence in serving the clients

and aspire to practice cleaner and greener solutions in the industries in which it functions.

Acknowledging the fact that IT is a key business enabler in the current business environment, Refex has accelerated the digitisation of its business processes. This will enable the Company to further unlock value and ensure smart, connected and seamless engagement with the stakeholders. Furthermore, as a part of the Company's long-term diversification strategy, Refex has forayed into the power trading space.

Looking back, *Refex@20* is an inspiring and successful business story that effortlessly blends well with Refex's visionary ideology of growth and commitment. At this juncture, the Company strives to optimise the contribution to a sustainable future while meeting the business goals. Future-focused, Refex has been steadily resolving to become an ESG-compliant company across businesses. The Company is also determined to continue its search for innovative ways to serve the clients more efficiently and take Refex to the next level.

Refex Industries Limited

Celebrating 20 years of Excellence!

Refex Industries Ltd. (Refex) was incorporated in 2002 by the name of Refex Refrigerants Private Limited and commenced the business of refilling refrigerant gases (ozone-friendly Hydrofluorocarbons). In 2006, the Company converted itself into public limited company. Later in 2007, the Company got listed on the Bombay Stock Exchange (BSE) and subsequently in 2009 on the National Stock Exchange (NSE). In 2009, Refex achieved the largest market share among the refrigerant gases in the Country.

Refex owns a 5 MW ground-mounted solar power project since 2011 in Barmer District, Rajasthan. In 2013, the Company acquired its current name, Refex Industries Limited. Refex also diversified its business into coal handling and fly ash disposal in 2018. By the year 2022, the Company also received a license from the regulators for power trading.

Refex strives to have a conducive and sustainable work environment, grow its business' footprint and increase the value it provides to its stakeholders. Its leadership team, under the headship of Mr. Anil Jain, adheres to industry best practices and believes in them. The Company has also been working on innovative ways to grow its portfolio that will not only propel its growth but also help it to withstand the existing competition



Refrigerant Re-filling Factory

across industries. Its move of using eco-friendly HFCs has also been highly appreciated by the Central as well as the State Government of Tamil Nadu in the past.

Currently, Refex is in the business of refrigerant gases, coal and fly ash handling, solar energy, and power

trading. It firmly believes in the fact that every sustainable organisation must be driven by digitisation of the processes and operations, and introduce innovative solutions, and sound businesses practices. In addition, a strong team is an essential driving force of any sustainable business.



Refex's Goal

- At the core of our business remains our commitment to our clients
- To position Refex as a global player with a clear focus on each business
- To practice cleaner and greener solutions

Our Purpose



To contribute to creating a net carbon free world by accelerating the clean energy transition

Vision



To be the most preferred Company; committed to seeking growth and prosperity by achieving a sustainable competitive global share; using innovative solutions, technology and a team of good people.

It is our intent to develop quality partnerships with our shareholders, employees, suppliers, partners, customers and the community in which we operate. We wish to continually set standards of excellence, both personally and professionally, which exemplify our dedication to our goals.

Mission



We will strive to attain our goals by exceeding the needs & expectations of our customers with continuous improvements in quality, productivity, value creation, new product & service offerings and customer satisfaction. At Refex Group, we are dedicated to offering the highest quality products & services to our customers while achieving acceptable returns on investments.

Core Values



Customer Value:



To exceed customer expectations – consistently & constantly

Leadership by Example:



To set standards in our business and transactions and be a trendsetter for the Industry & ourselves

Integrity & Transparency:



To be ethical, sincere and open in all our transactions

Fairness:



To be objective and transaction-oriented and thereby earn trust and respect

Excellence:



To strive relentlessly, constantly improve ourselves, our teams, our services and products to become the best – by “Repeating Excellence”



Refrigerant Gases

Refex is a well-known brand in the refrigerant gas industry for the past two decades. Capitalising on its brand name, the Company intends to extend its geographical presence and portfolio to include innovative and environmental friendly products. This will help to mitigate risks associated with sourcing and environmental policy changes.

The Company began its journey in the year 2002 and successfully broke the monopoly that existed in the refrigerant gas market. The Company was among the first to set up an ISO-certified unit for the refilling of refrigerant gases in India and is specialised in re-filling the environmentally accepted and ozone-friendly Hydro Fluoro Carbons (HFCs), used in air-conditioners, refrigerators and refrigerating equipment. Refex has successfully revolutionised its business by launching 'Refex Cans' in the market. The Company is the pioneer in India in supplying automotive air conditioning gases in disposable cans and has an ISO 9001 and 14001 certification for quality standard.

At Refex, HFC gases are procured and filled into different cans. Thereafter, these cans are distributed across India through the established supply and distribution chains. The gases are used in both the domestic and industrial sectors for air cooling, as aerosol propellants, and as blowing agents.

Sales

Particulars	Sales in MT
FY 2020-21	662.80
FY 2021-22	983.04

Key USPs

Use of disposable cans decreases the freight cost of returned empty cylinders and results in the hassle-free refilling of the gases.

Fully Automated Facility

The warehouse in Delhi helps reduce the delivery time to the northern part of the country.

Locations

Re-filling facility

Tamil Nadu

Distribution

PAN India

Commercial Warehouse

Delhi



Coal and Fly Ash Handling

Coal restrictions, the hike in prices of secondary coal and policy changes for imported coal have created a challenging environment. However, the Company is confident of overcoming it and taking this business to the next level in the near future.

Refex forayed in to the trading business of coal by supplying it to the thermal power plants located in Chhattisgarh and Maharashtra. Along with coal trading, the Company also started the ash disposal business. Refex also entered the business of coal crushing and coal yard management services with an aim to provide an uninterrupted supply of coal to run the power plant. The transportation of uncrushed coal happens through trucks and storage of the coal in the coal yard is done in the form of heaps. Then the crushed coal is directly placed in the hopper at the Coal Handling Plant (CHP) and the uncrushed coal is first crushed by passing through a grizzly before being utilised. Furthermore, the un-sized coal is broken into smaller sizes before it goes through this process.

To ensure the smooth functioning of the equipment of CHP, Refex also provides housekeeping services in the conveyor belt surrounding areas, cable trays, trenches, drains and sump pit where the spilled coal is collected and shifted manually with the help of adequate manpower.

The ash which is generated from the burning of coal in a thermal plant is stored in the silo and later transported to the businesses producing PPC cement. The undisposed fly ash is stored in the dyke and as per the requirement and then it is transported to the road contractors and for mine filling. Refex procures ash from the leading thermal power plants in the regions of Rajasthan, Maharashtra and Chhattisgarh. Refex supplies to the major cement manufacturers in Maharashtra, Chhattisgarh, Madhya Pradesh, Rajasthan. Refex is one of the largest ash disposal companies in Chhattisgarh.

Therefore, Refex provides a comprehensive end-to-end solution that involves handling the flow of coal throughout the plant from one location to another, from coal delivery to feeding into boilers. It has the credit of serving power plants with a cumulative capacity of 2,561 MW in the ash disposal across three states.

Till date, Refex has handled the disposal of more than 10 Million Metric Ton (MMT) of fly ash, across various locations utilising a fleet of bulkers, hyvas, and rail rakes.



- Refex has disposed-off nearly 10 MMT of ash since the beginning of its ash handling operations in 2018.
- Further, the Company has also traded about 2.5 MMT of coal since the beginning of its coal trading in 2018.

Key Achievements

- Refex has completely emptied the Ash Dyke of 0.43 MMT of Legacy Ash at its client's thermal power project site in Maharashtra, over a span of 2 years.
- Currently, the Company is disposing-off 12,000 MT of Fly and Bottom Ash on a daily basis.

Procuring ash from power plant

Chhattisgarh,
Maharashtra,
Rajasthan

Supplying ash to cement plants

Chhattisgarh,
Maharashtra,
Madhya Pradesh

Power Trading



In order to expand its business footprint and tap the market potential, Refex has diversified itself into carrying out the business of purchasing and selling all forms of electrical power/energy (which includes both conventional and non-conventional) among power users, producers, state electricity board, generating companies, and all other traders, including import and export of electricity, as well as supply and trading of electrical power in all States and Union Territories in India.

Refex was granted the Category-I Power Trading licence from the Hon'ble Central Electricity Regulatory Commission (CERC) in March 2022. This licence is valid for a time span of 25 years and it

allows the Company to trade in the electrical sector with no upper cap on the total volume of electricity, which it could trade annually.

In addition to this, the Company has opted for the membership of

Power Exchange India Limited.

The business has been operational from the time the license of power trading has been granted (in the month of March 2022).

Solar Power



Refex entered into a power purchase agreement in October 2010 with NTPC Vidyut Vyapar Nigam Limited for the purpose of setting up a 5MW Solar Power at Balmer District, Rajasthan. This was done to take the advantage of opportunities available in the renewable energy sector. For the execution of the

project, Rajasthan Government has leased land and entered into a Solar Energy Equipment Operation Lease Agreement with Essel Mining Limited.

The Company also provides consultancy services like techno-commercial feasibility study for

power evacuation systems, labour services for EPC contracts with respect to the solar business. Additionally, Refex had carried out the business of trading in the field of solar accessories, i.e., solar modules among its group entities, which are in the business of solar power plants.

Refex's Success Story

The inception of Refex's journey can be traced back to 2002 when the Company was formed by the name of Refex Refrigerant Private Limited, specialising in refilling refrigerant gases (Hydro Fluro Carbon). Observing the great potential in this business, the Company planned to set up a refilling plant in India and Refex was the first company to do so with an ISO certification. The Company received appreciation from the state as well as the Central Government for its eco-friendly approach of using HFCs instead of CFCs.



Refex Listing Ceremony (2007)



Refrigerant Re-filling Factory

In just a span of three years, the Company managed to streamline its quality management systems to international standards and in 2005 it received an ISO 9001:2000 certification. With a healthy growing business profile and an aspiration to become a leading player, the founders converted Refex into a public limited company. In 2007, the Company got listed on the Bombay Stock Exchange, and thus gained more visibility in the corporate world.

Innovation and client convenience has always been at the core of Refex's business. For example, the Company came out with a new revolutionary idea of introducing disposable refilling cans when it realised that filling gas from the plant is not feasible for all. Consequently, the Company launched the 134A cans in the market, which made it easier for its customers as they could easily buy these cans and carry out their work.

"Our strong risk-taking ability which is supplemented by a strong team that follows best risk mitigation practices has also helped us in adapting successfully to changing business environment"

—Anil Jain,
Chairman cum
Managing Director

Another milestone was achieved by the Company when it got listed on the National Stock Exchange in 2009. Refex considers this as one of its greatest achievements as its stakeholders reiterated their trust in the Company as it reached the highest market share in the refrigerant gas business.

With a firmly established brand name, the Company made a strategic move to diversify into other businesses. Refex also has a solar power plant of 5 MW in Rajasthan. The Company was renamed as "Refex Industries Limited" in 2013. With an objective to expand its footprints in the global markets, the Company commenced the export of refrigerant gases a year later.

The Company realised that disposal of fly ash was a potential business avenue and seizing that opportunity, Refex in the year 2018, entered the business of trading coal and disposal of fly ash. Recently in 2022, the Company entered into the Power Trading business where it was granted a Category-I license by the Hon'ble Central Electricity Regulatory Commission (CERC) through which Refex will be able to perform the Power/Electricity trading across India. The Company believes that this could be a game changer as Refex would be able to contribute to the power industry.

Future Outlook



With two decades of experience Refex has learned that being agile is the only way to sustainable development as the business environment is in a constant state of flux. Refex is constantly adapting and growing, according to the needs of the existing ecosystem.

Innovation is one major factor that determines the success of the Company's business as it is constantly involved in innovations related to products and processes to make the business more efficient and effective.

Refex is on the route of digital transformation and aims to become a digitally agile organisation. The Company's motto is to gain growth by adopting digital solutions that will make the existing business strong, and additionally improve Refex's core business.

Furthermore, Refex is playing a crucial role in taking care of the environment by undertaking several initiatives. The Company is reconstructing its business

strategies and expanding more into green and renewable businesses. An Environmental Impact Assessment study is planned for all the projects as identified in different categories and statutory projects approval/permit is to be taken before the execution of the project. At this point in time, it is not applicable for any of the ongoing projects, but it will be applicable for the new projects. Although currently, Refex has not given any contribution to any of the trusts or foundations, the Company has plans to link the CSR activities through foundations to help and serve the under-developed areas of the Country in the future.

Refex's success largely rests on the growth of the employees and in creating a transparent culture in

the organisation. To enable this, the Company has created a flat structure that promotes the exchange of ideas for everyone's development. Furthermore, talent identification, grooming, and performance management have reaped multiple benefits for the Company as it has managed to create a second rung of leadership that is ready to take on all types of challenges and move ahead.

"The strong zeal to adapt whenever necessary and to not let inertia dominate our planning coupled with our study of the macro-trends has helped us adapt to the changing business scenarios in a better way."

—Anil Jain,
Chairman cum
Managing Director

ESG Initiatives



“We believe, going forward, two things will definitely determine the success of our business – continuous innovation and our commitment to be ESG compliant”

—Anil Jain,
Chairman cum
Managing Director

Reflex completely appreciates the business imperative of sustainability and the global challenges that mankind is facing, which includes but are not limited to global warming & climate change, water shortage, energy crisis, pollution, and degradation of the ecosystem. These global challenges possess a serious threat to the business continuity of any entity and so does to Reflex. The Company is committed towards addressing these challenges through a sustainable business model and bring long-term business resilience towards these uncertainties.

Reflex is adding a new chapter in its two decades of journey by integrating sustainability into the Company's business model and ensuring ESG performance excellence through various initiatives and actions. Some of the milestones that the Company will be witnessing in the coming years includes, but are not limited to:

- Disclosure of ESG performance report in the public domain in FY 2023-24
- Comprehensive and robust roadmap towards decarbonisation of the Company's operation leading to carbon neutrality
- Ensuring water stewardship through a comprehensive roadmap to be water positive
- Integration of sustainability of the Company's value chain partners by ensuring human rights, environmental management and resource conservation, health and safety of workers and employees and their well-being and sourcing of eco-friendly materials

As a first step, the Company has onboarded an ESG and Sustainability Functional Head to drive sustainability with

full support from the senior management. With this leadership, management, commitment, and support, the Company is evaluating the entire business model to achieve ESG performance excellence through continuous improvement. The Company is revamping ESG policies, setting processes, objectives and targets with comprehensive monitoring mechanisms. The Company is confident to achieve new heights day by day outperforming its own ESG performance records.

Milestones

Incorporation of the Company as Refex Refrigerants Private Limited and commencement of the refilling business of refrigerant gases (Hydro Fluoro Carbon)



2002

The Company was awarded with ISO 9001: 2000 Certificate by TUV Management Services



2005

Public Issue of Equity Shares and listing of equity shares on BSE



2007

Listing of Equity Shares on National Stock Exchange and achieved highest market share in the Refrigerant gases business



2009

2004



Received Appreciation Letter from Minister of State for Commerce & Industry, Government of India for the eco-friendly approach of the Company to introduce HFCs in place of CFCs in the Country and for establishing such a Project in Thiruporur, Kancheepuram District

2006

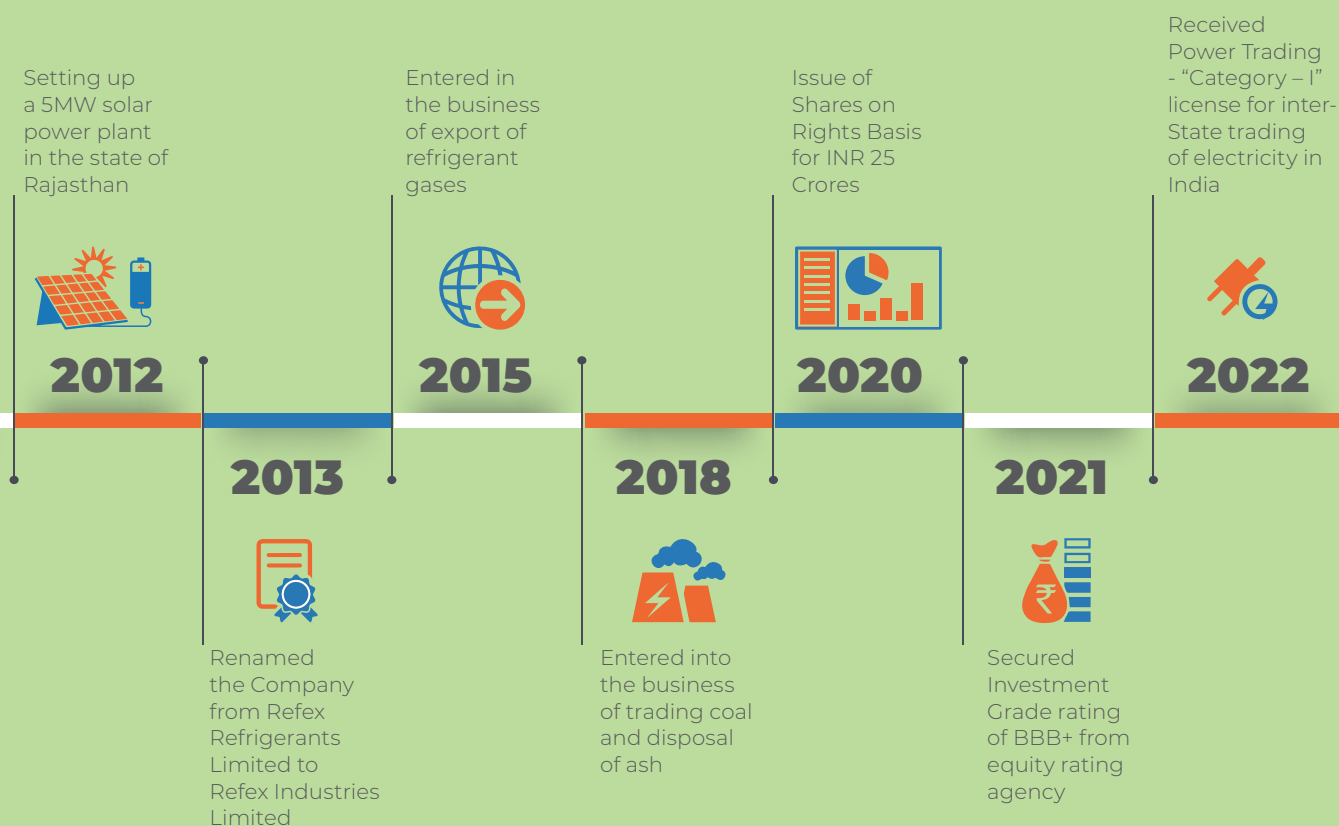


Refex was converted into a Public Limited Company.

2008



Launching of disposable refrigerants R134A Cans.



Financial Highlights

Key Figures

(in ₹ Lakhs)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Revenue from operations	44,395.88	63,265.88	66,074.43	46,105.11	7,685.83
EBITDA	5,783.19	6,767.50	5,134.91	2,827.49	173.3
Profit Before Tax	6,097.94	5,785.79	4,802.66	2,886.97	173.82
Net Profit	4,538.99	4,094.33	3,313.25	3,136.41	94.26
Net Fixed Assets	1,995.11	1,529.77	1,491.75	1,485.57	1,430.87
Cash Profit	5,103.74	4,623.38	3,452.57	3,232.64	177
EBITDA Margins (%)	13.03	10.7	7.77	6.13	2.25
PAT Margins (%)	10.32	6.47	5.01	6.8	1.22
D/E Ratio (In times)	0.46	0.53	0.11	0.004	3.67
EPS (Face Value @ ₹ 10)(In ₹)	21.61	21.74	21.38	20.44	0.61
DPS (Face Value @ ₹ 1)(In ₹)	21.61	21.74	21.38	20.44	0.61

** Cash Profit = PAT + Depreciation

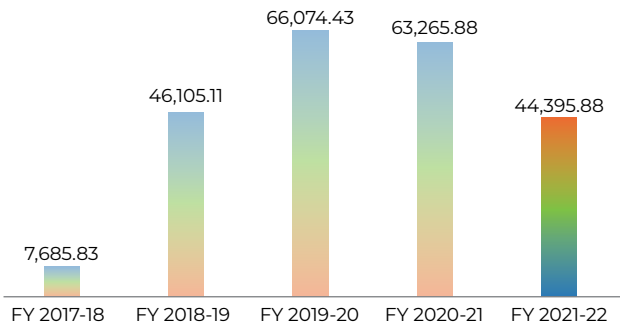
Balance Sheet Summary

(in ₹ Lakhs)

Particulars	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18
Non-Current Assets	16,748.19	17,047.82	2,874.42	2,737.18	1,986.64
Current Assets	21,345.27	17,091.99	10,922.46	13,118.14	7,807.73
Total Assets	38,093.46	34,139.82	13,796.88	15,855.32	9,794.37
Shareholder's Funds	18,296.23	13,957.01	7,585.53	4,277.48	1,114.14
Non-Current Liabilities	6,114.18	7,275.65	1,340.42	33.58	4,144.00
Current Liabilities	13,583.05	12,907.14	4,870.93	11,544.28	4,536.23
Total Equity and Liabilities	38,093.46	34,139.82	13,796.88	15,855.32	9,794.37

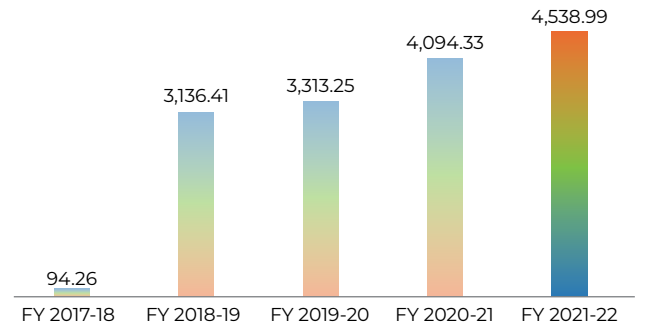
Revenue from Operations

(in ₹ Lakhs)



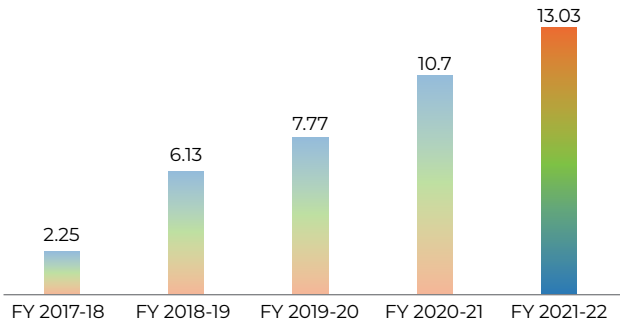
Net Profit

(in ₹ Lakhs)



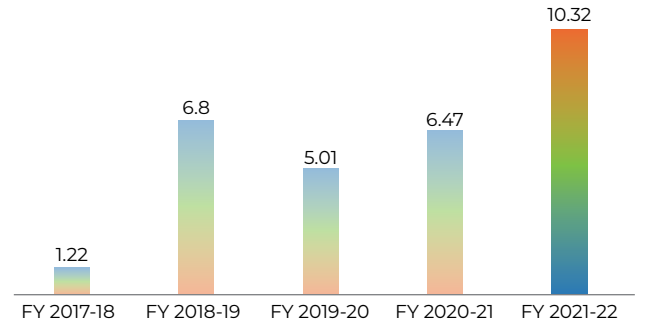
EBITDA Margins

(%)



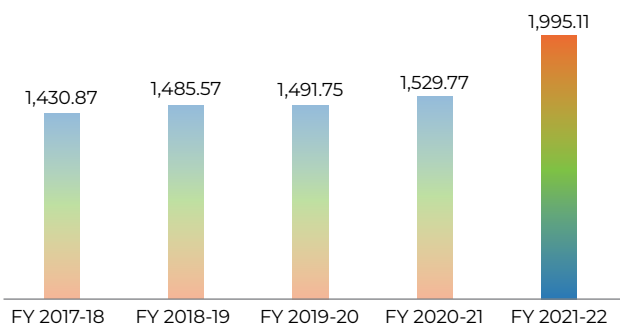
PAT Margins

(%)



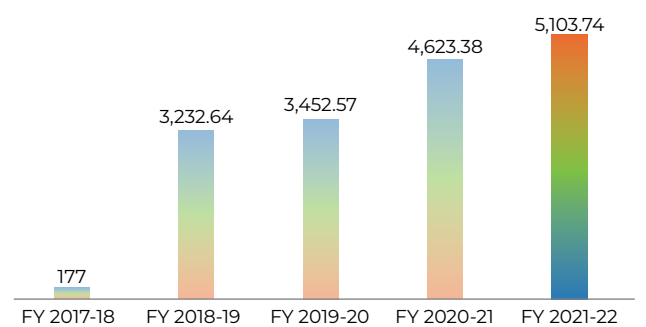
Net Fixed Assets

(in ₹ Lakhs)



Cash Profit

(in ₹ Lakhs)



Chairman cum Managing Director's Message



Dear Stakeholders,

I am pleased to present the Annual Report on the historical occasion this year, where your Company is Celebrating 20 Years of Excellence! I wish to thank each of our stakeholders, including our employees, for believing in us and supporting us for the past two decades that has made Refex a trusted brand in the Country. Your belief in us has also helped in successfully overcoming the pandemic challenges and geo-political circumstances in the business environment and emerge as a much stronger and more resilient entity. The two decades of our journey have been eventful, wherein, your Company has gradually moved up in the value

chain through our persistence and technological initiatives. Your Company's diverse business segments are a testimony to long-term sustainable growth and prosperity and also aims to continue with it. Your Company's evolution in the pursuit of excellence in the past two decades has been characterised by determination, innovation, and integrity. But most importantly, Your Company's strategy has always revolved around having a high level of adaptability, which has made us stronger yet flexible in our approach to grow in a challenging business ecosystem. Your Company's risk-taking ability after prudent due diligence and strong support from

our employees are the two pillars that have enabled your Company to adapt and take the right decision at the right time. Further, studying and understanding the macro-economic factors provides insights into the indicators that could have a tangible effect on the business environment.

Workforce Initiatives

Your Company's journey so far would not have been possible without the invaluable contribution of employees who continue to be the biggest assets and ensures that their progress is being charted northwards corresponding to the organisation's growth. Your Company's core values, ethics, and culture keep getting stronger each year indicating that in building a global brand, the first step is strengthening the organisation's intrinsic elements. Having a flat structure in the organisation has helped us in free flow of exchange of ideas, passage of knowledge and empowerment. Your Company's 'Centre of Excellence' aimed at talent management, performance management and upskilling has helped in building a robust pool of skilled employees. Your Company has implemented a complete employee lifecycle management program that tracks the holistic development of employees. Your Company's competency-based management system is aimed at identifying, nurturing, and grooming employees for second-rung leadership roles.

Digital Transformation

Digital adoption has emerged as the key factor for any business to survive and grow. Your Company has embarked on its digital transformation journey by embracing digital technologies in a phased manner for the 3 P's – People, Process and Products. Some of the initiatives include exploring digital marketing avenues and technology enablement of the internal organisational processes among several other such initiatives. While these initiatives are the beginning of your Company's journey, each one of us is aligned towards the common vision of digital transformation to achieve your Company's objectives in a more efficient manner.

Performance in FY 2021-22

Refrigerant Gases

In FY 2021-22, your Company increased its refilling capacity to 2,500 MT by procuring more cylinders and tonners and filling lines. Your Company recorded a collective sale of 983.4 MT for various gases as compared to 662.80 MT in FY 2020-21. With the objective to increase its outreach, your Company is focusing on strengthening its dealer network across India and venturing into new territories. Furthermore, your Company is also targeting the OEMs and plans to procure high volume and value contracts from the Indian government, mainly from the customs department.

Coal Trading, Coal Crushing, and Coal Yard Management Services

Your Company traded 0.3 MMT of coal in FY 2021-22 against 1.1 MMT in FY 2020-21. This slump was due to the Indian Government's restrictions imposed on the import of coal during COVID-19, which adversely impacted the coal business. Moreover, the coal crisis was also compounded majorly due to geo-political issues, such as the war between Ukraine and Russia, and conflicts between Australia and China. Additionally, the extension of the monsoon till mid of September resulted in water logging in coal mines, thus leading to their limited functioning. Most of the power plants were under financial stress, which has directly or indirectly resulted in the delay of payment or cancellation of the orders and posed a short-term risk for the business.

Handling and Disposal of Fly Ash

Around 3 MMT of ash was disposed of in FY 2021-22. your Company has handled the disposal of nearly 10 MMT fly ash till date, across multiple locations utilising a fleet of bulkers, hyvas, and rail rakes.

Solar Business

Today, renewable energy is the need of the hour, today. Your Company signed a power-purchase agreement with NTPC Vidyut Vyapar Nigam Limited with an objective to meet the energy needs of future generations, through clean, environmental-friendly, and

sustainable resources.

Power Trading

Your Company was granted the license for power trading in March, 2022 and commenced its business operations thereafter.

Financial Performance

During FY 2021-22, Your Company's revenue decreased by 30% from ₹ 63,710.25 Lakhs in FY2020-21 to ₹ 44,898.48 Lakhs. Your Company's Net Profit for the year saw a healthy 10% growth to ₹ 4,538.99 Lakhs in FY2021-22 from ₹ 4,094.33 Lakhs in FY2020-21 owing to prudent fiscal management practices.

The Way Forward

The Future looks exciting! Your Company, will continue to invest in its employees, innovations and technological advancements. Your Company is focusing on adopting industry best practices that will strengthen our core business offerings. It will enable your Company to operate in a more efficient and effective manner, thus leading to more positive synergies with our stakeholders. Today, adopting ESG practices is turning out to be a key differentiator worldwide. The commitment to be ESG compliant will play a key role in the success of our business and your Company will take all necessary steps towards it.

Warm Regards,

Anil Jain

Chairman cum Managing Director

Board of Directors



Mr. Anil Jain

Chairman cum Managing Director

Mr. Anil Jain is a first-generation entrepreneur and is well known as an industrialist, investor, and philanthropist.

Gifted with innate talent in business and acuity, Anil has grown his businesses into many successful diversified venture units with the purpose of creating sustainable solutions and providing environment-friendly energy alternatives in India.

He has led his team for more than 20 years where he has been a positive influence on his team. He is revered for empowering his team and providing them ample freedom to work towards generating success.

Anil has also started an Incubation Centre in Chennai to provide support to budding entrepreneurs and their ventures. Refex Capital, a Category-I Alternate Investment Fund, was set up to invest in promising startups working in the arena of technology. It has invested in over 30 startups across diversified business areas. In his personal capacity, too, Anil has nurtured and mentored several startups and enjoys doing so.

Anil currently serves as the president of the JITO Administrative Training Foundation (JATF), an NGO that seeks to strengthen the nation by giving deserving students opportunities for mentorship. He was also instrumental in setting up the angel investment & incubation Center of JITO for pan-India operations when he was the Secretary General of Jain International Trade Organization.

Anil has also been bestowed with several industry awards for his contribution to the business fraternity and management excellence.

Mr. Dinesh Kumar Agarwal has honed his entrepreneurial skills across several business domains and has always been successful in all his business endeavours.

Dinesh's expertise with numbers has helped several businesses to move up in the growth trajectory and his business acumen in Corporate Finance spanning Audit, Financial Accounting and Planning, Tax and Fundraising has helped raise over ₹ 5,000 crores (Equity + Debt) for clients.

Dinesh has made a significant difference to our business since he joined us in 2014. His expertise combined with his passion and zeal to grow Refex business reflects in our growth journey.

In the past, Dinesh has worked with reputed organisations like Aircel and Brisk, specialising in streamlining internal processes and functions. He has diverse experience of working in Solar EPC segments and Utility-scale projects. He has also worked with consulting for start-ups, SMEs, established Corporate Houses, and International NGOs.

Dinesh has received several industry recognitions for his contribution to management stream and related areas.



Mr. Dinesh Kumar Agarwal

Non-Executive Director



Mr. Shailesh Rajagopalan

Non-Executive Director

Mr. Shailesh Rajagopalan has over 20 years of experience in the fields of technology, management and operations among other business functions. Shailesh's passion towards transforming business models using the tools of Information Technology is aimed at preparing Refex for the future and taking its efficiency a notch higher. He has built, nurtured and mentored several businesses by streamlining and optimising their business processes and leveraging technology. Furthermore, he invests a considerable time mentoring start-ups to scale up into a thriving successful business. Shailesh graduated from Madras University and has completed an MBA from Warwick Business School. He is also an avid vintage bike enthusiast.



Mr. Ramesh Dugar

Independent Director

Mr. Ramesh Dugar, Director of Dugar Group of Companies, is a leading industrialist who has a vast experience in diverse fields, such as Finance, Investments, and Real Estate. He has played a pivotal role in streamlining risk management and corporate governance for Refex. An enthusiastic passionate leader who believes in contributing to society while also fulfilling the dreams of an entrepreneur, he is a trustee for several charitable trusts and ensures that he contributes back to society. He holds several prestigious positions, such as Chairman - All India Manufacturers Organisation, Vice Chairman - Hindustan Chamber of Commerce and in the past, he has held several positions. He has graduated in Commerce and completed a diploma in Marketing Management (LIBA) from Loyola.

Mr. Pillappan Amalanathan is an accomplished advocate and member of the Bar Council, Tamil Nadu, with profound expertise in the matters of Company Law such as company formation, amalgamation, tax planning, pre-litigation settlements and international contracts formation. He completed his graduation (Bachelor of Commerce) in the year 1984 from the University of Madras. He pursued his Bachelor of Law and then became the Member of the Bar Council of Tamil Nadu in the year 1990. He was the standing counsel for Tamil Nadu Industrial Investment Corporation Ltd. for over three years, from 1996 to 2000 and was instrumental in defending the Corporation in several cases, including suits and writ petitions. He was also the Standing Counsel for Chennai Municipal Corporation from 2001 to 2006 where about 1640 cases relating to Food Adulteration and building permit violations was successfully dealt with and disposed of under his leadership. He has played an active role as a panel advocate to appear for certain Banks in several cases before the Debt Recovery Tribunal and other courts.

He has a well-established independent practice for the past 20 years with an industrious team of lawyers.



Mr. Pillappan Amalanathan

Independent Director



Ms. Jamuna Ravikumar

Independent Director

Ms. Jamuna Ravikumar has a rich experience in the domain of accounts and finance. With a distinctive blend of excellent communication skills and superior analytical abilities, she is an aspiring leader who has demonstrated exceptional technical aptitude and a professional approach in the field of Accounts and Finance. She has effectively handled Annual Filing of Returns, Incorporation of Companies, Filing forms with regards to Appointment or Resignation of a Director from a Company handling of third party Accounts, finalising and preparation of financial statements. She holds a Master's degree in Commerce from SIET College, Chennai.

Touching New Horizons with Digital Transformation

In today's time, especially post-pandemic, the adoption of digital technologies has gone up multi-fold to give various enterprise a competitive edge in the market. Digital technologies have not only reshaped the market, but also given the companies, who are adopting these technologies, to have the benefits of racing ahead of the competitors and being updated of the latest trends in the market. These changes take place at all levels. This digital transformation also requires cultural and behavioural changes such as calculated risk-taking, increased collaboration, and customer-centricity. These initiatives also empower employees to play the role of an aggregator to reinforce the change. The success of such initiatives always depends on the acceptance of the stakeholders during the transformation process.

Realising the importance of digital adoption in the Company's operations, Refex has embarked on its digital transformation journey and aspires to become a digitally agile organisation in a phased manner.

The objective of this journey is to seek growth by adopting new digital solutions to strengthen the existing business processes and in turn improvise the core offerings. Some of the initiatives include exploring digital marketing avenues, and technology enablement of the internal organisational processes among several other such initiatives.

Refex aspires to focus on digitalisation efforts in the following areas:

Strengthening the existing operational channels into a digital network	Making use of Analytics on end-to-end value chain	Improving operations efficiency	Leveraging digital capabilities like AI or IoT
- Our medium strategy is to bring our customers over a single platform, thereby giving them the opportunity to explore our offerings seamlessly. - We have partnered with multiple e-commerce platforms to sell our refrigerant gas products.	- To harness all the data available and streamline them into key decision-making metrics for the businesses, thereby becoming agile. Such actions will strengthen our decision support system and also lead us to take proactive measures. - Initiation of the process to bring all of our transactional information across different functions over the digital mode and in the coming years, we will be in a better position to initiate analytics-based interventions so as to improve the process further	Steps towards transforming business processes, improvising logistics, and also reducing manual tasks by making use of digital interventions	Access to voluminous data will also make way for making use of AI based interventions. Some of our planned initiatives to better track our operations are in line with the IOT-based digital interventions that are being brought to use by several businesses across the world.



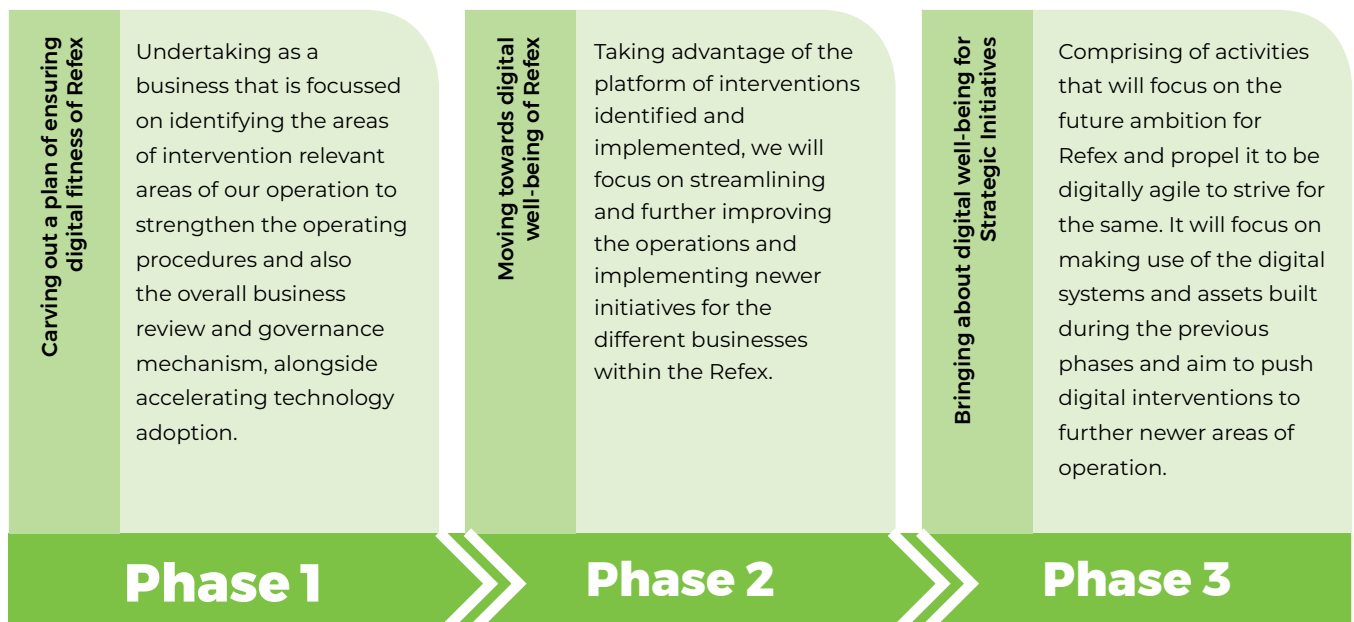
Refex is at a very nascent stage in its digital transformation journey. At this outset, the Company is planning to change its legacy data into digital formats, thereby reducing manual tasks. During the interim stages, the Company will also implement software applications that help in dashboard creation. Furthermore, Refex will also leverage automation, which involves technology adoption to run processes efficiently.

In order to sprint over this journey of digital transformation, Refex is taking early, but strong steps towards identifying the areas of intervention, implementing such interventions in relevant fragments of its businesses and functions, driving the adoption of digital tools, and seamlessly integrating the systems to make it robust and strengthened. The Company will embark on the implementation

of digital in its businesses in 3 phases.

This technology adoption will also create a newer ecosystem, improve processes and increase productivity across the businesses. It is expected that by the completion of the third phase, Refex will reach a maturity level where a digital ecosystem would be embedded across the organisation.

Phase-wise Implementation of Digital Transformation



Workplace Culture Defined by Diversity, Passion, Growth, and Empathy

In Refex's 20 years of journey, employees are the strongest assets that the Company continues to nurture.

Refex strongly believes in engaging purpose-driven and inspired employees who play an important role in driving the growth of the business along with value addition for the stakeholders. As a people-centric organisation, Refex puts the impetus on employee development, and diversity within the workforce, and has a strong thrust on occupational safety and health. The Company also places a strong emphasis on the output of its employees by encouraging both their personal and professional growth as well as skill development.

Particulars	FY	FY
	2021-22	2020-21
Employee Strength	140	96
Permanent Employees	140	96
Female Employees	12	10

The Company is committed to its employees' aspirations and provides them opportunities to grow professionally, and give them access to resources, which will help them identify their true potential during their employment and in the long-run. This is demonstrated in the Company's policies and programmes for developing people and nurturing their talent, instilling a winning culture, creating a work friendly environment, and building an inclusive work space and Center of Excellence.

Employee engagement is simply not a strategy for the Company but a strong connection and commitment toward the betterment of the employees.



Nurturing talent



Imbibing winning culture and inclusive workspace



Center of Excellence



Nurturing Talent



Posh Training Session

A talent pool is a key differentiator in the success of businesses. Identifying the importance of talent, Refex has integrated training and development programmes into the employee engagement model. The Company follows a methodical and structured approach for engagement, which has dual objectives of identifying skill-gaps and upskilling the employees as well as developing the right competencies at the right time for the employees' career development at the right stage of their professional trajectory.

Particulars	FY 2021-22	FY 2020-21
Average time spent on training and development per full-time employee	4 hrs	4 hrs
Training man hours	560	384
Training man days/employee	0.5 days	0.5 days

The Company tries to develop the right competency at the right level. It is possible due to the Company's structured approach in the need-based and career-oriented career development plan. The Company is also evolving this approach by integrating a Competency-Based Management system & various Assessments Centres are being developed to create a Career Development plan for potential leaders with HiPo. The exponential growth requires continuous & consistent development of a Leadership Pipeline and this approach also concentrates on ensuring a robust Talent Pool.



Imbibing Winning Culture and Inclusive Workspace



AOP Event

The Company believes in creating a culture where each and every employee is valued and respected for their work and reaches their full potential.

With the demand for changing work culture, especially post-COVID-19, the Company has opted for hybrid work culture which allows the employees to cater to it's client servicing requirements along with giving equal importance to Refexians' safety and convenience.

Refex's main aim is to align an individual's goal to the organisation's goal and vision. For that purpose, the Company has taken the following initiatives which help to create a winning culture among Refexians:

- Driving Induction Program
- Driving BU Employee Communication system

- Matrix Reporting Structure with Business Leader & Corporate HR

The Company is continuously working towards making Refex more inclusive and welcoming. The Company is working tirelessly in bringing diversity that will help to achieve, outperform and also add value to its stakeholders. Refex strongly believes that each and every person is blessed with unique knowledge, skills, and experience, which brings uniqueness in the working culture among Refexians. The Company is committed to providing equal opportunities to all Refexians and is making an extra effort to attract diverse talent to Refex.

The Company is tirelessly striving to create hybrid workplace policies to meet the current demands, creating best-in-class infrastructure for the employees; flexible work-from-home policies, etc. are a few initiatives in this direction.

Post-pandemic – the Company has evolved its work pattern to respond to any eventuality & has better equipped the organisation against any such disruption – having the potential to affect the business operations. Many of the Company's services fall under the Essential Services category – hence adopting hybrid operations allows catering to its client servicing requirements with equal importance on people safety & convenience.



Center of Excellence



Leadership Meet

The Company firmly believes that co-operation between the management and employees is essential to the success of any organisation and its development growth goal. Additionally, the Company is advancing this strategy by including and integrating a competency-based management system. And these are some of the initiatives related to identifying talent and grooming the workforce for higher leadership roles are carried out through various Assessments Centres, which create a Career Development plan for potential leaders with high potential. These initiatives require continuous and consistent identification, development, and monitoring of a robust talent pool to build a strong leadership pipeline, which is capable

of leading the organisation to the next level in the coming years.

The Company has taken the following initiatives to make its Centre of Excellence program a successful endeavor:

- ESoP Scheme Development
- Competency-Based Management System (CBMS)
- Assessment Centers / Development Centers (AC-DC)
- Succession Planning
- eSat & Employee Engagement
- GPTW

The Company has equipped its leaders with the tools they need to have meaningful conversations with their subordinates about their performance, potential, and development.

Refex's multi-geography and diverse business areas create an extreme challenge in implementing the engagement program – which the Company is achieving with Unifying the Culture – where personal connection; entrepreneurship, syndication & support are the way of life. This defines Refex's DNA. Each Refexian takes initiatives owing to intrinsic motivators and by owning their portfolios.

Life@Refex

The Company seeks every opportunity to engage & celebrates with Refexians

Townhall

Refex believes in transparency through regular interaction between the management and employees. The Company conduct Townhall with all employees on a frequent basis with the Managing Director leading it from the front & taking employees through the business performance, business insights, recognising the top performers, and a Q&A session to ensure that everyone is aligned with the same set of objectives. The Company puts its best efforts to ensure all employees do take part & get the business understanding & engage with the management.



Festivals

Every year, the Company celebrates the festivals of different religions by organising events & competitions for all employees & making them more colourful and vibrant.

Yoga for Rejuvenation

Employee well-being is of utmost importance at Refex. During the lockdown period, in order to keep up the mental health, reduce stress, and improve the immunity of employees, virtual yoga sessions were launched under -"Yoga for Rejuvenation". In total, 14 sessions were conducted & more than 100 employees benefited from the program.

Birthday Bash

Each Refexian is an individual pillar holding the strong foundation of the Company. Refex celebrates the birthdays of all employees. The Company organise a month-end birthday bash where the respective individuals cut the cake together. This practice of collectively cutting the cake strengthens employee bonding further.



Movie time

The Chennai corporate office employees were given the unique opportunity to attend an exclusive premier of a movie. To add to the jubilation, employees were also given Refex T-shirts.

Party

To celebrate the success of business continuity by overcoming the challenging business and pandemic circumstances, Refex announced a year-end celebration for the employees, which helped them to cherish the organisational culture and merits of working together for the fulfillment of all objectives.



Safety and Well-being of Refexians



The well-being of Refexians has always remained at the center of all the activities and the Company took various steps across various levels to make sure that the employees are safe and secured.

Awareness session of Covid (Omicron):

The organisation conducted numerous sessions to create more awareness amongst the employees on the precautionary measures that were necessary to be taken. The sessions briefed the employees on the preparedness against the virus in terms of the use of sanitizers, maintenance of social distancing, the importance of vaccination regular use of masks & maintenance of individual hygiene for overall safety. The sessions also helped employees to understand the health impact of COVID.

COVID 19 & Vaccination wellness session:

COVID-19 & Vaccination wellness session aimed at removing the apprehension of many employees who were of the opinion that vaccination could have

some adverse effect on their bodies. This session was predominantly to educate & bust the myths around the negative propaganda on vaccination.

Stress Management & Work-life Balance:

This session was mainly targeted at understanding stress & how to handle various types of stresses in professional and personal lives. The session helped the employees to understand how to lead a stress-free life & how work & life can be balanced for optimum productivity in both.

Common Health Issues Affecting Women

This was an exclusive session for women employees of Refex. The session was delivered by experts & addressed the issues that were affecting the health of women.

Vaccination camps organised for Employees and their family members

Particulars	Total count	Vaccinated count	Comments
No. of Camps Held	4	-	
No. of RIL employees	140	126	Full Vaccinate count as on 31 st Mar 22
No. of 1 st Vaccine	-	132	
No. of 2 nd Vaccine	-	126	
No. of Booster Dose	-	29	
No. of Family members of Refex Group	729	525	



Women Empowerment - Need of the Hour



An internal networking forum by the name **'Vamika'** to provide career, physical and mental wellness support to women has been set up at Refex. Under 'Vamika', the Company takes utmost care of both the physical and mental health of women.

Refex conducted **'Krav Maga'**, an Israeli self-defense workshop for all women to address their safety needs. The Company also came up with a **'Wellness Work-from-Home policy'** to enable women to work from home during their monthly menstrual cycle. This was

highly appreciated by its women colleagues. The Company also plans to do gynecological sessions, mental wellness and counseling sessions by therapists, career mentoring experts, and much more in the coming financial year.



Management Discussion and Analysis

Global Economy

The global economy gradually started recovering in 2022 post pandemic-induced situations. However, certain geo political circumstances, such as the Russian-Ukraine conflict further pulled back the recovery process by disrupting the supply chain for certain commodities from these countries. The grinding halt of export from Ukraine for certain commodities like wheat and the sanctions put on Russia to dissuade them from continuing the war has led to a trade and financial linkage imbalance. Already the economy was reeling from pandemic-induced high price levels but the conflict has put more pressure on it.

According to the World Economic Outlook Report, Inflation is projected at 5.7% in advanced economies and 8.7% in emerging markets and developing economies for the year 2022. The month of April 2022 witnessed global growth slumping from an estimated 6.1% in 2021 to 3.6% in 2022. The same situation is anticipated for the year 2023. It is becoming increasingly back-breaking for countries to

trade-off between growth and inflation as the volatility increases in the world market.

After the invasion of Ukraine by Russia, several countries started banning oil imports from Russia. Brent crude oil reached US\$140 per barrel in early March 2022. As more countries severed ties with Russia, there has been a considerable decline in the supply of crude oil. According to IMF projections, the global demand for oil in 2022 is going to increase to 9.97 crores barrels a day.

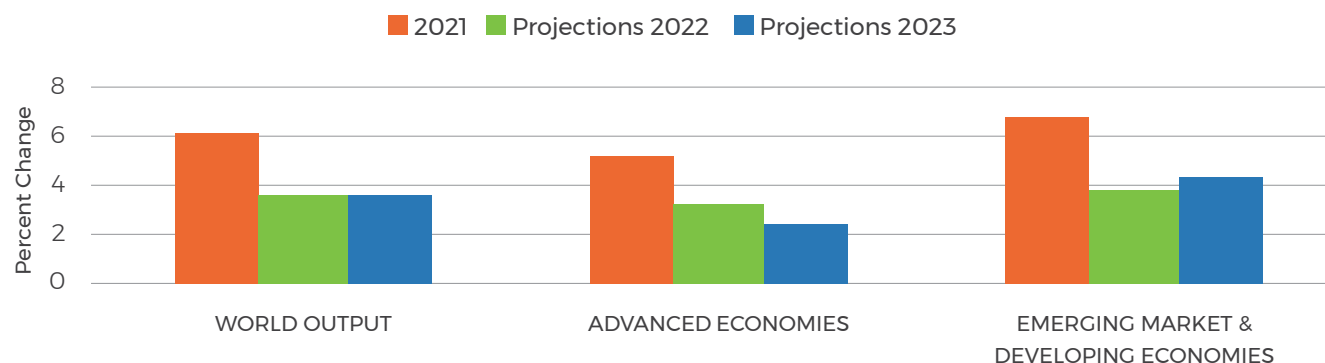
Global integration is very vital for long-term growth prospects but the rising fragmentation will further disrupt the global supply chain if not tackled diplomatically. There is a significant slowdown in overall activity. It is expected that global trade will decline further in 2022. The central banks of the most advanced economies have started to increase their interest rate. The tightening of monetary policy by the advanced economies is further leading to FDI outflow from emerging economies, worsening their woes by putting liquidity constraints.

Indian Economy

The Financial Year 2021-22 was marked by a series of events co-occurring, increasing volatility and uncertainty in the world market. However, the Indian economy managed to show resilience as there was an uptick in the demand side related to consumption, gross fixed capital formation and exports. The National Statistical Office (NSO) released provisional estimates on GDP on the last day of the month of March 2022 where the Government of India revised its GDP growth estimate for FY 2021-22 to 8.7%, lower than its earlier estimate of 8.9%. According to the projection of Reserve Bank of India (RBI), the real GDP growth for FY 2022-23 is retained at 7.2% with Q1 being at 16.2%, Q2 at 6.2%, Q3 at 4.1% and Q4 at 4.0%.

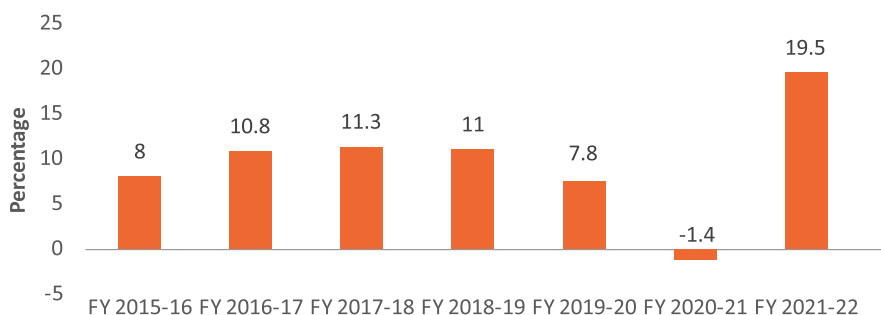
RBI has also projected the inflation to be at 6.7% in FY 2022-23, which is in the upper band of the RBI's target level of 6%. Rural inflation was higher than urban inflation, where the former was at 7.6% in March and later at 6.12%.

Graph 1: World Output



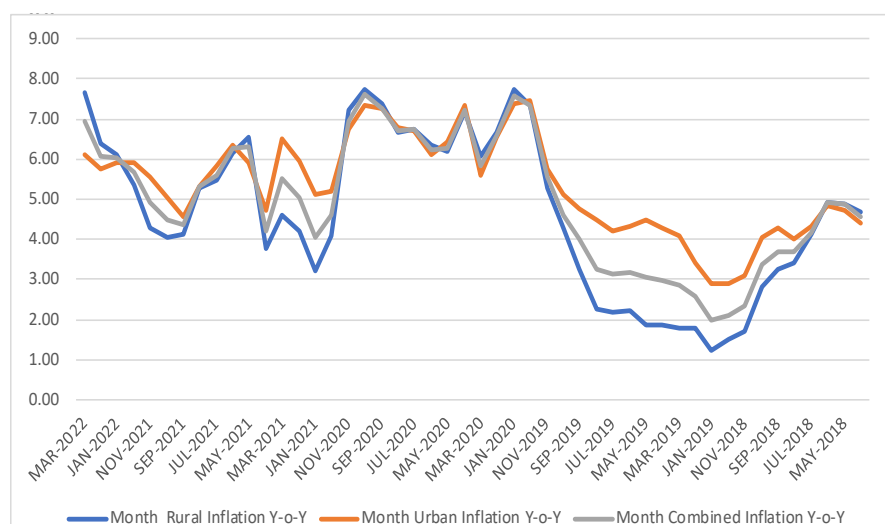
Source: IMF

Graph 2: GDP (At Current Price) Percentage change over previous year



Source: MOSPI, Government of India

Graph 3: Inflation Trend



Source: Reserve Bank Of India

The rising price levels and low growth levels in the economy could result in economic stagflation. However, the government has proactively undertaken initiatives for domestic stability.

To maintain demand-supply equilibrium in the domestic economy, the Indian Government banned the export of wheat but later allowed it with certain caveats. Apart from that, the central government reduced the excise duty on fuels (petrol and diesel) to correct the supply side of the market. Following it, certain state

governments followed the same suit and reduced the tax on petrol and diesel in their respective states.

Refrigerant Gases

As per the report published by TERI, the refrigerant gas market is projected to grow at around 8.5% per annum till 2026 and at around 7% from 2027 onwards due to the increasing demand for refrigeration and air conditioning equipment and the growing cold chain market.

In the past, ChloroFluoro Carbons (CFCs) were the most widely used

refrigerants. Hydro ChloroFluoro Carbons (HCFCs) replaced CFCs in the 1990s and 2000s. HCFCs are frequently used in air conditioners. Although these refrigerants have lower “Ozone Depletion” potential and are more energy-efficient, yet they contribute to global warming. According to the Indian Government’s proposal, HCFCs should no longer be used in India by 2030. Hence, the industry is moving towards usage of Hydro Fluoro Carbons (HFCs). R-32 and R-134A are the prominently used HFCs. In the first half of 2020, a number of sectors in India had setbacks, which therefore decreased consumption of refrigerants due to COVID-19. As a consequence, in 2020, it was predicted that the refrigerant industry could experience negative growth. However, apart from the economic recovery, enhanced interest was observed starting in 2021 as Coronavirus set off a few changes, the significant one being the huge expansion popular for cold storage systems required for storing capacities. As it became critical to store vaccines, medicines, medical equipment, etc., the demand for refrigeration went up consequently. This surge in demand is continuing throughout the projected period.

Performance of the Industry

The Asia-Pacific region is estimated to be the largest refrigerant market due to its economic growth and population growth. Disposable income is expected to increase as industrialisation and employment increase. Fluorocarbons have historically been used as refrigerants, particularly chlorofluorocarbons (CFCs), but they are being phased out because of their effects on the

ozone layer. Now the demand for hydrofluorocarbons (HFC) in the Indian market has increased and China being one of the leading exporters of HFCs, exports to the Indian incumbents in the refrigerant industry. Refrigerant demand depends on applications such as household, commercial and industrial freezing which includes appliances such as coolers; windows, splits, VRFs and other air conditioners. Companies are investing more in

research and development to find more environmentally friendly refrigerants for freezing and air

conditioning applications which will support the Indian refrigerant market in the coming years.

Table 1: Growth Drivers and Challenges of Indian Refrigerant Industry

Growth Drivers	Challenges
Rising popularity of frozen foods and dairy products	Anti-dumping duty Notifications by Indian Government
Emergency of organised retail Market	Issues with the license for the import and export of refrigerants
The increasing demand for consumer appliances	Climate change



Future Outlook

As the supply and demand in the real estate and automobile sectors are constantly increasing, there will be an increase in the need for air conditioners, heating and ventilation systems. As a result, there will be an increase in demand for refrigerant gases.

Coal

According to the Ministry of Coal, Government of India, coal accounts for 55% of the Country's energy needs. During the first half of May 2022, total coal production increased to 33.94 MMT achieving a growth of 36.23% over the production of 24.91 MMT during the same period last year.

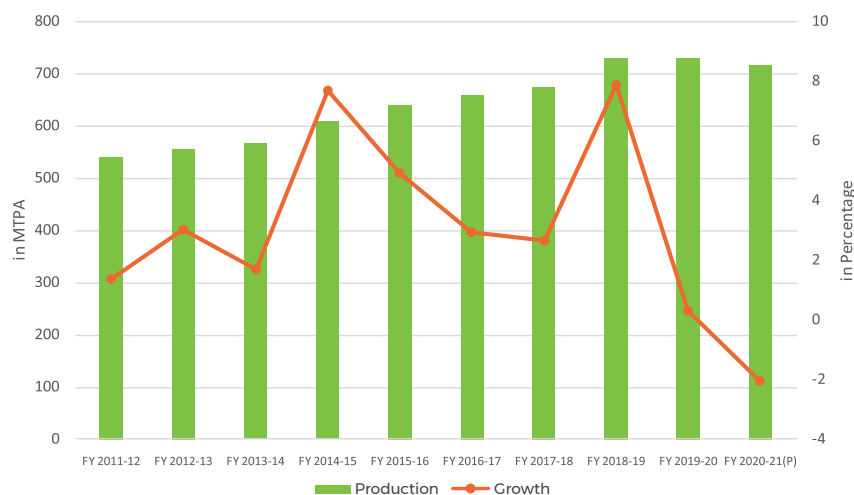
According to International Energy Agency (IEA), India has the world's third-largest hard coal reserves after the United States and China. The quality of coal in India is generally low in sulphur and calorific value and high in ash content. The largest consumers of coal are the power sector, the iron & steel sector and the cement industry. Other industrial consumers include textile, fertiliser, brick industries, paper manufacturers and pharmaceutical industries. However, coal production

in India is insufficient to cope with the growing demand for electricity and industrial energy. Though coal production is growing annually, consumption is growing at a faster rate, thus widening the gap. Being one of the most affordable sources of energy, coal will stay as the major source of energy in the future despite the push for clean energy resources. The transition speed to clean energy resources will depend on the right policy mix. Right now, India is the third-largest global emitter of CO₂, therefore India needs to transition toward cleaner energy resources but as long as the consumption demand for coal increases, the production also will increase. Therefore, replacement of coal is very difficult for at least the next 10 years as India is looking to ramp up the output of domestic coal to strengthen energy security and reduce the dependence on the import of fossil fuels, to avoid a shortage of coal for the Country's power utilities and to maintain the buffer stocks.

Performance of Coal Industry:

As per the Economic Survey 2021-22, the performance of the coal industry has increased over the years and is forecasted to remain in the range of 1,300 – 1,500 MMT by 2030 despite a push for renewable energy. According to the Ministry of Coal, Government of India, the coal-based power generation has

Graph 4: Coal Production



Source: Ministry Of Coal, Government of India

grown at a CAGR of 1.82% in the last five years while the domestic coal supply to the power sector has grown at a CAGR of 3.26%. Therefore, coal supply to the power sector has exceeded the growth in coal-based power generation.

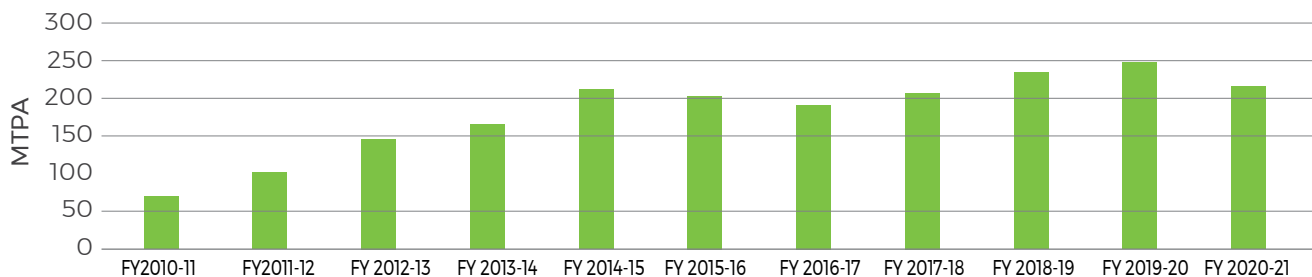
However, imports have increased over a while as the domestic supply of coal has fallen short of demand. The shortage was especially felt in the month of April and May when the power demand had increased. The woes of coal import have accelerated as coal prices are high globally due to geopolitical crisis, which makes coal import even costlier.

Of the total import in India, part of the demand is from the steel

industry for coking coal. Majority of the coal-fired power plants in India are designed in such a way that they can only use imported coals, as the domestically produced coal are high in ash content and low in calorific value, thus increasing the operational and maintenance cost.

The total actual demand for coal during 2020-21 was 906.13 MMT in which domestic supply was just 690.88 MMT. India aims to reduce its import dependence on coal by expanding its domestic supply. This requires operational and technological efficiency to reduce the environmental impacts. And, by opening up coal mining for the private sector it is expected that these requirements will be fulfilled.

Graph 5: Import of Coal



Source: Ministry of Coal, Government of India

Future Outlook

As part of the Paris Climate Agreement, India has committed to achieve 40% of its electricity generation capacity from non-fossil fuels by 2030 to a cleaner energy resource. India has plans to expand the use of gas as its energy mix, the target of the current government is 15% share of gas in its energy mix by 2030. As the nation ramps up its renewable energy capacity, the coal market growth is expected to reduce in the future. It is envisaged to bring

about 30,000 Ha of additional land (in and around coal mining areas) under green cover by plantation of around 75 million trees by 2030. As coal mining has been opened up for private players as well this will help bring efficiency, investment and technology creating further job opportunities. So far, 28 coal mines have been successfully auctioned. Out of these, 27 coal mines have been auctioned to private companies. The auction process for 88 coal mines is underway.

Fly Ash

Thermal power generation using coal or lignite has remained the primary source of new power capacity in India. Indian coal is comparatively a low grade material with an ash content of between 24% & 63% as against imported coal with ash content in the range of 2%-18%. As a result, thermal power plants that use domestic coal/lignite produce a significant amount of ash.

Table 2: Key Fly Ash Applications

Industry/End-Use segment	Application of Fly Ash
1. Cement manufacturing	- As a partial replacement of portland cement since it contains substantial percentage of silica, alumina and lime - Concrete made from ash can be suitably utilised in coastal atmosphere as it is stronger and more durable than traditional concrete and is less susceptible to chemical attack
2. Reclamation	- Bottom ash can be utilised for filling low lying areas - Reclamation of sea
3. Construction	Construction of roads & embankment
4. Construction material	- Manufacture of bricks which are light weight and stronger than common burnt clay bricks - Manufacture of pavement blocks/tiles normally used for laying hard, durable and attractive flooring in the courtyards, pavements, walkways, car parking etc.
5. Agriculture	- To improve crop yield as it contains micronutrients like phosphorus, potassium and calcium, improves water holding capacity and soil aeration - Reclaim saline alkali soil thereby saving gypsum
6. Thermal Power	Used for raising ash dyke

Changes in Policy

The Ministry of Environment, Forests, and Climate Change (MoEF&CC), Government of India has released several notifications on the usage of fly ash in order to limit the land area needed for the disposal of fly ash in ash ponds and to address the issue of fly ash pollution.

The first notification was issued on September 14, 1999, which was subsequently amended via notifications dated August 27, 2003, November 3, 2009, and January 25, 2016. The MoEF&CC's notification of January 25, 2016 stipulates the necessary uploading of details of fly ash on TPSS' website and updating of stock position at least once every month. In order to enhance gainful utilisation of fly ash, it prescribes:

- 1) increase in the mandatory jurisdiction of the application area from 100 km to 300 km;
- 2) transportation of ash for construction projects, for the manufacture of ash-based merchandise, or to be used as a soil conditioner in agricultural activity;
- 3) transportation of ash for road construction projects under the Pradhan Mantri Gramin Sadak Yojna;

4) asset creation and the use of fly ash-based goods in all government initiatives like Swachh Bharat Abhiyan, Mahatma Gandhi National Rural Employment Guarantee Act and Pradhan Mantri Gramin Sadak Yojana.

In order to attain 100% fly ash usage, the notification on November 3, 2009, established fly ash utilisation targets in a phased manner for all coal/lignite-based thermal power stations. The thermal power stations in service before the notification date were required to meet the fly ash utilisation target over the course of 5 years starting with 50% in the first year, 60% in the second year, 75% in the third year, 90% in the fourth year, and 100% in the fifth.

Future Outlook

To safeguard the environment, the Indian Government has introduced a penalty regime applicable effective from April 1, 2022 for non-compliant thermal power plants based on the 'polluter pays' principle. The non-compliant power plants will be required to pay environmental compensation of ₹ 1,000 per tonne on unutilised ash during the end of every financial year. The fine collected by the Central Pollution Control Board will be used for the safe disposal of the unutilised ash and also for research on the use of ash for ash-based products.

Power

The power sector plays a crucial role in the development of the economy and is a critical part of the infrastructure. The presence and development of suitable power infrastructure indicate the economy's long-term prosperity. The highly regulated Indian power industry has gone through many

changes in recent years. India's power sector is diversified with its sources ranging right from conventional sources like coal, natural gas, oil, hydro and nuclear power to renewable sources like wind, solar and agricultural & domestic waste.

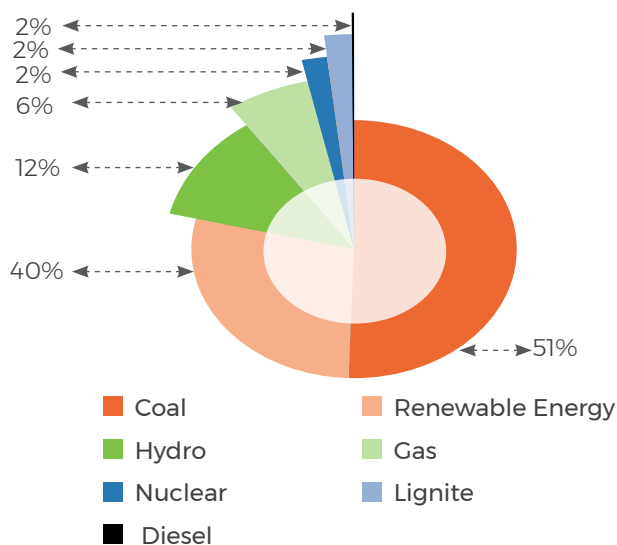
Over the years, the population growth, growing urbanisation and industrialisation have led to a substantial rise in the demand for electricity, which in turn, has necessitated the increase in the power generation capacity. With the development of the national grid and the unification of the five regional grids, the system now runs as a 'One Nation-One Grid-One Frequency' under the Ministry of Power, Government of India.' Developments like a significant growth in the installed generation capacity, augmentation in the transmission and distribution infrastructure along with various government initiatives have resulted in reduced energy and peak shortages and surplus generation capacity in recent years.

Power Generation

Electricity production in India stood at 1,491 billion units (BU) in FY 2021-22, rising by 7.96%. It has grown by almost 16.71% to 286.5 BU during Apr-May FY 2022-23. In January 2022, India stood as the third-largest producer and the second-largest consumer of electricity worldwide. According to the Central Electricity Authority's (CEA) Load Generation Balance Report, the Country as a whole may have an energy surplus of 2.9% and a peak surplus of 3.4% with the generation programme finalised for FY 2022-23.

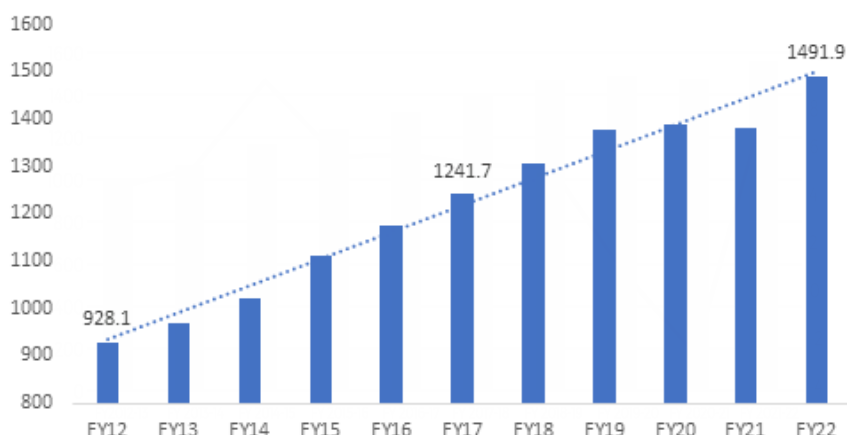
The capacity utilisation of power plants can be gauged from the Plant Load Factor (PLF). The average PLF of coal & lignite-based power plants has witnessed steady deterioration in the last 10 years, albeit some improvement in FY 2021-22. Although this can be viewed as an indicator of sufficient capacity to meet peak power demands, it points toward a demand-supply mismatch.

Graph 6: Installed power generation capacity as on May 31, 2022



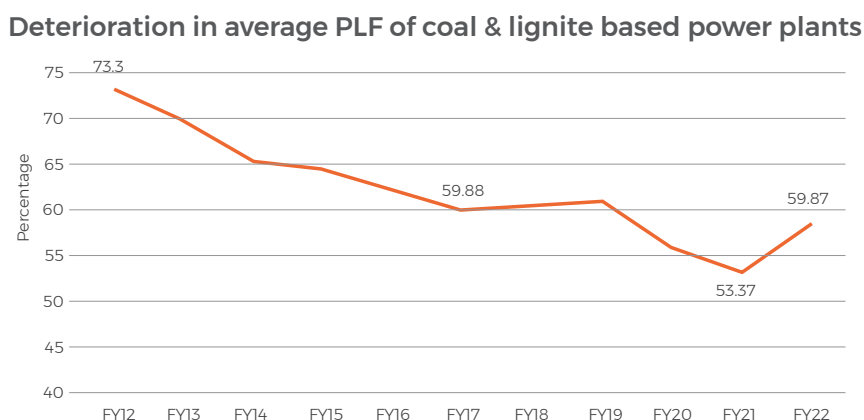
Source: Ministry of Power, Government of India

Graph 7: Growth in India's power generation in last 10 years (Billion Units)



Source: CEA

Graph 8: Deterioration in average PLF of coal & lignite-based power plants



Source: CEA

Power Transmission

In the past few years, the focus has been placed on having a transmission network free of congestion so that there is no restriction in the flow of electricity from the surplus region to the deficit region. As a result, the nation's transmission system has been steadily strengthened by the augmentation of inter-state and intra-state transmission lines.

As of May 2022, 458,258 CKM of transmission lines and 1,119,256

number of substations have been developed in the Country.

Power Distribution

The most crucial link in the whole value chain of the electricity sector is distribution. It serves as the sector's cash register because it is the only point of contact between utilities and consumers. Power is a concurrent topic under the Indian Constitution, and the states are responsible for distributing and supplying power to rural and urban

users. The Government of India assists states in developing the distribution sector through different Central Sector / Centrally Sponsored Schemes.

Under the power distribution segment, the government had approved Integrated Power Development Scheme (IPDS) in November 2014 with a total outlay of ₹ 32,612 crore to strengthen sub-transmission & distribution networks in the urban areas, metering of distribution transformers/ feeders/ consumers in urban areas and IT enablement of the distribution sector. Besides, the government has also launched SAUBHAGYA – Pradhan Mantri Sahaj Bijli Har Ghar Yojana and Deendayal Upadhyaya Gram Jyoti Yojana to achieve 100% village electrification,

In view of the indebtedness of power distribution companies, Ujwal DISCOM Assurance Yojana (UDAY) was launched by the government in November 2015. As of May 2022, 32 states & union territories have joined this scheme. The participating states in the scheme have achieved aggregate technical & commercial (AT&C) loss of 16.55% and ₹ 0.32 per unit in the gap between Average Cost of Supply (ACS) and Average Revenue Realised (ARR). Subsequent to the launch of UDAY, a total 482.71 lakh of un-connected households have received access to electricity as of June 2022.

Future Outlook

The Indian Government has initiated massive investment in the power generation, transmission and distribution segments to strengthen the power infrastructure sector. It is also playing a major role in promoting the adoption of

the renewable energy segment by offering various incentives such as generation-based incentives, capital and interest subsidies, viability gap funding, concessional finance and fiscal incentives. All these initiatives are expected to help in the augmentation of critical power infrastructure and enable India to meet 50% of its energy requirements from renewable energy by 2030.

Solar Energy

Solar Energy is one of the abundant sources of renewable energy and is used worldwide commercially for electricity generation, heating and desalinating water. The global solar power installed capacity stood at 843,086 MW in 2021. Amongst regions, Asia that accounted for 57.19% of global solar installed capacity at about 485,848 MW in 2021, has the highest solar installed capacity in the world. Within Asia, countries like China, Japan, India, the Republic of Korea and Vietnam are the top 5 countries in terms of installed capacity of solar power.

India is endowed with vast solar potential. In 2022, India has been positioned as the 5th largest solar power installed capacity Country.

Performance of the Industry

In December 2021, the total installed capacity for renewable energy in India stood at 151.4 GW, out of which Solar power accounts for 49.34 GW. The solar PV segment is dominating the Indian solar energy market as PVs are cheaper than other solar technologies along with a simplified installation procedure. During FY 2021-22, Ministry of New and Renewable Energy (MNRE), Government of India approved a Production Linked Incentive (PLI)

Scheme, with the name of 'National Programme on High-Efficiency Solar PV Modules' with an outlay of ₹ 4,500 crore. To enhance domestic manufacturing capabilities and exports, the scheme has various provisions to support the set-up of integrated manufacturing units of high-efficiency solar PV modules by offering PLI on sales of such solar PV modules.

Various schemes such as the Solar Park Scheme, the 300 MW defense Scheme, the 500 MW of Viability Gap Funding Scheme, etc. have been introduced by MNRE to promote solar energy in the last three years.

Challenges, Drivers & Opportunities

The pandemic had little impact on the Indian solar energy market with growth witnessed in the solar PV installed capacity power plants in 2020. The accumulative growth in electricity generation by solar energy sources also accelerated in 2020. The key growth drivers of the Indian solar sector are the declining cost of solar power technology, the flexibility of these systems, and a greener method of power generation. However, the solar energy market is hampered by issues like T&D losses (Transmission & Distribution) and unpredictability in a continued power supply. Solar PV are the most popular medium of energy generation as they include an easy installation process and are significantly cheaper than any other solar technologies available. Also, the abundance of solar energy that India receives throughout the year along with foreign investment, technology and government initiatives have helped in driving the growth of the solar energy market in India.

The solar energy sector in India has emerged as a significant player

in the grid-connected power generation capacity, which can be off-grid or on-grid. It supports and emphasises on the government agenda of sustainable growth in the energy sector, while, emerging as an integral part of the solution to meet the nation's energy needs and energy security. There has been an increase in solar power capacity generation by more than 10 times in the past five years from 2.6 GW in March 2014 to 30 GW in July 2019. Presently, solar tariff in India is very competitive and has achieved grid connection parity.

Time taken for the land acquisition and alteration of land-use for solar projects along with the permission criteria for project developers are the key obstacles faced by the solar energy sector in the Country. In order to overcome these challenges, MNRE introduced the scheme for "Development of Solar Parks and Ultra-Mega Solar Power Projects" in 2014. The scheme aims to the setup solar projects in a plug-and-play model for efficient usage of abundant availability of solar energy. The scheme aims to set up 25 solar parks and Ultra Mega solar power projects with a target of 20,000 MW of solar energy installed capacity in a span of 5 years. This scheme has effectively helped the states/union territories in setting up solar parks in varied locations.

Besides, the government has introduced the scheme for setting up grid-connected solar PVs projects with a target of over 5,000 MW capacity. This is expected to help in scaling up the solar power projects and introduce an efficient transparent e-bidding and e-auctioning process. It will also supplement the power supply and grid power, thus reducing transmission losses. Further,

Off-grid and Decentralised Solar PV Application Programme is an initiative which aims to install an additional off-grid solar power capacity of 118 MW by 2021 through application-wise targets of

1. 3,00,000 solar street lights
2. 25,00,000 solar study lamps for school-going students
3. 100MW of solar off-grid power plants for providing electricity to hostels, school, panchayats and other public institutions.

Moreover, Atal Jyoti Yojana (ATAL) – Phase 2 is aimed towards setting up solar street lights in hill states, northeastern states and additional solar power capacity generation in states of Uttar Pradesh, Assam and Odisha, etc.

Future Outlook

The renewable electricity generation target for 2030 is estimated to be 40% by IRENA. The indicated world shares of renewable power generation in 2050 are based on the planned energy, transforming energy and 1.5-degree Celsius scenario. So, the Solar PV targets for 2050 are 15% in case of planned energy scenario, 25% of the transforming energy scenario and 29% of 1.5-degree Celsius scenario.

Company Performance

Refex commenced its operations in 2002 and is an ISO 9001:2015 and ISO 14001:2015 certified Company. Refex is Celebrating 20 Years of Excellence in brand recognition and a strong presence in the Country built over the years on the strong foundation of integrity, professionalism, diversity, dedication, commitment and competitiveness. The Company continuously evaluates the market sentiments and prospects to further expand its business, delivering innovative solutions and diversifying its portfolio.

Refex has been able to deliver superior returns to all its stakeholders coupled with innovative solutions and positive financial sustainability.

Operational Performance

Refrigerant Gases

Refex is majorly involved in the re-filling of HFCs under the brand “Refex” that are replacements for the ozone-depleting CFCs, as well as HCFCs. The Company's re-filling plant is located at Thiruporur which is 40 km from Chennai and has distribution outlets across India. The Company sources the HFC gases from China. Primarily, these gases are used in industrial refrigeration and air conditioning

and used as aerosol propellants and blowing agents. The Company was among the first few companies to launch 450 ml refilling cans to set up renewal plants at automotive original equipment manufacturer (OEM) premises to launch blended gases within the Country. The primary focus of the Company has always been on innovation which is also why the Company's product is differentiated and commands a premium value over all the existing brands. The Company refills the gas into different categories and sizes of cylinders and cans. Refex offers a full range of HFC products to a wide range of market segments, products include - R134A, R404A, R407C, R410A, R32, R152A and Cans: R134A, R22, Butane.

Refex has a well-networked logistics department in place for timely supply to our clients having a GPS system in place. The Company has a warehouse in Delhi to reduce the turnaround time in the Northern region. The Company is in 100% compliance with all Government Mandates in the refrigerant industry. At Refex, the regular maintenance and cleaning procedures ensure optimum, peak performance at all times to minimise all sorts of operational losses.

Refex added more cylinders and tonners and filling lines to its capacity this year, thereby increasing its refilling capacity to 2500 MT during FY 2021-22. In terms of volume, sales was recorded 940 MT in FY 2021-22 against 604 MT in FY 2020-21. This growth was propelled by the growth of sales of cars, air conditioners and dairy products.

As mentioned earlier, the Company is majorly dependent on China for



the supply of raw materials. Thus, any tensions pertaining to military or trade between India and China will have an adverse impact on the supply of the raw materials, and will also indirectly impact the cost structure and margins of the Company. Additionally, fluctuations in foreign exchange are bound to further deteriorate the situation. Due to the imposing of antidumping duties on HFCs by the customs and changes in the import policy of HFCs, which have been revised from free to restricted, subject to receiving NOC from the relevant ministries, has made the situation more challenging for the Company to source the material on time as multiple approvals are required. This also increases the cost of the product in return. The dependency on other countries for sourcing of material has become very difficult, with recent rules from the government towards restricting the imports of refrigerants, commitment towards net-zero, and also the impact of 'Make in India' amendment. Thus, looking at these challenges and considering the huge domestic & export market for Indian products, the Company intends to increase its geographical presence and possibly extend its product lines to include trending products.

To further improvise its global growth, the Company has already begun to enhance its digital presence on an e-commerce portal.

Coal Trading, Coal Crushing, and Coal Yard Management Services

Refex started its coal trading business in 2018. In FY 2021-22, the Company traded 0.3 MMT of coal against 1.1 MMT in FY 2020-21. The Company sources coal from local dealers and supplies it to the power plants at a very competitive price.



Refex also deals in coal crushing and coal yard management along with trading. In coal crushing services, the Company first brings the coal to the yard through trucks for storage, later, this coal is transported and fed into the hopper in the coal handling plant. During FY 2021-22, Refex crushed 0.8 MMT of coal.

Due to the shortage of coal and some government restrictions coupled with COVID-19, most of the power plants were under financial stress that has directly or indirectly caused the impact of delay in payment or cancellation of the orders, posing a threat of delayed payment and/or cancellation of orders (loss of business).

Handling and Disposal of Fly Ash

Along with the trading of the coal business, the Company also forayed into the handling and disposal of fly ash. Fly ash is formed while coal is being burned in the thermal plants, and this ash is collected as

it is harmful to the environment if released in the air. Thus, the Central and the State Government have made it mandatory for all the power plants to dispose of the ash properly. A hefty penalty is imposed in failing to do so.

Generally, ash is procured from the major thermal power plants in Rajasthan, Maharashtra and Chhattisgarh and this ash is supplied to the leading cement manufacturing companies of the Country, which in turn, make blocks out of the fly ash. Ash is also disposed of in the form of a landfill for mines. Cumulatively, Refex disposed-off nearly 10 MMT of fly ash till date. Currently, Refex is disposing-off 12000 MT of Fly ash and Bottom Ash on a daily basis with zero material going to the ash dyke.

The major challenges which the Company faces while transporting the fly ash are the monsoon and sudden rains, and the fluctuating fuel prices, which hamper the cost.

Apart from these, the availability of coal has recently seen a drop so the formation of fly ash has decreased. This makes the disposal plan difficult as there is no consistency in the amount of ash that is generated.

The Company wants to work as a total solution partner instead of working as an aggregator. Previously, the Company had one client, but now the number has gone up to four clients. The Company works on a partnership model instead of outsource model. The Company has currently 50 vehicles in its fleet and it will add more vehicles. The Company is also planning to add 7 more clients in FY 2022-23.

Solar Business

With the view to meet the constant needs of energy for the future, which

will be clean, environmental-friendly, and sustainable, the Company signed a power-purchase agreement with NTPC Vidyut Vyapar Nigam Limited. The Company also set up a 5MW solar power plant on the leasehold land taken from the Rajasthan government, while entering into a lease agreement with Essel Mining Limited on solar energy equipment operation.

Power Trading

The Company has got the license for power trading in March 2022 and it is expected to boost the revenue for the Company in FY 2022-23.

Financial Performance

The financial performance vis-a-vis the previous year is given separately in the Board's Report.

During FY 2021-22, the revenue from the operations declined by 30% from ₹ 44,898.48 Lakhs to ₹ 63,710.25 Lakhs in the corresponding previous year owing to the major slowdown in the coal business. However, the Company was able to improve the margins and profit due to the improved realisation on the back of strong demand for the products and strategic initiatives undertaken at the marketplace. Refex's Net Profit increased to ₹ 4,538.99 Lakhs in FY 2021-22 from ₹ 4,094.33 Lakhs in FY 2020-21 – registering a growth of 10% supported by strong control on fixed overheads and operating leverage. This, in turn, has also helped the Company to improve its margins i.e. operating profit margins and net profit margins to 13.03% and 10.70% in FY 2021-22 from 10.70% and 6.47%, respectively.

Table 3: Segment wise Performance:

Particulars	(₹ in lakhs)	
	FY 2021-22	FY 2020-21
Refrigerant Gases	3,772.16	1,719.87
Ash and Coal Handling	32,062.93	51,574.02
Solar	1,166.74	1,231.54

In order to further improve and strengthen its balance sheet and leverage ratios, the Company reduced its Debt by over ₹ 300

Lakhs improving its Debt/Equity ratio to 0.46x as compared to 0.53x in FY 2020-21.

The key financial ratios on the

basis of standalone financials are enumerated below as compared to previous year as per the requirement of SEBI (LODR) Regulations:

Table 4: Key Financials

Particulars	FY 2021-22	FY 2020-21	Deviation (%)	Remarks
Debtors Turnover Ratio (times)	4.24	7.66	-44.65	The deviation in Debtors Turnover Ratio is mainly due to increase in the volume of Refrigerant and Ash handling where the credit period is higher and reduction in the volume of the coal where the credit period is lower which resulted in higher working capital.
Interest Coverage Ratio (times)	6.02	7.54	-20.16	
Return on Net Worth (%)	24.67	29.34	-15.92	
Earnings per Share (₹)	21.61	21.74	-0.6	
Current Ratio (times)	1.57	1.32	18.94	
Debt Equity Ratio (times)	0.46	0.53	-13.21	
Operating Profit Margin (%)	13.03	10.7	21.78	
Net Profit Margin (%)	10.22	6.47	57.96	The deviation in Net profit margin is mainly due to an exceptional income of Rs. 1,342 Lakhs during the current period which is provision created towards ITAT demand for the AY 11-12 and the same has been reversed during the period on account of order passed by the ITAT in favour of the company.
Inventory Turnover (times)	3.81	3.02	26.16	The deviation in Inventory turnover ratio is mainly on account of increase in the volume trades as well as the prices of refrigerant gases during the period when compared to the corresponding period.

Human Resource Management

Refex is confident that its employees are the best differentiators in providing the best-in-class services and products to the customers. Throughout the year under observation, the Company has put in a complete employee life cycle management program that aims to give a positive employee experience

across the association. The number of permanent employees on the rolls of the Company as on March 31, 2022 were 140. Besides, the Company has 11 personnel also, on off-roll or contractual basis as on March 31, 2022.

Employee Development:

In the scenario of changing technologies and rapid enhancement of processes, Refex improvised its

investment in solidifying the abilities of employees. The approach is structured and based on career oriented and career development plans. Refex is evolving its attitude by introducing a competency-based management system and various assessment centres. The Company gives a learning platform providing self-nominated and manager-nominated learning programs through a hybrid model,

which includes online classes and on-the-job trainings.

Employee Communication:

Leader's communication plays an important role in bringing the organisation closer. The key to the success of the Company is the high engagement level of each Refexian.

Engagement program:

The Company faced a bit of a challenge while organising the employee engagement program due to its multi-geography and diverse business areas. Refex tackles these challenges by unifying the culture where personal connection, entrepreneurship, syndication, and support are the ways of life.

Risk Mitigation

The Company is exposed to different types of internal and external business risks. As the Company is into multiple business segments, Refex has put in place a comprehensive risk management framework, which is customised to the specific requirements of the individual businesses. It comprises the risk management system that helps the Company in identifying major and minor risks during the early stages and implementing corrective actions as required. The senior management of the Company plays a crucial role and proactively reviews the risk management processes for monitoring its effectiveness.

Refex considers that it is prudent and necessary to have a responsibility for risk management vested with the legal function in terms of regulatory and compliance framework, rather than being shared among other in-house departments and external lawyers.

Effective risk management has the potential to minimize the impact of risks and prepare the Company to face challenges and strengthen its processes. The Company is cognizant of the various risks inherent to the business. Refex Group comprises strong leadership & management team from diversified industries, which aims at timely identification, evaluation and pre-emption of potential risks.

Future Outlook

The Company is celebrating 20 years of its excellence this year and is also very optimistic about the business in the coming years.

Despite the challenges faced in the coal sector, the Company received the order of around ₹ 200 Crore during the initial month of FY2022-23. This is a good start of the year for Refex. However, the Company anticipates the same challenge for mismatch of demand and supply of coal for the next year.

Refex is focusing on strengthening its dealer's network across India and getting into new territories for the refrigerant business. Furthermore, OEMs and capturing huge contracts from the Indian Government will be the main target for the Company.

Fly ash business will be more focused this year, as the Company has signed 2 more contracts, which will be executed this year and will increase gradually. Besides Chhattisgarh, the Company plans to extend its reach for fly ash to states like Madhya Pradesh, Uttar Pradesh, Orissa, and, Gujarat.

Adoption of the digital transformation, in the processes, is one of the topmost priorities for Refex in the near future. The phase

wise implementation is in progress, which will further strengthen the operations and add value to its stakeholders.

The Company is also committed towards adoption of Environment, Society and Governance (ESG) and resolve to be ESG compliant across the businesses shall be very crucial. Currently, the Company is evaluating the entire business processes towards the development and revision of ESG policies, process setting and improvements, monitoring mechanism and record keeping.

Refex believes in investing in innovation, technological advancement and employees, which ensures the sustainable growth and value creation for the stakeholders.

Internal control system

The Company's stringent internal control systems and procedures are well-defined and commensurate with the size and nature of the business to provide reasonable assurance that all assets are safeguarded; transactions are authorised and reported properly. All applicable statutes, code of conduct, and corporate policies are duly complied with. The internal Audit Division reviews the adequacy and efficiency of the internal controls. The scope of the Audit activity is guided by the Annual Audit Committee of the Board. The Audit Committee reviews the reports of the Internal Auditors and provides guidance.

Cautionary Statement

The above statement is as perceived by the Directors based on the current scenario and the input available. Unforeseen external developments and force majeure conditions may have an impact on the above perception.

DIRECTORS' REPORT

Dear Members,

Your Directors have great pleasure in presenting the 20th (Twentieth) Annual Report of your Company together with the Audited Financial Statements for the financial year ended March 31, 2022.

Financial Summary / Highlights

The key financial highlights for the financial year under review are as follows:

(₹ In Lakhs)

Particulars	2021-22	2020-21
Revenue from Operations (Net)	44,395.88	63,265.88
Other Income	502.60	444.37
Total Income	44,898.48	63,710.25
Expenditure (other than Tax)	40,138.15	57,924.46
Exceptional Items	1,337.61	-
Profit before Tax	6,097.94	5,785.79
Provision for Income Tax	1,394.49	1,772.38
Provision for Deferred Tax	164.47	-80.93
Profit after Tax	4,538.99	4,094.33
Earnings Per Share (₹) (Basic & Diluted)	21.61	21.74
Net Fixed Assets	1,995.11	1,529.77
EBITDA Margins (%)	13.03%	10.70%
PAT Margins (%)	10.32%	6.47%

Company Performance

The financial statements have been prepared as per the IND-AS prescribed by the Institute of Chartered Accountants of India (ICAI).

During the year under review the Company achieved a turnover of ₹ 44,395.88/- Lakh as against ₹ 63,265.88/- Lakh during previous year registering a decline of nearly 29.8%.

Your Company has achieved a profit before tax (PBT) of ₹ 6097.84 Lakh for the year under review as compared to PBT of ₹ 5785.79 Lakh for the previous year with an increase of 5.40% over the previous year.

The Company has reported a profit after tax of ₹ 4,538.99/- Lakh as against a profit after tax of ₹ 4,094.33/- Lakh during previous year with an increase of 10.86% over the previous year.

Consolidated Financial Statements

Since, the only subsidiary company i.e., Vituza Solar Energy Limited is under the process of striking off, the consolidated financial statements are not applicable.

Indian Accounting Standards (Ind-As)

Financial Statements of your Company, for the financial year ended 31st March, 2022, are prepared in accordance with Indian Accounting Standards (Ind-AS), as notified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time.

Operations

Highlights of your Company's operations and state of affairs for the financial year 2021-22 are included in the Management Discussion and Analysis Report, capturing your Company's performance, industry trends and other material changes with respect to your Company, wherever applicable and forms part of this Annual Report.

Dividend

The Board has not recommended any dividend for the financial year 2021-22 at this stage, as the Company requires ploughing back of the profits for the working capital and other requirements of the Company and expects better results in the coming years.

Amount Transferred to General Reserve

The Board of Directors has decided to retain the entire amount of profits for financial year 2021 - 22 under Retained Earnings. Accordingly, the Company has not transferred any amount to the 'Reserves' for the year ended March 31, 2022.

Impact of Covid-19

The COVID-19 pandemic has pushed the global economy and humanity into a disaster. In an attempt to control this pandemic, the governments of various countries imposed a nationwide lockdown. Although the lockdown may have assisted in limiting the spread of the disease, it has brutally affected the country, unsettling the complete value chains of the most important industries.

The Company has taken into account all the possible impacts of COVID-19 pandemic in preparation of the financial statements, including but not limited to its assessment of liquidity and going concern assumption and recoverable values of its financial and non-financial assets. The Company has carried out an assessment based on available internal sources of information up to the date of approval of these financial statements and believes that the impact of the COVID-19 pandemic is not material to these financial statements. However, the impact assessment of this pandemic is a continuing process given the uncertainties associated with its nature and duration. Accordingly, the Company will continue to monitor any material changes

to future economic conditions. Given the criticalities and uncertainties associated with the nature, condition, and duration of COVID-19, the impact assessment on the Company's financial health will be continuously made and provided for as required.

Investor Education and Protection Fund (IEPF)

In accordance with the applicable provisions of the Companies Act, 2013 ("Act") read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), all unclaimed dividends are required to be transferred by the Company to the IEPF, which remain unpaid or unclaimed for a period of seven years, from the date of transfer to Unpaid Dividend Account.

Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven consecutive years or more shall be transferred to the demat account of the Investor Education and Protection Fund Authority ("IEPF Authority").

During the year under review, no amount of the unclaimed/unpaid dividend and any such share in the Company, was due to be transferred to the IEPF Authority.

The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

Financial Year	Dividend per Equity Share (₹)	Date of Declaration	Due Date for Transfer to IEPF	Amount (₹) (Unpaid as on March 31, 2022)
2020-21 (Interim)	1.00	December 29, 2020	March 02, 2028	4,03,644.00
2020-21 (Final)	0.50	September 30, 2021	December 02, 2028	1,53,186.50

Details of unpaid dividend for the aforesaid financial years can be accessed from the website of the Company at www.refex.co.in and claim can be made by making a request to the Company.

Details of Nodal Officer

The Company has designated Mr. S Gopalakrishnan, Company Secretary of the Company as Nodal Officer for the purpose of IEPF.

Fixed Deposits

The Company has neither invited nor accepted any deposits from the public falling within the preview of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rule 2014 during the year. There is no unclaimed or unpaid deposit lying with the Company.

Share Capital and Changes in Capital Structure

Authorized Share Capital

As on March 31, 2022, the Authorized Share Capital of your Company stood at ₹40,00,00,000/- (Rupees Forty Crores only) divided into 3,50,00,000 Crores (Three Crores Fifty Lakhs

only) equity shares of face value of ₹10/- (Rupees Ten) each, aggregating to ₹35,00,00,000/- (Rupees Thirty-Five Crores only) and 5,00,000 (Five Lakhs only) Cumulative Redeemable Preference Shares (CRPS) of ₹100/- (Rupees Hundred) each, aggregating to ₹5,00,00,000 (Rupees Five Crores only).

Paid-up Share Capital

As on March 31, 2022, the Paid-up Equity Share Capital of your Company stood at ₹21,00,20,240/- (Rupees Twenty-One Crores Twenty Thousand Two Hundred Forty only) comprising of 2,10,02,024 (Rupees Two Crores Ten Lakhs Two Thousand Twenty-Four only) equity shares of face value of ₹10/- each.

There are no convertible securities issued in the Company, as on the date of this Report. Your Company has not issued equity shares with differential rights as to dividend, voting or otherwise.

Employees' Long Term Incentive Plan

In terms of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, ("**SEBI SBEB SE Regulations**") and with the objective to promote entrepreneurial behaviour among employees of the Company, motivate them with incentives and reward their performance with ownership in proportion to the contribution made by them as well as align the interest of the employees with that of the Company, "Refex Employee Stock Option Scheme 2021 ("**REFEX ESOP Scheme 2021**") was approved by the Board of Directors of your Company on September 02, 2021, which was subsequently approved by the members of the Company, in their 19th Annual General Meeting held on September 30, 2021.

During the financial year ended March 31, 2022, your Company has not granted any employee stock options (**ESOPs**) in terms of the REFEX ESOP Scheme 2021.

Applicable disclosures as stipulated under the SEBI SBEB SE Regulations with regard to the REFEX ESOP Scheme 2021, are provided as **Annexure- A** to this Report.

The Nomination & Remuneration Committee of the Board of Directors, inter-alia, administers and monitors, the REFEX ESOP Scheme 2021 of your Company.

Subsidiaries, Joint Ventures and Associate Companies

As on March 31, 2022, your Company has no subsidiary, associate or joint venture company. Further, the only subsidiary company i.e., Vituza Solar Energy Limited, is under the process of striking off.

Material Subsidiaries

The Company has adopted a 'Policy for determining Material Subsidiaries' as per requirements stipulated in Explanation to Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

During the year under review, there was no change in the Policy for Determining Material Subsidiaries. Further, the Company has adopted a revised Policy for Determining Material Subsidiaries, in its meeting held on May 06, 2022, in line with the amendments to the Listing Regulations, notified on May 05, 2021.

The said policy may be accessed on the website of the Company at <https://www.refex.co.in/pdf/Policy-on-Determinig-Material-Subsidiary.pdf>.

Information about the financial performance / financial position of the Subsidiaries

Vituza Solar Energy Limited ceased to be the wholly-owned subsidiary of your Company with effect from February 14, 2022. Accordingly, no information is required to be given in Form AOC-1, in terms of Section 129(3) of the Act.

Corporate Governance

Your Company is committed to benchmark itself with high standards for providing good corporate governance. Your Board constantly endeavours to take the business forward in such a way that it maximizes long-term value for the stakeholders.

A Report on Corporate Governance, in terms of Regulation 34 read with Schedule V to the Listing Regulations, along with a Certificate from the Statutory Auditors certifying compliance of conditions of Corporate Governance enumerated in the Listing Regulations, is presented in a separate section forming part of this Annual Report.

Management Discussion and Analysis Report

Management's Discussion and Analysis Report (MD&A) for the year under review, giving a detailed analysis of the Company's operations, as stipulated under Regulation 34(2)(e) of the Listing Regulations, is presented in a separate section forming part of this Annual Report.

Directors and Key Managerial Personnel (KMPs)

As on March 31, 2022, your Board comprises of Six (6) Directors, out of which, three are independent including one woman director, two are non-executive directors and one is promoter managing director.

In accordance with the provisions of Section 152 of the Act, Mr. Shailesh Rajagopalan (DIN: 01855598), Director (Non-Executive) of the Company retires by rotation in the ensuing Annual General Meeting ("**AGM**") and being eligible offers himself for re-appointment. His brief resume and other related information are being given in the Notice convening the 20th AGM of your Company.

Your Board has recommended his re-appointment and accordingly, suitable resolution proposing his re-appointment forms part of the Notice of the AGM.

Changes during the year

Pursuant to the recommendation of the Nomination & Remuneration Committee ("**NRC**"), the Board in its meeting held on December 29, 2020 and approval from

the members of the Company in the AGM of the Company held on September 30, 2021 appointed Mr. Shailesh Rajagopalan as Non-Executive Director.

Mr. Ramesh Dugar (DIN: 01686047) was appointed as a Non-Executive – Independent Director for first time of consecutive 03 (three) years up to December 28, 2023.

Ms. Jumana (DIN: 08009308) was reappointed as Non-Executive Independent Director for a period of 03 (three) years up to the AGM to be held in the year 2024.

In terms of provisions of Section 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Key Managerial Personnel of the Company are:

1. Mr. Anil Jain	Managing Director
2. Ms. Uthayakumar Lalitha	Chief Financial Officer
3. Mr. Gopalakrishnan Srinivasan	Company Secretary

There has been no change in the Key Managerial Personnel during the year.

Declaration by Independent Directors

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and the Listing Regulations.

The Independent Directors of the Company have also registered their names in the data bank for Independent Directors maintained by the Indian Institute of Corporate Affairs (IICA), Manesar (*notified under Section 150(1) of the Companies Act, 2013 as the institute for the creation and maintenance of data bank of Independent Directors*).

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and are independent of management.

Familiarisation Programme for Independent Directors

The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, and related matters are put up on the website of the Company at <http://www.refex.co.in>.

Remuneration of Directors, Key Managerial Personnel and Particulars of Employees

The remuneration paid to the Directors is in accordance with the Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19 of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

During the year, the Non-Executive Directors of the Company had no pecuniary relationship or transaction with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them for the purpose of attending meetings of the Company.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as **Annexure -B** to this Report.

A statement containing particulars of employees as required under 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 provided as a separate annexure forming part of this Report. However, the Annual Report is being sent to the members excluding the aforesaid annexure. The said information is available for electronic inspection during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

Remuneration Policy

Pursuant to provisions of Section 178 of the Act and the Listing Regulations, the Nomination and Remuneration Committee ('NRC') of your Board has formulated a Remuneration Policy for the appointment and determination of remuneration of the Directors including criteria for determining qualifications, positive attributes, independence of a director, key managerial personnel, senior management personnel and other employees of your Company.

The NRC has also developed the criteria for determining the qualifications, positive attributes, and independence of Directors and for making payments to executive and non-executive directors and senior management personnel of the Company.

The detailed Policy is available on the Company's website at <https://www.refex.co.in/pdf/Nomination-Remuneration-Policy.pdf> and the salient aspects covered in the Remuneration Policy have been outlined in the Corporate Governance Report, which forms part of this Report.

Board Meetings

During the financial year 2021-22, the Board met 8 (eight) times i.e., on May 14, 2021, June 30, 2021, August 09, 2021, September 02, 2021, October 28, 2021, November 26, 2021, January 21, 2022 and March 22, 2022.

The maximum time gap between any two consecutive meetings did not exceed one hundred and twenty days. Details of meetings held and attendance of directors are mentioned in the Corporate Governance Report, which forms part of this Report.

Separate Meeting of Independent Directors

In terms of requirements of Schedule IV to the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors was held on March 22, 2022 for Financial Year 2021-22, without the presence of Executives and Non-Independent Directors.

The meeting was conducted in a flexible manner to enable the Independent Directors inter alia to discuss matters pertaining to the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company after taking inputs from the executive and non-executive directors.

The meeting of the Independent Directors was attended by all three independent directors, namely, Mr. Pillappan Amalanathan, Mr. Ramesh Dugar, and Mrs. Jamuna Ravikumar.

Board Committees

Your Company has constituted several Committees of the Board which have been established as part of the best corporate governance practices and are in compliance with the requirements of the relevant provisions of applicable laws and statutes.

As on March 31, 2022, your Board has 04 (four) Committees, namely,

1. Audit Committee,
2. Nomination & Remuneration Committee (NRC);
3. Stakeholders' Relationship Committee (SRC); and
4. Corporate Social Responsibility (CSR) Committee.

The details with respect to the composition, powers, roles, terms of reference, number of meetings, etc. of the Committees held during Financial Year 2021-22 and attendance of the Members at each Committee meeting, are provided in the Corporate Governance Report which forms part of this Report.

The Board has also constituted the Banking & Authorization Committee (BAC) in its meeting held on May 06, 2022.

All the recommendations made by the Committees of the Board including the Audit Committee were accepted by the Board.

Composition of Audit Committee

As on March 31, 2022, the Audit Committee of the Board comprises of the following members:

1. Mr. Pillappan Amalanathan	Independent Director - Chairperson
2. Mrs. Jamuna Ravikumar	Independent Director - Member
3. Mr. Dinesh Kumar Agarwal	Non-Executive Director - Member

All members of the Audit Committee are financially literate and have experience in financial management.

Performance evaluation of the Board, its committees, and Individual Directors

Pursuant to the provisions of the Act and Regulation 17(10) of the Listing Regulations, the Board has carried out a formal process of performance evaluation of the Board, Committees and Individual Directors.

The performance was evaluated based on the parameters such as composition and quality of Board members, the effectiveness of Board/ Committee process and functioning, the contribution of the Members, Board Culture and dynamics, fulfilment of key responsibilities, ethics and compliance etc based on the Remuneration Policy which prescribed the evaluation criteria for performance evaluation.

A structured questionnaire was prepared covering the above areas of competencies. All the responses were evaluated by the Nomination & Remuneration Committee as well as by the Board of Directors and the results reflected high satisfactory performance.

The Directors expressed their satisfaction with the evaluation process.

The details of the evaluation process are set out in the Corporate Governance Report which forms part of this Annual Report.

Directors' Responsibility Statement

In pursuance of Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- a. In the preparation of the annual accounts, the applicable accounting standards read with requirements set out under Schedule III to the Act had been followed and there are no material departures from the same;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments

and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on March 31, 2022;

- c. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors had prepared the annual accounts on a 'going concern' basis;
- e. The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Compliance with Secretarial Standards

Your Directors confirm that pursuant to the provisions of Section 118(10) of the Act, the Company has complied with the applicable provisions of the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

Particulars of Contracts or Arrangements with Related Parties

Your Company has adopted a "Policy on Related Party Transactions", in accordance with the provisions of the Act and Regulation 23 of the Listing Regulations, inter-alia, providing a framework for governance and reporting of Related Party Transactions including material transactions and threshold limits for determining materiality.

The said Policy is also available on the website of the Company at the web-link: <https://www.refex.co.in/pdf/Policy-on-Related-Party-Transactions.pdf>.

All Related Party Transactions that were entered into during the financial year ended on March 31, 2022 were on an arm's length basis and in the ordinary course of business under Section 188(1) of the Act and the Listing Regulations. Details of the transactions with Related Parties are provided in the accompanying financial statements note no. 37 of the Financial Statement, in compliance with the provision of Section 134(3)(h) of the Act.

During the year, the Company had not entered into any contract or arrangement with related parties which could be considered 'material' in terms of the Company's Policy on Related Party Transactions. Accordingly, there are no transactions that are required to be reported in Form AOC-2.

There are no materially significant related party transactions that may have potential conflict with the interest of the Company at large.

Auditor and Auditor's Report

Statutory Auditor

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules 2014, as amended, M/s. M Krishnakumar & Associates, Chartered Accountants (FRN: 006853S) was appointed as the Statutory Auditors of your Company at the 15th AGM held on September 26, 2017 for a term of five years till the conclusion of this 20th AGM, for auditing the accounts of the Company from the financial year 2017-18 to 2021-22.

The Audit Committee and the Board of Directors of the Company, have recommended the appointment of **M/s. ABCD & Co.**, Chartered Accountants (ICAI Firm Registration No.: 016415S) for the office of statutory auditors of the Company in place of the retiring auditor, for the period consecutive five years, from the conclusion of the 20th AGM till conclusion of the 25th AGM of the Company to be held in the year 2027, for approval of the members of the Company in the ensuing AGM, at remuneration and other expenses as may be decided by the members of the Company.

Statutory Auditor's Report

The Auditor's Report does not contain any qualification, reservation, or adverse remark, which requires an explanation or comments by the Board.

Further, there were no frauds reported by the Statutory Auditor to the Audit Committee or the Board under Section 143(12) of the Act.

Secretarial Auditor & its Report

Pursuant to Section 204(1) of the Act read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board of Directors had appointed Mr. R Muthukrishnan, Practising Company Secretary (FCS 6775 / C P No.: 3033) as the Secretarial Auditor of the Company to conduct the Secretarial Audit of the Company for the financial year 2021-22.

The Secretarial Audit Report for the financial year ended March 31, 2022, in prescribed form **MR-3**, issued by the Secretarial Auditor, is annexed herewith as **Annexure - C** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Cost Records and Cost Audit

Your Company has duly maintained cost accounts and records as specified by the Central Government under sub-section (1) of Section 148 of the Act and the relevant rules made thereunder.

The requirement of Cost Audit as stipulated under the provisions of Section 148 of the Act, was not applicable for the business activities carried out by the Company during the financial year 2021 - 22.

During the financial year 2022- 23, the Company is coming under the purview of Section 148 of the Companies Act, 2013. Hence, the Company in the process of appointing a Cost Accountant to get the cost records audited as required under Section 148 read with Rule 3 and 4 of the Companies (Cost Records and Audit) Rules, 2014.

Insolvency and Bankruptcy Code, 2016

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during Financial Year 2021 - 22.

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

The details of energy conservation, technology absorption, and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, are as under:

(A) Conservation of energy & Technology absorption:

The Company does not engage in manufacturing activity involving energy intensive processes. However, the Company has taken sufficient steps towards general energy saving techniques and conservation.

Given the Nature of Process employed by the Company, there is no technology absorption involved.

(B) Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings = Rs. NIL

Foreign Exchange Outgo = Rs. 26.81 Lakhs

Annual Return

The draft Annual Return of the Company as on March 31, 2022, in prescribed e-form MGT-7 in accordance with Section 92(3) read with Section 134(3)(a) of the Act, is available on the Company's website at https://www.refex.co.in/pdf/Form_MGT_7%2021-22-RIL.pdf.

Further, the Annual Return (i.e., e-form MGT-7) for Financial Year 2021 - 22 shall be filed by the Company with the Registrar of Companies, Chennai, within the stipulated period and the same can also be accessed thereafter on the Company's website at: <http://www.refex.co.in>.

Significant / Material Orders passed by the Regulators, Courts, and Tribunals affecting the Going Concern Status and Company's Operations in future

There is no significant/material order passed by the Regulators, Courts, or Tribunals affecting the going concern status and the Company's operations in the future.

Vigil Mechanism / Whistle Blower Policy

The Company has established a vigil mechanism and formulated a Whistle-Blower Policy, which is in compliance with the provisions of Section 177(9) & (10) of the Act and Regulation 22 of the Listing Regulations, to deal with instances of fraud and mismanagement if any.

The Company, through this Policy, envisages to encourage the Directors and employees of the Company to report to the appropriate authorities any unethical behaviour, improper, illegal, or questionable acts, deeds, actual or suspected fraud or violation of the Company's Codes of Conduct for the Directors and the Senior Management Personnel.

During Financial Year 2021-22, no complaint was received and no individual was denied access to the Audit Committee for reporting concerns if any.

The Policy on Vigil Mechanism / Whistle-Blower Policy may be accessed on the Company's website at the link: https://www.refex.co.in/pdf/Whistle-Blower%20Policy_Vigil%20Mechanism.pdf.

Brief details of the establishment of Vigil Mechanism in the Company, is also provided in the Corporate Governance Report which forms part of this Report.

Internal Financial Controls

The Company has in place adequate internal financial controls commensurate with the size, scale, and complexity

of its operations. During the year, such controls were tested and the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2022, and are operating effectively.

The Company has appointed a Practising Chartered Accountant as an Internal Auditor, to ensure the effective functioning of internal financial controls and check whether the financial transaction flow in the organization is being done based on the approved policies of the Company.

The Management based, on the internal audit observations gives its comments to the Audit Committee.

Further, the Board of Directors of the Company has adopted various policies like Policy on Related Party Transactions, Vigil Mechanism, Policy on Determining Material Subsidiary for ensuring the orderly and efficient conduct of its business, for safeguarding of its assets for the prevention and detection of frauds and errors and for maintenance of adequate accounting records and timely preparation of reliable financial information.

Corporate Social Responsibility

At Refex, Corporate Social Responsibility has been an integral part of the business since its inception. Refex believes in making a difference to the lives of millions of people who are underprivileged. It promotes Social and Economic inclusion by ensuring that marginalized communities have equal access to health care services, educational opportunities, and proper civic infrastructures. Corporate Social responsibility is embedded in the Refex ethos going hand in hand with the core business of the Company.

In compliance with requirements of Section 135(1) of the Act, the Board has constituted a Corporate Social Responsibility Committee ('**CSR Committee**') which comprises of the following:

1. Mr. Pillappan Amalanathan	Independent Director - Chairman
2. Mr. Anil Jain	Chairman & Managing Director - Member
3. Mr. Dinesh Kumar Agarwal	Non-Executive Director - Member

Further, the Company has laid down a Corporate Social Responsibility (CSR) Policy, which is available on the website of the Company and may be accessed at the web-link: <https://www.refex.co.in/pdf/CSR-Policy.pdf>.

The meetings of the CSR Committee, brief contents of CSR Policy, unspent amount and reason thereof if any and annual report on CSR activities carried out during the Financial Year 2021-22, in the format, prescribed under Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed herewith as **Annexure - D**.

Particulars of Loans, Guarantees or Investments

Pursuant to Section 134(3)(g) of the Companies Act, 2013 particulars of loans, guarantees or investments and securities provided under Section 186 of the Companies Act, 2013 along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statement (Please refer to Note Nos. 4, 7 & 36 to the Financial Statements).

Prevention of Sexual Harassment at Workplace

The Company is committed to maintaining a productive environment for all its employees at various levels in the organisation, free of sexual harassment and discrimination on the basis of gender. The Company has framed a Policy on Prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and the rules made thereunder ("**POSH Act**").

The Company has also set up Internal Complaints Committee(s) ('**ICCs**') for each workplace, which is in compliance with the requirement of the POSH Act, to redress the complaints received regarding sexual harassment, which has formalized a free and fair enquiry process with clear timeline.

During the period under review, the Company has received two complaints and appropriate action has been taken.

ICC of the Company has also filed Annual Return for the calendar year 2021 at their jurisdictional office, as required under Section 21(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013.

All employees in the organization are being made to attend the POSH awareness sessions which also covers gender sensitization. No pending complaints to be resolved for the financial year under review.

Listing with Stock Exchanges

The Equity Shares of the Company are listed on the following stock exchanges:

- i. The BSE Limited (BSE): No. 25th Floor, P.J. Towers, Dalal Street, Fort, Mumbai- 400 001;
- ii. The National Stock Exchange of India Limited (NSE): Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai- 400 051.

The Stock Codes allotted by these stock exchanges are as under:

Name	Code
BSE Limited	532884
National Stock Exchange of India Limited	REFEX

The Company has paid the annual listing fee for Financial Year 2022-23 to the BSE Limited and the National Stock Exchange of India Limited.

Depository Systems

Your Company's Shares are traded in dematerialization form only. For this purpose, your Company has obtained DEMAT connectivity (i.e., ISIN: International Security Identification Number) with both the depositories registered with SEBI, namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

So far, 99.99% of the equity shares have been dematerialized.

The ISIN allotted to the equity shares of the Company is INE056I01017.

Implementation of Corporate Action

During the year under review, the Company has not failed to implement any Corporate Action within the specified time limit.

Credit Ratings

Acuité Ratings & Research Limited, vide its press release dated January 19, 2022, has assigned the credit rating of ACUITE BBB+ (ACUITE Triple B Plus) with Outlook "Stable", for the Long-Term Bank facilities.

The credit rating for the short-term bank facilities has been assigned as ACUITE A2 (ACUITE A TWO) with Outlook "Stable".

Change in nature of business

The Company has not undergone any change in the nature of the business during financial year 2021-22.

Further, your Company had made an application under Section 14 of the Electricity Act, 2003 read with Regulation 6 of the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for Grant of Trading License and Other Related Matters) Regulations, 2020.

Hon'ble Central Electricity Regulatory Commission, vide its Order dated March 21, 2022, in the Petition No. 3/TD/2022, has granted that the Company "Category - I" license for inter-State trading in electricity in the whole of India.

Material Changes and Commitments, if any, affecting the Financial Position of the Company

There were no adverse material changes or commitments that occurred between the end of the financial year and the date of this report, which may affect the financial position of the Company or may require disclosure.

The impact on the financial statements for the year ended March 31, 2022 because of any events and developments beyond the date of this report may differ from that estimated as at the date of approval of this Report and will be recognized prospectively.

Significant Developments

The Company has achieved various milestones which have already been set out in the Management Discussion and Analysis forming part of the Annual Report.

There were no significant developments during the year under review.

Reporting Principle

The Financial and Statutory Data presented in this Report is in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards and the Secretarial Standards.

Reporting Period

The Financial Information is reported for the period April 01, 2021, to March 31, 2022. Some parts of the Non-Financial Information included in this Board's Report are provided as of the date of this Report.

Personnel

Your Directors wish to place on record their sincere appreciation for the devoted services of all the employees and workers at all levels and for their dedication and loyalty, which has been critical for the Company's growth.

Acknowledgements

Your Company's organizational culture upholds professionalism, integrity, and continuous improvement across all functions as well as efficient utilization of the Company's resources for sustainable and profitable growth.

Your Directors wish to place on record their appreciation for the valuable cooperation and support received from the Government of India, Government of Chennai, Government of NCT of Delhi, various State Governments/

Departments/ Authorities and other stakeholders such as, shareholders, customers and suppliers, among others. The Directors look forward to their continued support in the future.

The Directors thank ICICI Bank Limited, HDFC Bank Limited and other Banks for all co-operations, facilities and encouragement they have extended to the Company.

Your Directors acknowledge the continued trust and confidence you have reposed in the Company.

For and on behalf of the Board

Sd/-

Anil Jain

Place: Chennai

Date: August 05, 2022

Chairman & Managing Director

DIN: 00181960

List of Annexures

Annexure No.	Particulars of Annexure
A	Details of Employee Stock Options as on March 31, 2022
B	Statement of Disclosure of Remuneration
C	Secretarial Audit Report - Form MR - 3
D	Report on Corporate Social Responsibility

ANNEXURE – A

DISCLOSURES AS REQUIRED UNDER REGULATION 14 OF THE SEBI (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

Description of the ESOS Scheme:

The Company has obtained requisite approvals under the Securities and Exchange Board of India SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, with respect to drafting and adoption of 'Refex Employee Stock Option Scheme 2021 ('Scheme' or 'ESOP 2021') as

recommended by the Nomination and Remuneration Committee (NRC) and the Board of Directors of the Company in their respective meetings held on September 02, 2021 and subsequently, approved by the Shareholders in their 19th Annual General Meeting held on September 30, 2021, and subsequently, adopted by the NRC of the Board in its meeting held on January 22, 2022.

Statement as on March 31, 2022, for Employee Stock Option Scheme, 2021 as required under Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 is as follows:

Sr. No	Particulars	Details
1	Date of Shareholders' Approval	September 30, 2021
2	Total Number of Options approved under Refex Employee Stock Option Scheme (ESOS) 2021	20,00,000 (Twenty Lakh only)
3	Vesting Requirement	The Options granted would be vested on the basis of time and/or upon the Company achieving targets as per prescribed performance criteria.
4	Exercise Price or Pricing Formula	The Exercise Price of the Options granted shall be as determined by the NRC at a discount compared to the Market Price. The exercise Price shall not be lower than the face value per share.
5	Maximum term of options granted	Options granted would vest as per the vesting schedule as determined under the Grant of options approved by the NRC subject to a minimum period of 1 (one) year from the Grant date of such options and maximum period of 6 (six) years from the Grant date.
6	Sources of Shares	Primary
7	Variation in terms of options	None
8	Option movement during the year:	
	Number of options outstanding at the beginning of the year i.e. on January 22, 2022 (Date of adoption of Scheme)	20,00,000 (Twenty Lakh only)
	Number of options granted during the year	Nil
	Number of options forfeited/ lapsed during the year	Nil
	Number of options vested during the year	Nil
	Number of options exercised during the year	Nil
	Number of shares arising as a result of exercise of options	Nil
	Money realised by exercise of options (Rs), if scheme is implemented directly by the Company	Nil
	Number of options outstanding at the end of the year	20,00,000 (Twenty Lakh only)
	Number of options exercisable at the end of the year	Nil

Sr. No	Particulars	Details
9	Employee-wise details of options granted during FY22	
	Number of options granted to Senior Managerial Personnel	Nil
	Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	Nil
	Identified employees who were granted options during any one year, equal to or exceeding 1% of issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	Nil
10	Diluted earnings per share pursuant to issue of ordinary shares on exercise of Options calculated in accordance with Ind AS 33	Not Applicable
11	Method of Calculation of Employee Compensation Cost	Not Applicable as no options were granted during the Financial Year 2021-22
12	Weighted average exercise price and weighted average fair values of Options granted for options whose exercise price either equals or exceeds or is less than the market price of the stock.	Not Applicable as no options were granted during the Financial Year 2021-22
	Weighted Average exercise price (per option)	
	Weighted Average Fair value (per option)	
13	Description of method and significant assumptions used during the year to estimate the fair values of options.	Not Applicable as no options were granted during the Financial Year 2021-22

Note: During the year under review no options were granted to the employees.

ANNEXURE B

A. Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016: -

I. Ratio of the remuneration of each director to the median remuneration of all the employees of your Company for the Financial Year 2021-22 is as follows: -

S. No.	Name of Director	Category	Total Remuneration (₹)	Ratio of remuneration of Director to the Median remuneration
1.	Mr. Anil Jain	Managing Director	84,00,000	26.29:1
2.	Mr. Dinesh Kumar Agarwal	Non-Executive Director	Nil*	~
3.	Mr. Shailesh Rajagopalan	Non-Executive Director	1,00,000	0.31:1
4.	Mr. Pillappan Amalanathan	Independent Director	1,80,000	0.56:1
5.	Mr. Ramesh Dugar	Independent Director	1,10,000	0.34:1
6.	Ms. Jamuna Ravikumar	Independent Director	1,60,000	0.50:1

*Mr. Dinesh Kumar Agarwal has waived off his entitlement to sitting fees.

Notes:

- The information provided above is on standalone basis.
- Remuneration to Directors includes sitting fees paid to Non-Executive Directors.
- Median remuneration of the Company for all its employees is ₹ 3,19,487/- for the Financial Year 2021-22.

II. Percentage increase in remuneration of Managing Director, Chief Financial Officer and Company Secretary during the Financial Year 2021-22: -

S. No.	Name	Designation	Remuneration (₹)		
			2021-22	2020-21	Increase (%)
1.	Mr. Anil Jain	Managing Director	84,00,000	84,00,000	Nil
2.	Mrs. U Lalitha	Chief Financial Officer	19,63,000	16,28,000	23.98
3.	Mr. Gopalakrishnan Srinivasan	Company Secretary	4,19,100	3,96,000	5.83

Note: The percentile increase in remuneration is in line with the performance of the Company, prevailing industry pay scale, and appropriate market correction. There is no exceptional circumstance for an increase in remuneration.

Note: The remuneration paid to Director is within the overall limits approved by the shareholders.

III. Percentage increase in the median remuneration of all employees in the Financial Year 2021-22:

Particulars	Remuneration (₹)		
	2021-22	2020-21	Increase (%)
Median remuneration of all employees per annum	3,19,487	2,11,623	50.97*

*Since, during FY22, there has been increase in the number of employees in the Company, including senior category employees, the percentage increase in median remuneration is higher and not comparable.

IV. Number of permanent employees on the rolls of the Company as on March 31, 2022:

The number of permanent employees on the rolls of the Company as on March 31, 2022 were **140**.

Besides, the Company has 11 personnel also, on off-roll or contractual basis as on March 31, 2022.

V. Comparison of average percentile increase in the salaries of employees other than the key managerial personnel and the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Particulars	Remuneration (₹)		Increase (%)
	2021-22	2020-21	
Average salary of all employees (other than Key Managerial Personnel)	5,44,989	3,11,391	75.02*
Average Salary of Managing Director	84,00,000	84,00,000	0
Average Salary of CFO and Company Secretary	11,91,026	10,12,114	17.68

*Since, during FY22, there has been increase in the number of employees in the Company, including senior category employees, the percentage increase in median remuneration is higher and not comparable.

Confirmation: The percentile increase in remuneration is in line with the performance of the Company and the prevailing industry pay scale. There is no exceptional circumstance for an increase in remuneration.

VI. The explanation on the relationship between average increase in remuneration and Company performance

Average increase in remuneration of employees in the Financial Year (in percentage)	75.02
Decrease in Turnover (in percentage)	41.90
Increase in PAT /(decrease in loss) (in percentage)	10.86
Decrease in EPS (in percentage)	0.60

Comparison of the remuneration of Key Managerial Personnel against the performance of the Company

Particulars	Managing Director	Chief Financial Officer	Company Secretary
Remuneration (Rs In Lakhs)	84	19.63	4.19
Revenue (Rs. In Lakhs)	44,898	44,898	44,898
Remuneration (as Percent of Revenue)	0.19	0.04	0.01

VII (a). Variations in the market capitalization of the Company as at the closing date of the current Financial Year and the previous Financial Year

Particulars	(₹ in Crore)
Market capitalization as at March 31, 2022	252.02
Market capitalization as at March 31, 2021	197.20

(b) Variations in the Price Earning Ratio as at the closing date of the Current Financial Year and the previous Financial Year

Price Earning Ratio as at March 31, 2022	5.60 Times
Price Earning Ratio as at March 31, 2021	4.32 Times
Increase / (Decrease) in Price Earning Ratio	1.28 Times

(c) Percentage increase or decrease in the market quotation of shares of the Company at the close of the previous Financial Year comparison to the rate at which the Company came out with the last public offer

Rate at which public issue was made	₹65
Market price as at March 31, 2022 (closing price on NSE)	₹119.3
Increase (Decrease) in Market price in %	84.6

- VIII. The average percentile increase already made in the salaries of employees other than the Managerial Personnel in the previous financial year, and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration.**

The average salary of the employees has increased by 75.02 Percent. The Managerial Remuneration are considered by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee in line with the Remuneration policy for the directors, Key Managerial Personnel and other employees after taking into account their individual qualifications, experience and other parameters. Wherever required approval of the shareholders is also obtained

- IX The ratio of remuneration of the highest paid director to that of the employees who are not directors but receiving remuneration in excess of the highest paid director during the year:** Not Applicable.

- X Affirmation that the remuneration is as per the Remuneration policy of the Company:** It is hereby affirmed that the remuneration paid is as per the Remuneration policy of the Company in respect of Directors, Key Managerial personnel and other employees.

- B. Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016: -**

- I. Names of the top ten employees of the Company in terms of remuneration drawn and the names of employees who were employed throughout the Financial Year 2021-22 and were paid remuneration not less than ₹1,02,00,000/-:**

It is provided as a separate annexure forming part of this Report. However, the Annual Report is being sent to the members excluding the aforesaid annexure. The said information is available for electronic inspection during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

- II. Names of the employees who were employed for a part of Financial Year 2021-22 and were paid remuneration not less than ₹8,50,000/- per month:** Not Applicable.

Notes:

- i. None of the employees is related to any Director of the Company.
- ii. None of above employees draws remuneration more than the remuneration drawn by Managing Director and holds by himself or along with his spouse and dependent children, not less than two percent of equity shares of the Company.

ANNEXURE – C

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the Financial Year Ended 31st March, 2022

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

To

The Members,

Refex Industries Limited,

(CIN: L45200TN2002PLC049601),

11th Floor, Bascon Futura IT Park, New No. 10/2, Old No. 56L,

Venkat Narayana Road, T Nagar

Chennai - 600 017,

Tamil Nadu

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Refex Industries Limited** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter: The members are requested to read this report along with my letter of even date placed as ‘**Annexure A**’ to this report.

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, 2022** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015;
 - c. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) Other Specific law applicable to the company as per information provided by the company
 - a. Explosives Act 1884 and the Rules made there under for filling cylinders with compressed gas and for possession of cylinders filled with compressed gas
- (vi) I am informed that for the financial year ended on 31st March, 2022 the Company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of the following Regulations and Guidelines prescribed under the SEBI Act:
 - a. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (up to 12th August, 2021) and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (w.e.f. 13th August, 2021);
 - b. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 ;
 - c. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 effective from August 9, 2021 replacing and merging the earlier SEBI (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 ; and SEBI (Issue and Listing of Debt Securities) Regulations, 2008

- d. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. and
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent applicable;
- (viii) Secretarial Standards, SS-1 and SS-2 issued by The Institute of Company Secretaries of India in respect of conducting of Board Meetings and General Meetings, respectively;

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

- (i) The Listing Agreements entered into by the Company with following Stock Exchange(s),
 - a. National Stock Exchange of India Ltd; and
 - b. BSE Limited

During the period under review, to the best of my knowledge and belief and according to the information and explanation furnished to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Company had earlier received a notice of penalty during the financial year 2020-21 from BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for not having minimum number of six directors as required under Regulation 17 (1) (c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the company fell within the top 2000 listed companies as at 1st April, 2020.

The Company had sought waiver of the said penalty from both BSE and NSE citing inability to appoint new Directors in view of Covid 19 Pandemic and resultants lock downs imposed by the Central and State Government and the BSE accepted the waiver request of the Company on 23rd June, 2021 for quarters ending June 30, 2020 and Sep 30, 2020, while the NSE rejected the waiver request vide its communication dated January 10, 2022 and levied a penalty amounting to ₹16,04,800 (Rupees Sixteen Lakhs Four Thousand Eight Hundred) (including GST Levy) and the same has been paid by the company on January 17, 2022.

As the Company has appointed 2 more Directors on 29th December, 2020, as on the date of this report the Company has 6 (Six) Directors on the Board as required under the aforesaid clause of the Listing Regulations and hence the above said listing regulations stands complied with.

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 which includes a woman director. The following changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

1. Appointment of Mr. Ramesh Dugar (DIN No. 01686047) as an Independent Director (who was earlier appointed as an Additional Independent Director in the Board Meeting held on 29th December 2020) for a period of 3 years commencing from 29th December 2020 in the Annual General Meeting ("AGM") held on 30th September, 2021 in terms of Section 149 of the Companies Act, 2013.
2. Appointment of Mr. Shailesh Rajagopalan (DIN No. 01855598) as a Non-Executive Director liable to retire by rotation (who was earlier appointed as an Additional Director in the Board Meeting held on 29th December 2020) in the Annual General Meeting ("AGM") held on 30th September, 2021 in terms of Section 149 of the Companies Act, 2013.
3. Reappointment of Ms. Jamuna (DIN No. 08009308) as an Independent Director of the Company for a period of 3 years commencing with effect from the conclusion of 19th Annual General Meeting ("AGM") upto the conclusion of 22nd Annual General Meeting ("AGM") to be held in the year 2024 at the Annual General Meeting ("AGM") held on 30th September, 2021 in terms of Section 149 of the Companies Act, 2013.

Adequate notices were given to all the directors for the Board Meetings along with the agenda and detailed notes on agenda were sent at least seven days in advance or as per the statutory requirements, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and I have been informed that there were no dissenting Board members' views that were required to be captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size

and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period

- (i) the Company has no instance of Public / Preferential issue of shares / debentures / sweat equity.
- (ii) the Company has no instance of Redemption / buy-back of securities;
- (iii) the Company has no instance of Merger / Amalgamation / Reconstruction etc.;
- (iv) the Company has no instance of Foreign Technical collaborations;
- (v) The Company has taken following major decision(s) during the year:

- The company passed Special Resolution at the AGM to amend the Object Clause in the Memorandum of Association of the company and the amendment has been registered with Registrar of Companies, Tamil Nadu.
- The company passed Special Resolution at the AGM to adopt the new set of Articles of Association and the same has been filed with Registrar of Companies, Tamil Nadu.

Sd/*

R MUTHU KRISHNAN

PRACTICNG COMPANY SECRETARY

FCS No. 6775

CP No. 3033

Place: Chennai

Date: 06.05.2022

UDIN F006775D000281940

ANNEXURE A TO SECRETARIAL AUDIT REPORT

To

The Members,

Refex Industries Limited,

(CIN: L45200TN2002PLC049601),

11th Floor, Bascon Futura IT Park, New No. 10/2, Old No. 56L,
Venkat Narayana Road, T Nagar
Chennai - 600 017, Tamil Nadu

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. 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 my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. I have verified only the documents shared by the Company in electronic mode due to the lockdown ordered by the Central Government and various State Governments.

Sd/*

R MUTHU KRISHNAN

PRACTICNG COMPANY SECRETARY

FCS No. 6775

CP No. 3033

Place: Chennai

Date: 06.05.2022

UDIN F006775D000281940

ANNEXURE - D

Report on Corporate Social Responsibility

1. Brief outline on CSR Policy of the Company

At Refex, Corporate Social Responsibility has been integral part of the business since its inception. Refex believes in making a difference to the lives of people who are under privileged. It promotes Social and Economic inclusion by ensuring that marginalized communities have equal access to health care services, educational opportunities and proper civic infrastructures. Corporate Social responsibility is embedded in the Refex ethos going hand in hand with the core business of the Company. Refex is committed to further capacity building, empowerment of communities, inclusive socioeconomic growth, environment protection, promotion of green and energy efficient technologies, development of backward regions and upliftment of the marginalized and underprivileged sections of the society.

The Board of Directors of the Company at its meeting held on August 13, 2019, has adopted the Corporate Social Responsibility (CSR) Policy of your Company pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 which was further amended by the Board of Directors of the Company, at its meeting held on May 06, 2022, on the recommendation of the CSR Committee.

The Board has identified the following CSR activities, around which your Company shall be focusing:

- (i) Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of

sanitation and making available safe drinking water.

- (ii) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- (iii) Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- (iv) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- (v) Contribution to the prime minister's national relief fund or Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) or any other fund set up by the central govt. for socio economic development and relief and welfare of the schedule caste, tribes, other backward classes, minorities and women;
- (vi) Rural development projects;
- (vii) Slum area development;
- (viii) Disaster management, including relief, rehabilitation and reconstruction activities.

2. The composition of the CSR Committee:

Your Company has constituted a Corporate Social Responsibility Committee (CSR) pursuant to provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The composition of the CSR Committee, CSR Committee meetings and attendance during the financial year ended March 31, 2022, are as under:

S. No.	Name of the Director	Designation	Position	No. of meetings of CSR Committee held during the year	No. of meetings of CSR Committee attended during the year
1.	Mr. Pillappan Amalanathan	Independent Director	Chairman	01	01
2..	Mr. Anil Jain	Managing Director	Member	01	01
3.	Mr. Dinesh Kumar Agarwal	Non-Executive Director	Member	01	01

Mr. Gopalakrishnan Srinivasan, Company Secretary acts as the Secretary to the Committee.

3. Web-link where Composition of CSR committee, CSR Policy are disclosed on the website of the company:

- Composition of CSR committee: <https://www.refex.co.in/management.php>.
- CSR Policy: <https://www.refex.co.in/pdf/CSR-Policy.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, since the average CSR obligations of the Company, in the three immediately preceding financial years were less than rupees ten crore.

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:

S. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakh)	Amount required to be set-off for the financial year, if any (₹ in Lakh)
1.	2021-22	225.33	110.82

6. Average Net Profit of the company as per Section 135(5): ₹5541.15 lakh

7. (a) Two percent of average net profit of the company as per Section 135(5): ₹110.82 lakh

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

(c) Amount required to be set-off for the financial year, if any: ₹110.82 lakh

(d) Total CSR obligation for the financial year (7a+7b-7c): NIL

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

Total Amount Spent for the Financial Year (₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	NIL				

(b) Details of CSR amount spent against ongoing projects for the financial year:

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Amount spent for the project (₹ In Lakh)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
1	Oxygen on Wheels	Promoting and prevention of Health care	Yes	Tamil Chennai Nadu	₹3.35 Lakh	Yes	NA NA

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

(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):

₹ 3.35 Lakh

(g) Excess amount for set-off, if any:

S. No.	Particulars	Amount (₹)
(i)	Two percent of average net profit of the company as per section 135(5)	110.82
(ii)	Total amount spent for the financial year	228.67*
(iii)	Excess amount spent for the financial year [(ii)-(i)]	117.85
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	117.85

* The Company had excess amount of ₹ 225.33 Lakh spent towards CSR obligations during previous years which were carried forward for set off. During the FY22, the Company has additionally spent ₹ 3.35 Lakh on CSR activities. Therefore, total cumulative amount spent on CSR activities for FY 22 stood at ₹ 228.67 Lakh (₹ 225.33 Lakh + ₹ 3.35 Lakh) out of which the Company has set off its current year obligation amounting to ₹ 110.82 Lakh and further remaining amount of ₹ 117.85 Lakh (i.e. ₹ 228.67 Lakh - ₹ 110.82 Lakh) is being carried forward to next financial years.

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

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (₹)	Amount spent in the reporting Financial Year (₹)	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 (₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NIL							

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

S. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (₹)	Amount spent on the project in the reporting Financial Year		Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed/ Ongoing
						Year	Year	Year	
						(₹)	(₹)	(₹)	
NA									

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: (Asset-wise details)

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

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 and on behalf of the **Corporate Social Responsibility Committee**
of the Board of Directors of **Refex Industries Limited**

Place: Chennai
Date: August 05, 2022

Sd/-
Anil Jain
DIN – 00181960
Chairman, Managing Director
Member- CSR Committee

Sd/-
Pillappan Amalanathan
DIN – 08730795
Chairman- CSR Committee

CORPORATE GOVERNANCE REPORT

The Corporate Governance report for the Financial Year 2021-22 (“FY22”), which forms part of the Directors’ Report, is prepared in accordance with Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”).

This Report is in compliance with the Listing Regulations.

Corporate Governance is a set of standards which aims to improve the Company’s image, efficiency and effectiveness. It is the road map, which guides and directs the Board of Directors of the Company to govern the affairs of the Company in a manner most beneficial to all the Shareholders, the Creditors, the Government and the Society at large.

Your Company is committed to the highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations, as applicable, with regard to Corporate Governance.

A report on compliance with the implementation of Regulation 34(3) read with Chapter IV and Schedule V to the Listing Regulations is given below:

1. Refex Industries Limited (‘Refex’) Philosophy on Corporate Governance

Corporate Governance represents the value, ethical and moral framework under which business decisions are taken. The investors want to be sure that not only is their capital handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner, which is not illegal or involves moral hazard.

Our Company perceives good corporate governance practices as key to sustainable corporate growth and long-term shareholder value creation. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning, increasing employee and client satisfaction and enhancing shareholders’ wealth by developing capabilities and identifying opportunities that best serve the goal of value creation.

The Company has a three-tier governance structure:

- Strategic supervision: The Board of Directors occupies the topmost tier in the governance structure. It plays a role of strategic supervision that is devoid of involvement in the task of strategic management of the Company. The Board lays down strategic goals and exercises control to ensure that the Company is progressing to fulfill stakeholders’ aspirations.
- Strategic management: The Executive Committee is composed of the senior management of the Company and operates upon the directions of the Board.
- Executive management: The function of the Management Committee is to execute realize the goals that are laid down by the Board and the Executive Committee.

2. Board of Directors

The composition of the Board is in conformity with Regulation 17 and 17A of the Listing Regulations as well as the Companies Act, 2013 (the “Act”).

As on 31st March, 2022, the Company had 6 (Six) Directors on the Board with an optimum mix of Executive, Non-Executive and Independent Directors.

As on 31st March, 2022, more than 50 (fifty) percent of the Board comprised of Non-Executive Directors. Out of 6 (Six) Directors, 3 (Three) are Non-Executive Independent Directors including 1 (one) Woman Director, 2 (Two) Non-Executive Directors and 1 (one) Promoter Managing Director.

During the year under review, the Company had Mr. Anil Jain an Executive Director as the Chairman of the Board.

The Directors take active part in the deliberations at the Board and Committee Meetings by providing valuable guidance and expert advice to the Management on various aspects of business, policy direction, governance, compliance, etc. and play a critical role on strategic issues and add value in the decision-making process of the Board of Directors.

All the Independent Directors of the Company have confirmed that they satisfy the criteria of Independence as indicated in the Act and the Listing Regulations including any statutory modification/enactments thereof. They have also confirmed their

registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs in compliance with the requirements of Section 150 of the Act read with the Companies (Appointment and Qualifications of Directors) Rules, 2014.

Detailed profile of each of the Directors are available on the website of the Company at <https://www.refex.co.in>.

The members on the Board possess adequate experience, expertise and skills necessary to manage the affairs of the Company in the most efficient manner.

The Board periodically evaluates the need for change in its size and composition.

A Certificate as required under Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of the Company, is enclosed and forms part of this Report.

Board/Committees Procedures and flow of information

The Board meets at least once in a quarter to, inter-alia, review quarterly standalone and consolidated financial results/statements, compliance report(s) of all laws applicable to the Company, regulatory developments, minutes of the Board Meetings of subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, any other proposal from the management etc.

The maximum gap between any two Board/Committee meetings is within the stipulated period under the provisions of the Act and the Listing Regulations. Additional meetings are held whenever necessary. In case of matters requiring urgent approval of the Board, resolutions are passed through circulation.

The Company also provides video conferencing facility to its directors to enable them to participate in the discussions held at the meetings, when it may not be possible for them to be physically present for the meeting.

The agenda for the meetings is circulated well in advance to the Directors to ensure that sufficient time is provided to Directors to prepare for the meeting. Under certain circumstances, the agenda for the meetings was also sent at a shorter notice due to operational exigencies.

Information placed before the Board

The Board has complete access to all information of the Company, including inter-alia, the minimum information required to be made available to the Board as prescribed under Part A of Schedule II to the Listing Regulations.

The Managing Director and Functional Heads of the Company make presentations to the Board on matters including but not limited to the Company's performance, strategic plans, quarterly and annual financial results, compliance reports, etc.

The important decisions taken at the Board/Committee meetings are communicated to the concerned Departments/ Divisions.

The Company adheres to the provisions of the Act read with the Rules issued thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the meetings of the Board of Directors, its Committees and the General Meetings of the shareholders of the Company.

2.1 Board Meetings

During the financial year ended 31st March 2022, 8 (eight) Board Meetings were held on May 14, 2021, June 30, 2021, August 09, 2021, September 02, 2021, October 28, 2021, November 26, 2021, January 21, 2022 and March 22, 2022.

The requisite quorum was present for all the meetings held during the year review.

The last Annual General Meeting (AGM) was held on September 30, 2021.

Mr. Anil Jain, Chairman & Managing Director of the Company and Member of the Corporate Social Responsibility ('CSR') Committee and Stakeholder Relationship Committee, Mr. Dinesh Kumar Agarwal, Non-Executive Director, member of the Audit Committee, Nomination & Remuneration Committee and CSR Committee, Mr. Shailesh Rajagopalan, Non-Executive Director, Mr. Pillappan Amalanathan, Chairman of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and CSR Committee, Ms. Jamuna Ravikumar, member of Audit Committee, Nomination and Remuneration Committee, Mr. Ramesh Dugar, Independent Director were present at the last AGM of the Company.

The attendance of each Director at the meetings of the Board of Directors held during the financial year under review as well as in the last AGM and the number of directorships held by them, as at 31st March, 2022, are as under:

Name of the Director	DIN	Category	Total No. of Directorships [§]	No. of Board Meetings		Attended last AGM (September 30, 2021)	Shareholding in the Company
				Entitled to Attend	Attended		
Mr. Anil Jain	00181960	PD [MD]	18	8	8	Yes	1,50,000 (0.71%)
Mr. Dinesh Kumar Agarwal	07544757	NED	15	8	8	Yes	Nil
Mr. Shailesh Rajagopalan	01855598	NED	16	8	8	Yes	Nil
Mr. Pillappan Amalanathan	08730795	NEID	03	8	8	Yes	Nil
Mr. Ramesh Dugar	01686047	NEID	05	8	8	Yes	Nil
Ms. Jamuna Ravikumar	08009308	NEID	04	8	7	Yes	Nil

[§] The number of directorships held by the Directors as mentioned above does not include directorship of foreign companies, Section 8 companies, if any.

[NEID - Non-Executive Independent Director, PD - Promoter Director, MD - Managing Director, NED-Non-Executive Director]

2.2 Directorship in other Companies/ Committee Position (excluding Reflex Industries Limited) as at 31st March, 2022: -

S. No.	Name of Director & Category	Directorship in Listed Companies along with Category	Committee Position(s) *		
			Name of Company	Name of Committee	Position
1	Mr. Shailesh Rajagopalan (Non-Executive)	SunEdison Infrastructure Limited - Non-Executive	SunEdison Infrastructure Limited	Audit Committee	Member
2	Ms. Jamuna (Independent)	SunEdison Infrastructure Limited - Non-Executive (Independent)	SunEdison Infrastructure Limited	Audit Committee Stakeholders' Relationship Committee	Member
3	Mr. Pillappan Amalanathan (Independent)	SunEdison Infrastructure Limited - Non-Executive (Independent)	SunEdison Infrastructure Limited	Audit Committee Stakeholders' Relationship Committee	Chairman Chairman
4	Mr. Anil Jain (Executive)	SunEdison Infrastructure Limited - Non-Executive	SunEdison Infrastructure Limited	Stakeholders' Relationship Committee	Member
5	Mr. Dinesh Kumar Agarwal (Non-Executive)	-	-	-	-
6	Mr. Ramesh Dugar (Independent)	-	-	-	-

* Audit Committee and Stakeholders' Relationship Committee positions are only considered.

None of the Directors on the Board holds directorships in more than ten public companies and memberships in more than ten committees and none of them acts as chairperson of more than five committees across all public limited companies in which he/she is director, in terms of the limits stipulated under the Act and the Listing Regulations.

None of the Directors serves as a director or independent director in more than seven listed entities.

Necessary disclosures have been made by all the Directors regarding their board / committee positions.

2.3 Disclosure of relationship between directors inter-se

None of the Directors of the Company is related to each other.

2.4 Number of shares and convertible instruments held by Non-Executive Directors

None of the Non-Executive Directors holds any share or convertible instrument in the Company as on 31st March, 2022.

2.5 Evaluation of Board

Listing Regulations mandate the board of listed companies to monitor and review the Board Evaluation framework. Section 134(3) of the Act read with the Rule 8 of the Companies (Accounts) Rules, 2014 issued thereunder further provides that formal annual evaluation needs to be made by the board of its own performance and that of its committees and individual directors.

Schedule IV to the Act and Regulation 17(10) of the Listing Regulations states that the performance evaluation of independent directors shall be done by the entire board of directors, excluding the director being evaluated.

After taking into consideration the Guidance Note on Performance Evaluation of Board dated January 05, 2017 published by SEBI, questionnaires were prepared to evaluate the performance of the Board, various Committees of the Board and individual performance of each Director of the Company.

The Questionnaires for evaluation of performance of the Directors were prepared based on various aspects which amongst other parameters included the level of participation of the Directors, understanding of the roles and responsibilities of Directors, understanding of the business and competitive environment in which the Company operates, understanding of the strategic issues and challenges for the Company, protecting the legitimate interest of the Company, shareholders and employees, implementation of best corporate governance practice etc.

The parameters for performance evaluation of Board included composition of the Board, process of appointment to the Board of directors, common understanding that the different Board members have understanding of the roles and responsibilities of the Board,

timeliness for circulating the board papers, content and the quality of information provided to the Board, attention to the Company's long term strategic issues, evaluating strategic risks, overseeing and guiding major plans of action, acquisitions, divestment etc.

Some of the performance indicators for the Committees include understanding of the terms of reference, effectiveness of the discussions at the Committee meetings, information provided to the Committee to discharge its duties and performance of the Committee vis-à-vis its responsibilities, composition of the Committee with the appropriate mix of experience, knowledge and skills.

Pursuant to Regulation 17(10) of the Listing Regulations, the performance evaluation of independent directors was done by the entire Board of Directors excluding independent director being evaluated. Broad parameters for reviewing the performance of Independent Directors amongst other included participation at the Board/Committee meetings, understanding their roles and responsibilities and business of the Company, effectiveness of their contribution/commitment, effective management of relationship with stakeholders, integrity and maintaining of confidentiality, exercise of independent judgment in the best interest of the Company, ability to contribute and monitor corporate governance practice, adherence to the code of conduct for independent directors, bringing independent judgement during board deliberations on strategy, performance, risk management, etc.

Basis the feedback received on questionnaire from all the Directors, the performance of the Board as a whole, Committees of the Company and individual directors was found satisfactory.

2.6 Independent Directors

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(l)(b) of the Listing Regulations and that they are independent of the management.

In the opinion of the Board, the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

The Company has issued the formal letter of appointment to the Independent Directors in the manner provided under the Act and the Listing Regulations

Brief resume, nature of expertise, disclosure of relationships between directors inter-se, details of directorships and committee membership held in other companies of the Directors proposed to be appointed/ re-appointed, along with their shareholding in the Company, as stipulated under Regulation 36 of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is appended as an Annexure to the Notice convening the ensuing AGM.

No independent director has resigned from the Board of Directors of your Company during the year under review.

2.7 Meeting of Independent Directors

Schedule IV to the Act mandates that the Independent Directors of the Company hold at least one meeting in a financial year, without the attendance of non-independent directors or management personnel. All Independent Directors strive to be present at such meetings.

During the financial year ended 31st March, 2022, 1 (one) meeting of the Independent Directors was held on March 22, 2022.

The meeting of the Independent Directors was attended by all the Three independent directors Mr. Pillappan Amalanthan, Ms. Jamuna Ravikumar, Mr. Ramesh Dugar.

Independent Directors at their meeting interact and discuss matters including review of the performance of the Non-Independent Directors and the Board as a whole, taking into account views of Executive/Non-Executive Directors and assessing the quality, quantity and timeliness of flow of information between the Company's

management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

2.8 Familiarization Programme for Independent Directors

Regulation 25(7) of the Listing Regulations mandates the Company to familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programmes.

The Company through its Managing Director/ Senior Managerial Personnel conduct programmes/presentations periodically to familiarize the Independent Directors with the strategy, business and operations of the Company.

Such programmes/presentations provide an opportunity to the Independent Directors to interact with the senior leadership team of the Company and help them to understand the Company's strategy, business model, operations, services and product offerings, organization structure, finances, sales and marketing, human resources, technology, quality of products, facilities and risk management and such other areas as may arise from time to time.

The above programmes also include the familiarization on statutory compliances as a Board member including their roles, rights and responsibilities. The Company also circulates news and articles related to the industry from time to time and provide specific regulatory updates.

The Familiarization Programme for Independent Directors in terms of Regulation 25(7) of the Listing Regulations is uploaded on the website of the Company and can be accessed through the following link: https://www.refex.co.in/pdf/Familiarization_Programme_for_Independent_Directors.pdf

2.9 List of Core Skills/ Expertise/ Competencies as required in the Context of Business and Sector(s) of the Company

The Board has identified the names of the Directors possessing the skills/expertise/ competencies fundamental for the effective functioning for its various business verticals viz. Refrigerant Gases, Solar Power, Coal & Ash handling, Power Trading:

S. No.	Skills/Expertise/Competence identified by the Board of Directors	Actually available with the Board of Directors	Name of Director with relevant Skill/ Expertise/ Competency
1	Industry knowledge/ experience		
	Experience	Yes	Mr. Anil Jain
			Mr. Dinesh Kumar Agarwal
			Mr. Shailesh Rajagopalan
2	Technical skills/experience		
	Information Technology	Yes	Mr. Dinesh Kumar Agarwal
			Mr. Shailesh Rajagopalan
			Mr. Anil Jain
	Marketing	Yes	Mr. Shailesh Rajagopalan
			Mr. Anil Jain
			Mr. Ramesh Dugar
	Accounting and Finance	Yes	Mr. Pillappan Amalanathan
			Mr. Anil Jain
			Mr. Dinesh Kumar Agarwal
			Mr. Ramesh Dugar
			Ms. Jamuna Ravikumar
	Compliance and Risk	Yes	Mr. Pillappan Amalanathan
			Mr. Anil Jain
			Ms. Jamuna Ravikumar
			Mr. Dinesh Kumar Agarwal
3	Behavioural Competencies		
	Integrity and ethical standards	Yes	Mr. Anil Jain
			Mr. Dinesh Kumar Agarwal
	Mentoring abilities	Yes	Mr. Anil Jain
			Mr. Shailesh Rajagopalan
			Mr. Dinesh Kumar Agarwal
	Interpersonal relations	Yes	Mr. Shailesh Rajagopalan
			Mr. Dinesh Kumar Agarwal
			Mr. Anil Jain
			Mr. Pillappan Amalanathan
4	Global Business/ International expertise	Yes	Mr. Anil Jain
5	Governance	Yes	Mr. Anil Jain
			Mr. Dinesh Kumar Agarwal
			Mr. Shailesh Rajagopalan
			Mr. Pillappan Amalanathan
			Mr. Ramesh Dugar
			Ms. Jamuna Ravikumar

3. Committees of the Board

In terms of the Listing Regulations, the Board of your Company has constituted the following Committees as mandatorily required under the provisions of the Act and the Listing Regulations: -

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

The composition of various Committees of the Board of Directors is also available on the website of the Company and web link for the same is <https://www.refex.co.in/management.php>

3.1 Audit Committee

The terms of reference of the Audit Committee covers the areas mentioned in Section 177 of the Act and Regulation 18 read with Part C of Schedule II to the Listing Regulations

The brief description of terms of references of Audit Committee is as under: -

- Reviewing the Company's financial reporting process and the disclosure of its financial information to ensure the financial statement is correct, sufficient and credible;
- Reviewing with the management, external and internal auditors, the adequacy of internal audit function, the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit, significant findings by internal auditors and follow-up thereon;
- Recommending the appointment, terms of appointment and removal of auditors and the fixation of audit fees, including, payment to Statutory Auditors for any other services rendered and any other related payments;
- Reviewing the Statutory and Internal Auditor's independence and performance and scrutinizing the effectiveness of the entire Audit process;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or

irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

- Reviewing, with the management, the quarterly and annual financial statements and the Auditors' report before submission to the Board for approval, focusing primarily on:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report;
 - Compliance with accounting standards and changes in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on exercise of judgment by Management;
 - Audit qualifications and significant adjustments arising out of audit;
 - Significant adjustments made in the financial statements arising out of Audit findings;
 - Compliance with listing and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions;
 - Modified opinion(s) in the draft audit report;
- Reviewing draft audit report in the format of Key Audit Matters.
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- To review statement of deviations:
- quarterly statement of deviation(s), including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) SEBI Listing Regulations;

- annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) of SEBI Listing Regulations.
- Discussing with external auditors, nature and scope of audit as well as having post-audit discussions;
- Reviewing the Company's financial and risk management systems;
- Reviewing Whistle Blower Mechanism (Vigil mechanism as per of the Companies Act, 2013);
- Approving any transactions or subsequent modifications of transactions with related parties;
- Reviewing inter-corporate loans and investments;
- Reviewing valuation of undertakings or assets of the Company, if required;
- Reviewing financial statements and investments made by subsidiary companies;
- Evaluating reasons for any substantial defaults in payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors, if any;
- Reviewing the effectiveness of the system for monitoring compliance with laws and regulations;
- Approving the appointment of CFO after assessing the qualification, experience, background, etc. of the candidate;
- Reviewing the following information:
 - management discussion and analysis of financial condition and results of operations;
 - statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - management letters/letters of internal control weaknesses issued by the statutory auditors;
 - internal audit reports relating to internal control weaknesses; and
 - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- Reviewing compliance with the provisions of the Code of Conduct to Regulate, Monitor and Report Trading in the Securities of the Company and applicable SEBI Regulations and to verify that the systems for internal controls are adequate and are operating effectively and to amend, modify, interpret the Code;
- To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- To do all acts, deeds and things as may be necessary for effective implementation of the foregoing acts."

The composition of the Audit Committee is in line with the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations. The members of the Audit Committee are financially literate and have requisite experience in financial management.

Mr. Pillappan Amalanathan, Non-Executive Independent Director is the Chairman of the Audit Committee. The Company Secretary acts as Secretary to the Committee

Upon invitation, the CFO and the Statutory Auditors of the Company attend the meetings of the Audit Committee

All the recommendations of the Audit Committee have been accepted by the Board of Directors

During the financial year ended 31st March, 2022, the Audit Committee met 6 (six) times on June 30, 2021, August 09, 2021, October 28, 2021, November 26, 2021, January 21, 2022 and March 22, 2022

The composition of the Audit Committee and details of meetings attended by its members during the financial year ended 31st March 2022, are given below: -

Name of Director	Position	No. of Meetings	
		Held	Attended
Mr. Pillappan Amalanathan	Chairman	6	6
Mr. Dinesh Kumar Agarwal	Member	6	6
Ms. Jamuna Ravikumar	Member	6	6

Reporting of Internal Auditor

The Internal Auditor of the Company attends meetings of the Audit Committee and findings of Internal Audits, if any, are reported directly to the Audit Committee.

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 19 of the Listing Regulations.

Nomination and Remuneration Committee (NRC), amongst others, is responsible for determining the Company's policy on recruitment and remuneration of Directors/KMPs, Senior Management Personnel and other employees of the Company.

The terms of reference of the NRC Committee covers the areas mentioned in Section 178 of the Act and Regulation 19 read with Part D (A) of Schedule II to the Listing Regulations

The brief description of term of reference of NRC Committee, amongst others, includes the following: -

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description.

For the purpose of identifying suitable candidates, the Committee may:

3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Reviewing whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
5. Devising a policy on Board diversity;
6. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
7. Administration of Employee Stock Option Scheme(s);
8. Recommend to the Board, all remuneration, in whatever form, payable to senior management, i.e. all members of management one level below the Chief Executive Officer/Managing Director/ Whole-time Director/manager (including Chief Executive Officer/ manager, in case they are not part of the Board);
9. Succession Planning of the CXO team;
10. To do all acts, deeds and things as may be necessary for effective implementation of the foregoing acts."

Mr. Pillappan Amalanathan, Non-Executive Independent Director is the Chairman of the NRC Committee. The Company Secretary acts as Secretary to the Committee.

During the financial year ended 31st March, 2022, the Nomination & Remuneration Committee met 2 (two) times on September 02, 2021 and January 21, 2022.

The composition of the NRC Committee and details of meetings attended by its members during the financial year ended 31st March 2022, are given below: -

Name of Director	Position	No. of Meetings	
		Held	Attended
Mr. Pillappan Amalanathan	Chairman	2	2
Mr. Dinesh Kumar Agarwal	Member	2	2
Ms. Jamuna Ravikumar	Member	2	1

Performance Evaluation Criteria for Independent Directors

The performance evaluation criteria for independent directors is determined by the NRC Committee. An indicative list of factors on which evaluation was carried out includes participation and contribution by a director in meetings, commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behaviour and judgment.

Performance evaluation of the Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

The Directors expressed their satisfaction with the evaluation process.

Remuneration Policy

The Policy of the Company is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The Policy emphasize on promoting talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. The Policy reflects the Company's objectives for good corporate governance as well as sustained long term value creation for shareholders.

The Remuneration Policy applies to Directors, Senior Management Personnel including its Key Management Personnel (KMPs) and other employees of the Company. When considering the appointment and remuneration of Executive Directors, the NRC Committee inter-alia considers pay and employment conditions in the industry, merit and seniority of person and the paying capacity of the Company.

The guiding principle is that the remuneration and the other terms of employment should

effectively help in attracting and retaining committed and competent personnel. While designing remuneration packages, industry practices and cost of living are also taken into consideration.

The Nomination and Remuneration Committee also administers, implements and superintend the Refex Industries Limited ESOP Scheme - 2021.

Remuneration of Executive Directors

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and also remuneration based on net profit (variable component) to its Managing Director. Annual increments, if any, are recommended by the Nomination, & Remuneration (NRC) Committee within the salary scale approved by the Board and Shareholders of the Company.

The Board of Directors, on the recommendation of the NRC Committee, decides the variable component payable to the Managing Director out of the net profits for the financial years and within the ceilings prescribed under the Act, considering the criteria such as the market standards, financial performance, liquidity etc. of the Company.

Details of fixed components and performance linked incentives along with the performance criteria

The details of fixed components are mentioned as below and there is no performance linked incentive along with the performance criteria for Managing Director as on 31st March, 2022. However, the net profit-based commission is determined on the basis of financial performance of the Company and approved by the NRC Committee and the Board of Directors, after the declaration of the annual financial results for the relevant financial year.

No profit-based commission has been paid to the Managing Director for the financial year 2021-22.

Remuneration to Executive Director:

Name of Director	Salary	Perquisites & Allowances	Contribution to PF	Net Profit based Commission	Total (₹)
Mr. Anil Jain Managing Director	84,00,000	-	-	-	84,00,000

Service contracts, notice period, severance fees

The appointment of the Managing Director is governed by resolutions passed by the shareholders of the Company, which covers the terms and conditions of such appointment read with the service rules of the Company.

A separate service contract is not entered into by the Company with the Managing Director.

The office of the Managing Director may be terminated by the Company or by the Managing Director by giving the other 6 (six) months' prior notice in writing. No severance fee is payable to any Director.

Remuneration of Non-Executive Directors

During the year under review, the Company paid sitting fees @ ₹15,000/- and ₹10,000/- per meeting of Board and Committees respectively to its Non-Executive Directors, including Independent Directors, for attending meetings of the Board and/or the Committees thereof.

Remuneration to Non-Executive / Independent Directors:

Name of Director	Sitting Fee	Total (₹)
Non-Executive Directors		
Mr. Shailesh Rajagopalan	1,00,000	1,00,000
Independent Directors		
Mr. Pillappan Amalanathan	1,80,000	1,80,000
Ms. Jamuna Ravikumar	1,60,000	1,60,000
Mr. Ramesh Dugar	1,10,000	1,10,000
Total		5,50,000

Note: Mr. Dinesh Kumar Agarwal, Non- Executive Director has waived off his right to receive the sitting fees for attending Board /Committee meetings.

Remuneration of KMPs/ Senior Management

Remuneration of KMPs and Senior Management Personnel is recommended by the NRC Committee and approved by the Board of Directors. The remuneration of other employees is fixed as per principles outlined above and prevailing HR Policies of the Company.

The Remuneration policy is available on <https://www.refex.co.in/pdf/Nomination-Remuneration-Policy.pdf>.

The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings.

Details of pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Company

Except sitting fee payable to Non-Executive Directors, for attending the Board and/or its committee meetings, there is no other pecuniary relationship or transaction of the Non-Executive Directors vis-à-vis the Company.

Criteria of making payments to Non-Executive Directors

The Non-Executive Directors are entitled to sitting fees for attending meetings of the Board and/or its committees.

The details of remuneration paid to the Executive and Non-Executive Directors during the FY21-22 are given below:

Stock option details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable:

The necessary disclosures have been given in **Annexure - A** to the Directors' Report and for the sake of brevity, the same has not been repeated here.

No stock options have been issued to any of the employee or directors of the Company during the FY ended March 31, 2022.

3.3 Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee has been constituted by the Board in compliance with the requirements of Section 178 (5) of the Act and Regulation 20 of the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee (SRC), covers the areas mentioned in Section 178(5) of the Act and Regulation 20 read with Part D (B) of Schedule II to the Listing Regulations, which, inter-alia includes:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.;
- Review of measures taken for effective exercise of voting rights by shareholders;
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent;

- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company."

This Committee particularly looks into the investors grievances and oversees the performance of the Share Department/Share Transfer Agent and to ensure prompt and efficient investors' services.

During the financial year ended March 31, 2022, the Stakeholders' Relationship Committee met 01 (One) time on March 31, 2022.

The composition of the Stakeholders' Relationship Committee is in compliance with the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations

Mr. Pillappan Amalanathan, Non-Executive Independent was the Chairman of the SRC Committee. The Company Secretary acts as Secretary to the Committee.

The composition of the SRC Committee and details of meetings attended by its members during the financial year ended March 31, 2022, are given below: -

Name of Director	Position	No. of Meetings	
		Held	Attended
Mr. Pillappan Amalanathan	Chairman	1	1
Mr. Anil Jain	Member	1	1
Ms. Jamuna Ravikumar	Member	1	1

Nature of Complaints and Redressal Status

During the FY 21-22, the complaints and queries received by the Company were general in nature, which include issues relating to non-receipt of dividend warrants, annual reports, shares, transfer/ transmission of shares, loss of shares etc. and were resolved to the satisfaction of the shareholders.

Details of complaints received and attended to during the FY 21-22 are given below:

Number of Shareholders' complaints received during the FY21-22	NIL
Number of complaints not resolved to the satisfaction of shareholders as on March 31, 2022	NIL
No. of pending complaints as at March 31, 2022	NIL

The Company has attended the investor's grievances/correspondence within a period of 15 days from the date of receipt of the same during the FY21-22 except in cases which are constrained by disputes and legal impediments.

There were no investor grievances remaining unattended/pending as at March 31, 2022.

The Board, in its meeting has designated Mr. Gopalakrishnan Srinivasan, Company Secretary, as the Compliance Officer of the Company.

The Board has delegated powers of share transfer and dematerialization to Mr. Gopalakrishnan Srinivasan, Company Secretary to expedite the process of share transfer/ dematerialization work.

3.4 Corporate Social Responsibility (CSR) Committee

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act. The broad terms of reference of the CSR Committee, inter-alia, are as follows:

- To formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII;
- To recommend the amount of expenditure to be incurred on the activities as prescribed under CSR Policy;
- To establish a transparent monitoring mechanism for implementation of CSR projects and programs and monitor the Corporate Social Responsibility Policy of the company from time to time;
- Undertake any other activity in this regard as may be required by the Companies Act, 2013 or the Rules framed thereunder, from time to time;
- To do all acts, deeds and things which may be necessary for effective implementation of the foregoing acts."

The Board has adopted a Corporate Social Responsibility (CSR) Policy as formulated and recommended by the CSR Committee. The CSR Policy is available on the website of the Company at www.refex.co.in/pdf/CSR-Policy.pdf

The details of the CSR initiatives of the Company and expenditure incurred on it have been given in the "Annual Report on CSR Activities" annexed as **Annexure – D** to the Directors' Report.

The composition of the CSR Committee is in alignment with the provisions of Section 135 of the Act.

One meeting of CSR Committee was held during the financial year ended 31st March, 2022. The CSR Committee met on March 22, 2022, *inter-alia* to consider and approve CSR activities for the Financial Year 2021-22.

Mr. Pillappan Amalanathan, Independent Director is the Chairman of the CSR Committee. The Company Secretary acts as Secretary to the Committee.

The composition of the CSR Committee as on March 31, 2022, is given below:

Name of Director	Position
Mr. Pillappan Amalanathan, Independent Director	Chairman
Mr. Anil Jain, Managing Director	Member
Mr. Dinesh Kumar Agarwal, Non-Executive Director	Member

4. General Body Meetings

4.1 Location and time where Annual General Meetings held in the last 3 (three) years are given below:

Financial Year	Date	Location	Time
2020-21	30-09-2021	Through Video Conference (VC) / Other Audio-Visual Means (OAVM)	11:00 A.M.
2019-20	29-12-2020	Through Video Conference (VC) / Other Audio-Visual Means (OAVM)	11:00 A.M.
2018-19	30-09-2019	47, Whites Road, Royappettah, Chennai 600 014	03:30 P.M.

* In view of the COVID-19 pandemic, the 18th and 19th AGM were conducted through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM") without the presence of the members at a common venue in due compliance with applicable provisions of the Companies Act, 2013, the rules made thereunder read with MCA's General Circulars and the Listing Regulations read with SEBI Circulars.

4.2 The following resolutions were passed as Special Resolutions in previous three AGMs: -

Financial Year	Date	Subject matter of Special Resolutions
2020-21	30.09.2021	- Appointment of Mr. Ramesh Dugar as an Independent Director - Re-appointment of Ms. Jamuna as an Independent Director of the Company - Approval of Employee Stock Option Scheme 2021
		- Approval to extend the benefits of Employee Stock Option Scheme to the employees of Group Company(ies), Subsidiary, Associate and/or Holding Company(ies) - Amendment of the Memorandum of Association of the Company - Adoption of new set of Articles of Association of the Company
2019-20	29-12-2020	- Re appointment of Mr. Anil Jain as Managing Director for further term of 3 years - Appoint of Mr. Pillappan Amalanathan as an Independent Director - Approval for providing loan or to give guarantee or to provide security to Sherisha Technologies Private Limited
2018-19	30-09-2019	- Increase in Authorized Capital of the Company from 30 crores to 40 Crores - Amendment in the Main objects of the Company - Increase in the remuneration of Mr. Anil Jain, Managing Director of the Company

4.3 Postal Ballot

No special resolutions were put through Postal Ballot during the FY21-22.

4.4 Any Special Resolution proposed to be conducted through Postal Ballot

No Special Resolution is proposed to be passed through Postal Ballot.

4.5 Procedure for Postal Ballot

Since, no special resolution is proposed to be passed through Postal Ballot, procedure for postal ballot has not been given.

5. Means of Communications**5.1 Quarterly results**

The quarterly/ half-yearly/ annual financial results are regularly submitted to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), the Stock Exchanges where the securities of the Company are listed pursuant to the Listing Regulations requirements and are published in the Newspapers (Tamil and English).

The financial results are displayed on the Company's website www.refex.co.in.

5.2 Newspapers wherein results normally published

The quarterly/ half-yearly/ annual financial results are generally published in Business Standard (English), Dinamani (Tamil).

5.3 Website, where displayed

The financial results and the official news releases are also placed on the Company's website www.refex.co.in in the 'Investors' section.

5.4 Whether website also displays official news releases

The Company has maintained a functional website www.refex.co.in containing basic information about the Company e.g., details of its business, financial information, shareholding patterns, press releases, codes, compliance with corporate governance, contact information of the designated officials of the Company who are responsible for assisting and handling investor grievance, etc.

The information required to be disclosed under Regulation 46 of the Listing Regulations, is disseminated at the website of the Company.

6. General Shareholders' Information**6.1 Date and time of Annual General Meeting**

Friday, September 23, 2022 at 11:00 A.M.

Mode: Video Conference and Other Audio-Visual Means (VC/OAVM)

Participation through video-conferencing:

<https://www.evotingindia.com>

6.2 Financial Year

April 01, 2021 to March 31, 2022.

6.3 Dividend Payment Date

No dividend has been recommended by the Board.

6.4 Date of Book Closure/Record date/Cut off date for attending AGM

Cut-off date for attending AGM is Friday, September 16, 2022

Book Closure: Saturday, September 17, 2022 to Friday, September 23, 2022.

6.5 Registered Office / Corporate Office

Bascon Futura, SV IT Park, 11th Floor,
New No. 10/2, Old No. 56L, Venkata Narayana
Road, T. Nagar, Chennai 600 017 TN
Tel: +91-044-43405950

6.7 Corporate Identity Number (CIN)

L45200TN2002PLC049601

6.8 Website/ Email

www.refex.co.in
cscpliance@refex.co.in/ info@refex.co.in

6.9 Depositories

National Securities Depository Limited

4th Floor, 'A' Wing, Trade World
Kamala Mills Compound
Senapati Bapat Marg, Lower Parel
Mumbai - 400 013
Tel: +91-22-24994200
Fax: +91-22-24972993

Central Depository Services (India) Limited

Marathon Futurex, A' Wing, 25th Floor
N.M. Joshi Marg, Lower Parel
Mumbai - 400 013
Tel: +91-22-22723333
Fax: +91-22-22723199

6.10 International Securities Identification Number (ISIN)

INE056I01017

6.11 Name and address of Stock Exchanges at which the Company's securities are listed

The BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001
Tel: +91-22-22721233
Fax: +91-22-22723121

The National Stock Exchange of India Limited

Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra Kurla Complex, Bandra (East)
Mumbai - 400 051
Tel: +91-22-26598235
Fax: +91-22-26598237

The Company has paid the listing fees to the above Stock Exchange(s) for the FY22- 23.

6.12 Stock Codes

BSE: 532884
NSE: REFEX

6.13 Stock Market Price Data on NSE and BSE and Performance in comparison to broad-based indices

(₹)

Month	NSE		BSE		NIFTY INDEX		BSE SENSEX	
	Highest	Lowest	Highest	Lowest	Highest	Lowest	Highest	Lowest
April, 2021	161.9	88	162.1	88	15044.35	14151.4	50375.77	47204.50
May, 2021	158.7	122.15	158.35	123.55	15606.35	144216.25	52013.22	48028.07
June, 2021	169	133.1	168.85	133.2	15915.65	15450.90	53126.73	51450.58
July, 2021	155	131.55	154.55	117	15962.25	15513.45	53290.81	51802.73
August, 2021	172.7	120.2	172.75	120	17153.50	15834.65	57625.26	52804.08
September, 2021	173.4	136.85	173.1	117.1	17947.65	17055.05	60412.32	57263.90
October, 2021	155	123.1	153.7	124.05	18604.45	17452.90	62245.43	58551.14
November, 2021	137.5	119.05	137.55	121.75	18210.15	16782.40	61036.56	56382.93
December, 2021	150.2	116	150	115.95	17639.50	16410.20	59203.37	55132.68
January, 2022	145.5	121.2	145.75	121.4	18350.95	16836.80	61475.15	56409.63
February, 2022	141	117	140.5	113	17794.60	16203.25	59618.51	54383.20
March, 2022	130.55	106.3	130.8	116	17559.80	15671.45	58890.92	52260.82

6.14 In case, the securities are suspended from trading, reason thereof

Not applicable, since the securities of the Company have not been suspended from trading.

6.15 Registrar and Share Transfer Agents (RTA)**Cameo Corporate Services Limited**

Subramanian building No. 1, Club House Road,
Chennai- 600 002

Tel: +91-11-41406149

Fax: +91-11-41709881

Email: cameo@cameoindia.com

6.16 Share Transmission, Dividend etc.

Share transmission, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent, namely, Cameo Corporate Services Limited (RTA).

For lodgment of transmission and transposition and any other documents or for any grievances/complaints, kindly contact any of the office of RTA or of the Company.

Share Transfer – Physical System

As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form.

Effective 1st April, 2019, transfer of shares in physical form has ceased. Request for transmission of shares for dematerialization of shares pursuant to SEBI Circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 and dematerialization of shares will continue to be accepted.

The Total number of equity shares transferred/transmitted/transposed in physical forms during the FY22:

Number of Request	-	Nil
Number of Shares	-	Nil

6.17 Distribution of Equity Shareholding as on 31st March, 2022:

Range of Shareholding	No. of Shareholders	% of Shareholders	No. of Shares	% of Shareholding
Up to 100	18632	67.18	6,98,008	3.32
100 - 500	6458	23.28	16,58,790	7.89
501 - 1000	1365	4.92	10,80,987	5.14
1001 - 2000	664	2.39	10,15,021	4.83
2001 - 3000	210	0.75	5,43,147	2.58
3001 - 4000	88	0.31	3,14,922	1.49
4001 - 5000	84	0.30	3,95,168	1.88
5001 - 10000	131	0.47	9,64,007	4.59
Above 10000	100	0.36	1,43,31,974	68.24
Total	27,732	100.00	2,10,02,024	100.00

6.18 Categories of Equity Shareholding as on 31st March, 2022:

S. No.	Category	No. of Shares	% Shareholding
A	Promoters Holding		
1	Indian Promoters	1,05,45,587	50.21
2	Foreign Promoters	-	-
	Sub Total (A)	1,05,45,587	50.21
B	Public Shareholding		
1	Institutional Investors		
	a) Mutual Funds/UTI	-	-
	b) Venture Capital Funds	-	-
	c) Alternate Investment Funds	-	-
	d) Foreign Venture Capital Investors	-	-
	e) Foreign Portfolio Investors	53828	0.26
	f) Financial Institutions and Banks		
	g) Insurance Companies		
	h) Provident Funds/Pension Funds	-	-
	i) Any Others(specify)		
	(i) Foreign Institutional Investors		
	(ii) Foreign Banks		
	Sub Total (B1)	53828	0.26
2	Central Government/State Government(s)/ President of India	-	-
	Sub Total (B2)	-	-
3	Non-Institutional Investors		
	a) Indian Public	87,56,886	41.70
	b) NBFCs Registered with RBI	-	-
	c) Employee Trusts	-	-
	d) Overseas Depositories (holding DRs)	-	-
	e) Any Other	-	-
	(i) Bodies Corporates	968543	4.61
	(ii) Clearing Members	25,775	0.1
	(iii) NRIs	3,27,640	1.56
	(iv) Foreign Nationals	1200	0.00
	(v) HUF	3,22,346	1.53
	(vi) IEPF	219	0.00
	Sub Total (B3)	1,04,02,609	49.53
	Total Public Shareholding (B = B1+B2+B3)	1,04,56,437	49.79
	Grand Total (A+B)	2,10,02,024	100.00

6.19 Dematerialization of shares and liquidity

The process of conversion of shares from physical form to electronic form is known as Dematerialization.

For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the R&T Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized and an electronic credit of shares is given in the account of the Shareholder

The Company's shares are compulsorily traded in dematerialized form as per SEBI Guidelines.

As on 31st March, 2022, 99.99% of the equity shares have been dematerialized. The equity shares of the Company are frequently traded on BSE and NSE, having nationwide trading terminals, and hence provide liquidity to the investors.

Shares in Physical and Demat form as on 31 st March, 2022	No. of Shares	Percentage
In Physical Form	1,267	0.01
In Dematerialized Form	2,10,00,757	99.99
Total	2,10,02,024	100.00

No. of shareholders whose shares as on 31 st March, 2022 are in Physical and Demat form:	No. of Shareholders	Percentage
In Physical Form	03	0.01
In Dematerialized Form	27,729	99.99
Total	27,732	100.00

Disclosure with respect to demat suspense account/unclaimed suspense account:

Not applicable.

6.20 Outstanding GDRs / ADRs or warrants or any Convertible Instruments, conversion date and any likely impact on equity

The Company has not issued any Global Depository Receipts or American Depository Receipts or any other convertible instruments, during the year under review.

6.21 Commodity price risk or foreign risk and hedging activities

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given

During the FY 21-22, the Company had managed the foreign exchange risk and hedged to the extent considered necessary.

6.22 Plant Locations

Refrigerants Gases:
No.1/171, Old Mahabalipuram Road, Thiruporur,
Kancheepuram District-603110
Tamil Nadu

Solar Energy Division:
Balotra, Barmer District-344002
Rajasthan

6.23 Addresses for Correspondence

Communication regarding share certificates, dividends, change of address etc. and any other grievance of investors, may be sent to: -

Cameo Corporate Services Limited

Subramanian building No. 1, Club House Road,
Chennai- 600 002
Tel: +91-11-41406149
Fax: +91-11-41709881
Email: cameo@cameoindia.com

**Secretarial Department and Investor Relations/
Nodal Officer**

Mr. Gopalakrishnan Srinivasan
Company Secretary
Bascon Futura, SV IT Park, 11th floor,
New No. 10/2, Old No. 56L.
Venkata Narayana Road,
T. Nagar, Chennai-600 017 Tamil Nadu
Tel: +91-044-43405950
Email: cscompliance@refex.co.in

6.24 SEBI Complaints Redress System (SCORES)

The investors' complaints received by SEBI are being processed through its centralized web base complaint redressal system. The salient features of SCORES are availability of centralized database of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the action taken and current status of their complaints.

SEBI vide its Circular dated March 26, 2018 have streamlined the process of filing investor grievances in the SCORES in order to ensure speedy and effective resolution of complaints filed therein. The said Circular can be accessed on the website of SEBI at: https://www.sebi.gov.in/legal/circulars/mar-2018/investor-grievance-redress-mechanism-new-policy-measures_38481.html.

6.26 List of all Credit Ratings obtained along with any revisions thereto

Acuite Ratings & Research Ltd. (SEBI Registered Credit Rating Agency) vide their e-mail communication dated January 19, 2022, had assigned the credit ratings for the Bank Loan facilities of the Company, the details of which are as below: -

Instrument / Facility	Ratings	Rating Action
Long term Bank Facilities – Term Loans	ACUITE BBB+	Stable
Short term Bank Facilities – Cash Credit	ACUITE A2	Stable

7. Other Disclosures

7.1 Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

There is no material significant transaction entered into with any of the related parties that may have conflict with the interest of the Company.

Attention of the members is drawn to the disclosures of transactions with related parties set out in Note No. 37 of the Financial Statements forming part of the Annual Report.

7.2 Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authorities, on any matter related to capital markets, during the last three years

Date	Regulation: Observation	Reason for Non-Compliance	Period	Penalty
January 10 2022	National Stock Exchange of India Limited (NSE) for not having minimum number of six directors as required under Regulation 17(1) (c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as the company fell within the top 2000 listed companies as at 1 st April, 2020.	Covid 19 Pandemic and resultant lock downs imposed by the Central and State Government. The Company has appointed 2 more Directors on 29 th December, 2020, as on the date of this report the Company has 6 (Six) Directors on the Board	20-21	₹16,04,800 paid on January 17, 2022 to NSE
Total				₹16,04,800

7.3 Details of establishment of Vigil Mechanism and Whistle-Blower Policy of the Company

The Board of Directors of the Company has adopted Whistle Blower Policy and has established the necessary vigil mechanism as stipulated under Section 177(9) of the Act and Regulation 22 of the Listing Regulations

The management of the Company, through this Policy envisages to encourage the employees of the Company to report to the higher authorities any unethical, improper, illegal or questionable acts, deeds and things which the management or any superior may indulge in.

The Policy on Vigil Mechanism/ Whistle blower policy may be accessed on the Company's website at the link: https://www.refex.co.in/pdf/Whistle-Blower%20Policy_Vigil%20Mechanism.pdf.

No employee of the Company is denied access to the Audit Committee.

7.4 Web link where policy for determining 'material' subsidiaries is disclosed

The Company has adopted a 'Policy for determining Material Subsidiaries', which has been uploaded on the Company's website and can be accessed at the following links: <https://www.refex.co.in/pdf/Policy-on-Determinig-Material-Subsidiary.pdf>.

The Board, in its meeting held on May 06, 2022, has amended the "Policy on Determining Material Subsidiary" of the Company to incorporate the amended provision pertaining to disposal of stake / control in the material subsidiary, if any, of the Company.

Subsidiary companies

The Company has no subsidiaries in terms of Regulation 16 of the Listing Regulations.

7.5 Web-link where policy on dealing with related party transactions is disclosed

The Company has adopted a Policy for Dealing with and Materiality of Related Party Transactions, which has been uploaded on the Company's website and can be accessed at the following link: www.refex.co.in/pdf/Policy-on-Related-Party-Transactions.pdf.

7.6 Code of conduct for Board Members and Senior Management Personnel

Pursuant to Regulation 17(5) read with Schedule V to the Listing Regulations, the Company has adopted a Code of Conduct for Directors and a Code of Conduct for Senior Management Personnel and the same have been posted on the Company's website at https://refex.co.in/pdf/Code-of-Conduct_BoDs-&-SM.pdf

Pursuant to Regulation 26(3) of the Listing Regulations, the Directors and the Senior Management Personnel affirm the Compliance of the Code annually.

All members of the Board and Senior Management Personnel have affirmed compliance with the respective Codes of Conduct for the Financial year 2021-22

A Certificate to this effect issued by the Managing Director is enclosed and forms part of the Annual Report.

7.8 Code of Conduct to Regulate, Monitor and Report Trading in Securities by Designated Persons

Your Company has adopted a "Code of Internal Procedure and Conduct for Regulating, Monitoring and Reporting of Trading in Securities by Designated Persons" ("Insider Trading Code") as required under Regulation 9(1) of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Company formulated the Insider Trading Code with the objective to deter the Insider trading in the securities of the Company based on the unpublished price sensitive information.

SEBI notified several amendments to SEBI Insider Trading Regulations pursuant to SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which were effective from 1st April, 2019 and subsequently amendments pursuant to the SEBI (Prohibition of Insider Trading) (Third Amendment) Regulations, 2019 were made effective from 26th December, 2019.

SEBI, vide its Notification No. SEBI/LAD-NRO/GN/2020/23 dated July 17, 2020, introduced the Securities and Exchange Board of India (Prohibition of Insider Trading) Amendment Regulations, 2015, which inter-alia provided that the Code shall specify that in case it is observed by the Company, that there has been a violation of the SEBI PIT Regulations, it shall promptly inform the stock exchange(s) where the concerned securities are traded, in such form and such manner as may be specified by SEBI from time to time.

SEBI vide its Circular No. SEBI/HO/ISD/ISD/CIR/P/2020/135 dated July 23, 2020, had prescribed the revised standard format for reporting of violations related to the Code.

In view of the aforesaid amendments to the SEBI PIT Regulations, necessary changes have been made in the existing Insider Trading Code of the Company.

The Insider Trading Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company.

During the year under review, there were no instances of breach/ violation of the Insider Trading Code by the Designated Persons. There has been due compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 during the year under review.

7.9 Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part

Details of Fee Paid to Statutory Auditors for Financial Year 2021-22 are given below:

S. No.	Name of Entity	Name of Auditors' Firm	Details of Services	Amount (₹)
1	Refex Industries Limited	M/s. M. Krishnakumar & Associates Chartered Accountants	Statutory Audit Fees/ Limited Review Fees	6,35,000

7.10 Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act read with relevant rules framed thereunder, Mr. MuthuKrishnan, Practicing Company Secretary, holding Membership No. FCS 6775 and C. P. No. 3033 was appointed as the Secretarial Auditor of the Company to carry out the secretarial audit for the FY22

A Secretarial Audit Report given by the Secretarial Auditor in Form No. MR-3 is annexed as **Annexure-C** to the Directors' Report which forms the part of this Annual Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark for the financial year 2021-22.

Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct annual secretarial compliance audit from a practicing company secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder.

The Secretarial Compliance Report is in addition to the Secretarial Audit Report (Form No. MR - 3) issued by practicing company secretaries and is required to be submitted to Stock Exchanges within 60 days of the end of every financial year.

Mr. MuthuKrishnan, Practicing Company Secretary, holding Membership No. FCS 6775 and C. P. No. 3033, the Secretarial Auditor, has issued the Secretarial Compliance Report for the financial year ended March 31, 2022 and the same has already been filed with BSE and NSE, stock exchanges, where the shares of the Company are listed and also published on the website of the Company at <https://www.refex.co.in/pdf/RIL-24A-Compliance-Report-31.03.2022.pdf>.

7.11 Secretarial Certificates

- (i) Pursuant to Regulation 40(9) of the Listing Regulations, certificate on yearly basis, has been issued by a Company Secretary in-Practice certifying that all certificates have

been issued within the time prescribed under the Listing Regulations for lodgment for transmission, transposition, sub-division, consolidation, renewal and exchange etc., till the same was permissible.

- (ii) A Company Secretary in-Practice carries out a reconciliation of share capital audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("**Depositories**") and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and total number of shares in dematerialized form held with Depositories.

7.12 Compliance of the provisions of Regulation 26(6) of the Listing Regulations:

None of the Key Managerial Personnel, Director(s) and Promoter(s) of the Company has entered into any agreement for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

7.13 Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act)

The Company has in place a policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Internal Complaints Committee(s) ("ICCs") have been set up at each workplace to implement fair and impartial procedures for resolution settlement or prosecution of acts of sexual harassment. All employees are covered under this Policy

ICC of each workplace of the Company has also filed Annual Return for the calendar year 2021 at their respective jurisdictional office, as required

under Section 21(1) of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013

The following is the summary of the complaints received and disposed-off during FY 21-22:

- a) **No. of complaints filed during the financial year: 2**
- b) **No. of complaints disposed-off during the financial year: 2**
- c) **No. of complaints pending as on the end of financial year: Nil**

Further, the Company also organises and conducts various training programmes, from time to time, for awareness on the provisions of POSH Act.

7.14 Financial Calendar 2022-23 (tentative and subject to change):

- Financial Reporting for the first quarter ending 30th June, 2022: On August 05, 2022.
- Financial Reporting for the second quarter and half year ending 30th September, 2022: On or before 14th November, 2022.
- Financial Reporting for the third quarter ending 31st December, 2022: On or before 14th of February, 2023.
- Audited Accounts for the year ending 31st March, 2023: On or before May 30, 2023.
- Annual General Meeting for the year ending 31st March, 2023: On or before September 30, 2023.

7.15 Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof

During the year under review, the Board has accepted all the recommendations made by various committees of the board, which is mandatorily required.

7.16 Disclosure of Compliance of Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

The status of adoption of the Discretionary Requirements as specified in sub-regulation 1 of Regulation 27 of the Listing Regulations are as follows:

a) The Board:

The Chairman of the Company is a Promoter cum Managing Director of the Company.

b) Shareholder Rights:

Financial Performance are published in newspapers, uploaded on the Company's website www.refex.co.in and submitted to the Stock Exchanges (BSE & NSE), instead of sending to each household of the shareholders.

Further, all significant events are also disclosed to the Stock Exchanges and published on the website of the Company, instead of sending to each household of the shareholders

c) Modified opinion(s) in Audit Report:

The Company already has a regime of unqualified financial statements with Unmodified Audit Opinions. Auditors have raised no qualification on the Financial Statements

d) Reporting of Internal Auditor:

The Internal Auditor of the Company directly reports to the Audit Committee.

7.16 Compliance Certificate

In terms of Regulation 17(8) of the Listing Regulations, the Managing Director and the Chief Financial Officer of the Company have given Compliance Certificate to the Board on financial reporting and internal controls, as mentioned under Part B of Schedule II to the Listing Regulations, which is also annexed in this Annual Report.

7.17 Compliance Certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance

A certificate from the Statutory Auditors, being Practicing Chartered Accountant, regarding compliance of conditions of corporate governance is annexed with the Corporate Governance Report and forms an integral part of the Annual Report.

7.18 Norms for furnishing of PAN, KYC, Bank details and Nomination

SEBI vide circular dated November 3, 2021, has mandated listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents (i.e., PAN, KYC, Bank details and Nomination) are not available with us, on or after April 1, 2023, shall be frozen as per the aforesaid SEBI circular.

The forms for updation of PAN, KYC Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13 and the said SEBI circular are available on our website <https://www.refex.co.in/> In view of the above, we urge members holding shares in physical form to submit the required forms along with the supporting documents at the earliest.

The Company has sent letters to the members holding shares in physical form.

In respect of members who hold shares in dematerialized form and wish to update their PAN, KYC, Bank details and Nomination are requested to contact their respective Depository Participants.

7.19 Disclosure of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

During the financial year ended March 31, 2022, there are no loans or advances provided by the Company and its subsidiaries to firms/companies in which directors were interested.

7.21 Disclosures with respect to demat suspense account/unclaimed suspense account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follow as on 31st March 2022:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of Shareholders and the outstanding shares in the suspense account lying at the beginning of the year	2	140
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	2	140
Number of Shareholders to whom shares were transferred from suspense account during the year	2	140
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL	NIL

7.22 Green Initiative

Pursuant to Section 101 and 136 of the Act read with the Companies (Management and Administration) Rules, 2014 and the Companies (Accounts) Rules, 2014, the Company can send Notice of Annual General Meeting, Financial Statements and other communication in electronic forms.

Your Company is sending the Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Directors' Report along with their annexures etc. in the electronic mode to the shareholders who have registered their E-mail IDs with the Company and/or their respective Depository Participants (DPs).

Shareholders who have not registered their e-mail addresses so far are requested to register their e-mail addresses, so that all communication with them can be made in electronic mode and we can make some contribution to protect the environment.

Those holding shares in demat form can register their e-mail addresses with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the Company/RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.

DECLARATION OF COMPLIANCE OF THE CODE OF CONDUCT

[In terms of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors of Refex Industries Limited, in compliance of Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has laid down the “Code of Conduct for all the Board Members and the Senior Managerial Personnel” of the Company, which has also been posted on the website of the Company viz. www.refex.co.in.

Pursuant to the above, the Company has received ‘Affirmation of Compliance’ from the Board Members and the Senior Managerial Personnel of the Company and accordingly, I make the following declaration: -

I, Anil Jain, Managing Director of Refex Industries Limited, hereby declare that all Board Members and the Senior Management Personnel of the Company, have affirmed compliance of the Code of Conduct during the Financial Year 2021-22.

Place: Chennai
Date: May 06, 2022

Sd/-
Anil Jain
Managing Director
DIN: 00181960

AUDITORS’ CERTIFICATE ON COMPLIANCE OF THE PROVISIONS OF THE CODE OF CORPORATE GOVERNANCE

To
**The Members of
Refex Industries Limited,
Chennai**

We have examined the compliance of the conditions of Corporate Governance by Refex Industries Limited, Chennai for the year ended on March 31, 2022, as stipulated in Regulations 17 to 27 and Regulation 46 (2) (b) – (i) of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Compliance of the conditions of corporate governance is the responsibility of the management. My examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of our information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

I 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.

M. Krishnakumar & Associates
Chartered Accountants,
FRN: 006853S

Sd/-
M. Krishna Kumar B.Sc FCA
Proprietor
M.No.203929
UDIN: 22203929APNKCH2086

Place: Chennai
Date: August 5, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **REFEX INDUSTRIES LIMITED** having **CIN: L45200TN2002PLC049601** and having registered office at **11th Floor, Bascon Futura IT Park ,New No. 10/2, Old No. 56L, Venkat Narayana Road, T Nagar Chennai 600 017** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

S.NO	NAME OF THE DIRECTOR	DIN	DATE OF APPOINTMENT
1	Mr. Anil Jain	00181960	13/09/2002
2	Mr. Dinesh Kumar Agarwal	07544757	27/07/2016
3	Ms. Jamuna	08009308	14/02/2018
4	Mr. Pillappan Amalanathan	08730795	28/03/2020
5	Mr. Ramesh Dugar	01686047	29/12/2020
6	Mr. Shailesh Rajagopalan	01855598	29/12/2020

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

Place: Chennai
Date: 06.05.2022

Sd/-
R. Muthu Krishnan
Practicing Company Secretary
CP No. 3033
FCS No: 6775
UDIN: FO06775D000282028

To,
The Board of Directors
Refex Industries Limited
 11th Floor, Bascon Futura IT Park,
 New No. 10/2, Old No. 56L,
 Venkat Narayana Road, T Nagar
 Chennai – 600017 Tamil Nadu

COMPLIANCE CERTIFICATE IN RESPECT OF FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

[In terms of Regulation 17(8) read with Part B of Schedule II to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended on the 31st March, 2022 and that to the best of our knowledge and belief:
 - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) 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 violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting, and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
 - (1) there were no significant changes in internal control over financial reporting during the year ended 31st March, 2022;
 - (2) the changes in accounting policies during the year ended 31st March, 2022, and the same have been disclosed in the notes to the financial statements; and
 - (3) there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Chennai
 Date: May 06, 2022

Sd/-
Lalitha Uthayakumar
 Chief Financial Officer
 PAN No. ACQPL1682F

Sd/-
Anil Jain
 Managing Director
 DIN:00181960

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Refex Industries Limited

Report on the Audit of the Standalone Financial statements

Opinion

We have audited the standalone financial statements of Refex Industries Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and 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, 2022, and profit and 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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.

Management's Responsibilities for the Financial Statement

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. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

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.

- (A) 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.
 - 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.
 - 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.

- d) 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. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (B) 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:
- a) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as mentioned in Note No: 29
- b) The Company had made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any long-term contracts including derivative contracts.
- c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.
- e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- (C) With respect to the matter to be included in the Auditors' Report under section 197(16): In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For M. Krishnakumar & Associates
Chartered Accountants
Firm Regn.No.006853S

Sd/-

M. Krishna Kumar B.Sc FCA

Proprietor

M. No. 203929

Place: Chennai

Date: 06.05.2022

UDIN: 22203929AIMUPD1589

ANNEXURE

TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2022, we report that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- (B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant & equipment by which all Property, plant & equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain Property, plant & equipment were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year except stated in sub-clause (A and B) below.
- (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted advances to its subsidiary as below:

Particulars	Amount (In lakhs)
Aggregate amount during the year - Subsidiary	0.30
Balance outstanding as at balance sheet date - Subsidiary	NIL

B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to a party other than subsidiaries as below:

Particulars	Amount (In lakhs)
Aggregate amount during the year - Others	620.00
Balance outstanding as at balance sheet date - Others	
- Loans & Advances	5,279.69
- Guarantees	11,098.00

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given, investments made and guarantees provided are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party except for the loan given to Sherisha Technologies Private Limited which has been renewed for one more year.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has made investments, given loans, provided the guarantee or security in compliance with the provisions as specified under Section 185 & 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident fund, Income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Income tax, Goods and Services tax, duty of customs and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable except for the mentioned below:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Due date	Date of payment	Remarks if any
Income Tax Act, 1961	Advance Tax	1,18,21,914/-	FY 2021-22	15-06-2021		15% of the Total Tax Liability
Income Tax Act, 1961	Advance Tax	3,54,65,743/-	FY 2021-22	15-09-2021		45% of the Total Tax Liability

- (b) According to the information and explanations given to us, the particulars of due in respect of income tax, goods and service tax, sales tax, customs duty, excise duty, VAT and cess, which have not been deposited on account of a dispute, are as follows:

S.No	Year	Forum	Amount (In ₹)	Details
1	A.Y 2014-15	Commissioner Appeals	8,21,12,856/-	Under Appeal with the Hon'ble Commissioner of Income Tax (Appeals), Chennai

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has taken term loans and were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds raised on short-term basis have not been utilized for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) During the year, there are no whistle blower complaints received by the company. Accordingly clause 3(xi)(c) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its 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. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the

Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability

of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clause 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) As the company does not have any subsidiary or Associate or Joint Venture as at 31st March 2022, reporting under Clause 3 (xxi) does not arise.

For M. Krishnakumar & Associates

Chartered Accountants
Firm Regn.No.006853S

Sd/-

M. Krishna Kumar B.Sc FCA

Proprietor

M. No. 203929

UDIN: 22203929AIMUPD1589

Place: Chennai

Date: 06.05.2022

ANNEXURE - A

TO THE AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of Refex Industries Limited ("the Company") as on 31 March 2022 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include 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 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 was 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 standalone IND AS 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 31 March 2022,

based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial reporting issued by the Institute of Chartered Accountants of India.

For M. Krishnakumar & Associates

Chartered Accountants

Firm Regn.No.006853S

Sd/-

M. Krishna Kumar B.Sc FCA

Proprietor

M. No. 203929

UDIN: 22203929AIMUPD1589

Place: Chennai

Date: 06.05.2022

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2022

(₹ in lakhs)

Particulars	Note No	As at March 31, 2022 (Audited)	As at March 31, 2021 (Audited)
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1	1,989.93	1,529.77
(b) Right of use assets	2	6,507.75	7,148.55
(c) Intangible	1	5.18	-
(d) Capital Work in Progress	3	39.48	-
(e) Non-current financial assets			
(i) Investments	4	7,400.00	7,405.00
(ii) Trade receivables		-	-
(iii) Other non current financial assets	5	700.00	700.00
(f) Deferred Tax Assets	6	100.03	264.50
(g) Other Non current assets	7	5.82	-
Current assets			
(a) Inventories	8	746.47	548.64
(b) Financial Assets			
(i) Trade receivables	9	11,642.54	9,295.79
(ii) Cash and cash equivalents	10	99.03	1,724.45
(iii) Bank Balances other than (ii) above		-	-
(iv) Other current financial assets	11	8,060.33	5,043.03
(c) Current Tax Assets (Net)	12	-	-
(d) Other current assets	13	796.90	480.08
Total Assets		38,093.46	34,139.82
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	2,100.20	2,100.20
(b) Other Equity	15	16,296.03	11,856.82
LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Long term Borrowings	16	102.60	8.98
(ii) Lease Liability	2	5,930.61	6,318.13
(b) Deferred Tax Liabilities		-	-
(c) Long Term provisions	17	80.97	948.54
Current liabilities			
(a) Financial Liabilities			
(i) Short term Borrowings	16	1,405.05	1.98
(ii) Lease Liability	2	1,071.79	1,086.26
(iii) Trade payables	18		
Total outstanding dues of micro enterprise and small enterprises		296.21	376.43
Total outstanding dues other than micro enterprise and small enterprises		7,429.18	9,661.93
(iv) Other financial liabilities	19	5.57	-
(b) Other current liabilities	20	3,375.25	1,780.55
Total Equity and Liabilities		38,093.46	34,139.82

Notes 1 to 40 forms part of the Financials

As per our report of even date attached

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 006853S

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929
Firm Registration No. with ICAI:006853S

Place: Chennai
Date: May 06, 2022

For and On behalf of the Board of Directors

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
Shailesh Rajagopalan
Director
(DIN:01855598)

Sd/-
S.Gopalkrishnan
Company Secretary & Compliance officer
Membership No: ACS - 3588

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
U. Lalitha
Chief Financial Officer
PAN No. ACQPL1682F

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs)

Particulars	Note No	For Year Ended March 31, 2022 (Audited)	For Year Ended March 31, 2021 (Audited)
Income			
I Revenue from operations	21	44,395.88	63,265.88
II Other income	22	502.60	444.37
III Total Income (I+II)		44,898.48	63,710.25
IV Expenses			
Cost of material consumed	23	17,278.81	20,862.53
Changes in inventories of finished goods and stock-in-trade	23	(197.82)	(230.40)
Purchase of stock in trade	24	18,268.35	32,065.85
Employee benefits expenses	25	1,315.67	602.81
Finance costs	26	960.71	897.03
Depreciation and Amortisation	27	564.75	529.05
Other Expenses	28	1,947.69	3,197.59
Total expenses (IV)		40,138.15	57,924.46
V Profit/(loss) before exceptional items and tax		4,760.33	5,785.79
VI Exceptional items	39	1,337.61	-
VII Profit/(loss) before tax		6,097.94	5,785.79
VIII Tax expense			
- Current Tax		1,394.49	1,772.38
- Deferred Tax		164.47	(80.93)
IX Profit/(loss) for the period		4,538.99	4,094.33
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plan actuarial gains/ (losses)	15	5.23	0.11
		5.23	0.11
XI Total Comprehensive Income for the period (Comprising profit and other comprehensive income for the period)		4,544.22	4,094.43
XII Earnings per equity share			
(1) Basic		21.61	21.74
(2) Diluted		21.61	21.74
The accompanying notes form an integral part of these financial statements		29-40	

Notes 1 to 40 forms part of the Financials

As per our report of even date attached

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 0068535

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929
Firm Registration No. with ICAI:0068535

Place: Chennai
Date: May 06, 2022

For and On behalf of the Board of Directors

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
Shailesh Rajagopalan
Director
(DIN:01855598)

Sd/-
S.Gopalkrishnan
Company Secretary & Compliance officer
Membership No: ACS - 3588

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
U. Lalitha
Chief Financial Officer
PAN No. ACQPL1682F

STANDALONE STATEMENT OF CASH FLOW

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in lakhs)

Particulars	For Year Ended March 31, 2022 (Audited)	For Year Ended March 31, 2021 (Audited)
Cash flows from operating activities		
Profit Before Taxes	6,097.94	5,785.79
Add : Non cash and Non operating items debited to Profit & loss account :		
Depreciation	564.75	529.05
Finance Cost	960.71	897.03
Bad Debts	0.92	86.16
Loss/ (Profit) on sale of fixed assets	(19.51)	-
Loss on Disposal of Subsidiary	5.00	-
Provision for contingent liability	-	761.16
Provision for ECL	168.27	59.26
Inventory Write off	-	39.09
Less: Non cash and non operating income credited to Profit & loss account :		
Interest received	449.80	399.47
Other non cash income	-	33.14
Operating cash flow before working capital changes	7,328.27	7,724.94
Changes in working capital		
Decrease/(Increase) In Trade Receivables	(2,515.94)	(2,213.93)
Decrease/(Increase) In Other current Financial Asset(s)	(3,017.30)	(112.49)
Decrease/(Increase) In Other current Asset(s)	(316.82)	322.96
Decrease/(Increase) In Other non-current financial assets	-	-
Decrease/(Increase) In Inventories	(197.82)	(269.49)
Decrease/(Increase) In Other non-current assets	(5.82)	146.72
(Decrease)/Increase In Long term Provisions	(862.34)	339.75
(Decrease)/Increase In Trade Payables current	(2,312.96)	5,951.26
(Decrease)/Increase In other current liabilities	200.20	458.63
(Decrease)/Increase In Other financial liabilities	5.57	(19.48)
Income taxes paid	-	-
Net Cash generated from / (used in) operations [A]	(1,694.95)	12,328.85
Cash flows from investing activities		
Purchase of fixed assets	(641.27)	(599.85)
Proceeds from sale of fixed assets	60.38	32.77
Purchase of Investments	-	(7,400.00)
Loans given to third parties	-	(4,659.69)
Interest received	449.80	399.47
Net cash generated from/(used in) investing activities [B]	(131.10)	(12,227.30)

STANDALONE STATEMENT OF CASH FLOW
FOR THE YEAR ENDED MARCH 31, 2022 (Contd.)

Particulars	For Year Ended March 31, 2022 (Audited)	For Year Ended March 31, 2021 (Audited)
Cash flows from financing activities		
Cash proceeds from the issue of shares	-	795.72
Proceeds from / (repayment of) long term and short term borrowings	1,496.69	(160.93)
Dividend paid (including dividend distribution tax)	(105.01)	(210.02)
Interest payment of Lease Liability	(855.92)	(881.85)
Interest paid	(104.80)	(15.19)
Principal repayment of lease liability - Lease rent	(230.33)	-
Net cash used in financing activities [C]	200.64	(472.27)
Increase in cash and cash equivalents [A+B+C]	(1,625.41)	(370.72)
Cash and cash equivalents at the beginning of the year	1,724.45	2,095.17
Cash and cash equivalents at the end of the year	99.03	1,724.45
Components of cash and cash equivalents (refer note 10)		
Cash on hand	0.36	1.74
Balances with banks	98.66	1,722.71
Total cash and cash equivalents	99.03	1,724.45

Notes 1 to 40 forms part of the Financials

As per our report of even date attached

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 006853S

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929
Firm Registration No. with ICAI:006853S

Place: Chennai
Date: May 06, 2022

For and On behalf of the Board of Directors

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
Shailesh Rajagopalan
Director
(DIN:01855598)

Sd/-
S.Gopalkrishnan
Company Secretary & Compliance officer
Membership No: ACS - 3588

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
U. Lalitha
Chief Financial Officer
PAN No. ACQPL1682F

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

A. Corporate Information:

Refex Industries Limited (Refex), From realizing the commercial potential of HFC gases and diversifying into refrigerant gases, Refex Industries Limited (Refex) has consistently delivered out-of-the-box innovation coupled with positive financial sustainability, at every step of the way. With its inception in the year 2002, Refex Industries successfully broke the monopoly that existed in the controlled refrigerant gas market. After its well-established leadership in refrigerant gases, Refex now brings its delivery expertise in offering services like coal trading, coal yard management and coal ash handling to thermal power plants.

Refrigerant Gas:

Refex Industries Limited (REFEX) is a specialist manufacturer and re-filler of Refrigerant gases, particularly, environmentally acceptable gases that are replacements for Chloro-Fluoro-Carbons (CFC's). These are used primarily as refrigerants, foam blowing agents and aerosol propellants. It exercises superior quality control and efficiency with the help of advanced technology. Refex has been committed to being an exemplary player in terms of safety, protection of health and environment, and sustainable development.

Handling and Disposal of Fly Ash:

Ash is the by-product from the burning of coal which is the fuel to all thermal power plants. 30-45% of the burnt coal is ash. This ash is full of heavy metals and toxins which if not handled properly could pollute air, land and water bodies.

During the running of a power plant ash is continuously produced and stored in silos which have to be continuously evacuated. The fly ash from the silos is a raw material required for the production of PPC cement, manufacturing of bricks, concreting of infrastructure projects like roads, bridges etc. This fly ash from the silos is transported in closed bulkers.

The excess undisposed ash from the silos is then sent to the ash dyke from where it is evacuated by filling in trucks for mine reclamation, filling of low lying areas, embankments etc. as per the guidelines of Ministry of Mines and Ministry of Environment and Forests (MoEF).

Round the clock services for coal yard management, shifting of uncrushed coal and Housekeeping Works:

With immense experience in handling ash in large number of trucks and bulkers, company have ventured into providing coal yard management services.

Uncrushed coal from trucks is first stored in the coal yard in the form of heaps. This coal is then transported and fed into the track hoppers at the Coal Handling Plant area. The un-sized coal which doesn't pass through the grizzly is broken to smaller sizes before it goes through. These services are provided round the clock to ensure sufficient supply of coal to run the power plant uninterruptedly.

The Company also provide housekeeping services in the coal handling plant (CHP) areas like in the conveyor belt surrounding areas, cable trays, trenches, drains, sump pit where spilled coal is to be collected and shifted manually with adequate manpower to ensure the smooth functioning of the equipment.

Coal Trading:

The Company source quality coal from domestic and international players and offer at competent prices to the power plants.

With a boost in infrastructure in India, Refex foresees a tremendous growth in all the business segments.

B. Significant Accounting Policies

Basis of Preparation of financial statements

• Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

• Preparation and compliance with Indian Accounting Standards (IND AS)

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company considers the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Standalone financial statements is determined on such a basis, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

- **Historical Cost convention**

The financial statements have been prepared under historical cost convention on accrual basis except for certain assets and liabilities as stated in the respective policies, which have been measured at fair value.

- **Current / Non-Current classification**

The assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and the time between the acquisition of assets for processing and their

realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

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

- **Revenue recognition**

Revenue from Sales of goods and Electricity

The company manufactures and sells a range of refrigerant gases and generates electricity. Sales are recognised when control of the products has transferred, being when the products are delivered to the customer, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. In case of electricity, sales are recognised when power generation is passed on to the electricity grid.

Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customers has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the customer has objective evidence that all criteria for acceptance have been satisfied.

Revenue from these sales is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

No element of financing is deemed present as the sales are made with the credit term, consistent with market practice.

A receivable is recognised when the goods/ electricity are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Revenue from sale of services

Revenue from providing services is recognized in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The proportion of service rendered is determined by cost involved for the project as against total cost. Any promise made in the contract, which are identified distinct is accounted for as a separate performance obligation. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices. Where these are not directly observable, they are estimated based on expected cost-plus margin.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management. In case of fixed-price contracts, the customer pays the fixed amount based on a payment schedule. If the services rendered by the company exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability is recognised.

Interest income:

Interest income from, if any, non-current financial assets are recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Interest income from fixed deposits in banks is recognised on time proportion basis, determined by the amount outstanding and the rate applicable.

Fair value gains on current investments carried at fair value are included in Other income.

Other items of income are recognised as and when the right to receive arises.

- **Property Plant and Equipment**
- **Tangible Assets**

Freehold land is carried as historical cost. All other items of property plant and equipment are stated at historical cost of acquisition less accumulated depreciation and amortization and impairment. Historical cost includes purchase price, taxes and duties (Net of tax credits), labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

Depreciation is recognised using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each year, with the effect of any changes in estimate accounted for on a prospective basis. The useful lives of assets are adopted to as specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

On transition to Ind AS, Group has elected to continue carrying value of all its property plant and equipment recognized as at 1 April 2017 measured as per the previous GAAP and use that carrying value as deemed cost of the property, plant and Equipment.

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

• Intangible assets

Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

Other intangible assets

Specialized software is amortized over a period of three to six years on straight line there is no time period, only subscription payable basis from the month in which the addition is made.

Intangible assets acquired are measured at cost less accumulated amortisation and impairment losses.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods to allocate the assets' revised carrying amount over its remaining useful life.

• Impairment of assets

Assessment is done at each Balance Sheet date as to whether there is any indication that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of the recoverable amount of the asset/ cash generating unit is made. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

• Capital Work in Progress

The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets

• Depreciation and amortization

Depreciation

The depreciable amount of an item of PPE is allocated on a straight-line basis over its useful life as prescribed above.

If part of an item of PPE with a cost that is significant in relation to the total cost of the asset and useful life of that part is different from remaining part of the asset; such significant part is depreciated separately. Depreciation on all such items have been provided from the date they are 'Available for Use' till the date of sale / disposal and includes amortization of intangible assets. An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset.

Depreciation is charged on pro-rata basis from the date of addition / till the date of disposal. Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

The residual values are not more than 5% of original cost of the asset. The asset's residual value and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

• Borrowing costs

The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset as a part of the cost of the asset. The Company recognises other borrowing costs as an expense

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in the period in which it incurs them. A qualifying asset is an asset that necessarily takes a substantial period to get ready for its intended use or sale.

To the extent the Company borrows generally and uses them for the purpose of obtaining a qualifying asset, amount of borrowing cost eligible for capitalization is computed by applying a capitalization rate to the expenditure incurred. The capitalization rate is determined based on the weighted average of borrowing costs, other than borrowings made specifically towards purchase of a qualifying asset.

- **Foreign currency translation**

- a. Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.
- b. Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.
- c. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

- **Employee benefits**

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

- **Short Term obligations**

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the

period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

- **Post-employment obligation**

The company operates the following post-employment benefit schemes.

Defined benefit plans such as gratuity for its eligible employees and defined contribution plans such as provident fund.

Defined Benefit Plan (Gratuity)

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

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

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of assets. This cost is included in employee benefit expense in the statement of profit and loss.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

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

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined Contribution Plan (Provident Fund)

The State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/payable under the scheme is recognised during the period in which the employee renders the related service.

Other long-term employee benefits

The obligation for other long-term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned above.

• **Taxes on Income**

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

The current tax is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

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

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the

reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

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Minimum Alternate Tax (MAT) is accounted as current tax when the Company is subjected to such provisions of the Income Tax Act. However, credit of such MAT paid is available when the Company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on its recoverability in the future.

- **Provisions and contingent liabilities**

- **Provisions**

A provision is recorded when the Company has a present or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

- **Contingent Liabilities**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is termed as a contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

- **Leases**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has the right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses,

if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of the right-of-use asset. The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses an incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

- **Cash and Cash equivalents**

Cash and cash equivalents include cash in hand, Balances in Bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

- **Financial assets**

- **Classification**

The Company classifies its financial assets in the following measurement categories:

- Those measured subsequently at fair value through other comprehensive income (in case of investments in equity instruments) through profit or loss (in case of investments in mutual funds)
- Those measured at amortised cost

The classification is based on the Company's business model for managing the financial assets and the contractual terms of the cash flow for assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

- **Measurement**

Initial Measurement

The Company measures a financial asset at its fair value plus cost that are directly attributable to

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

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the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

- **Subsequent measurement**

Investments

Fair value through Profit and loss

Assets that do not meet the criteria for amortised cost or Fair Value Through Other Comprehensive Income (FVOCI) are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Other financial assets**

After Initial Measurement, financial assets are subsequently measured at amortised cost using the effective interest rate method (EIR) method. Amortised cost is calculated by considering any discount or premium and fees or cost that are an integral part of EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognised in the statement of profit and loss.

- **Impairment of financial assets**

The Company assesses on a forward-looking basis, the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been significant increase in credit risk.

For trade receivables (If any), the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each Balance Sheet date, right from its initial recognition

- **De recognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

- **Financial Liabilities**

- **Classification**

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities shall be subsequently measured at fair value

- **Initial recognition and measurement**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

- **Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss. This category generally applies to interest-bearing loans and borrowings.

- **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

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- **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

- **Government grants**

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

- **Dividend to Shareholders**

Final dividend distributed to equity shareholders is recognized in the period in which it is approved by the members of the Company in the Annual General Meeting. Interim dividend is recognized when approved by the Board of Directors at the Board Meeting. Dividend distributed is recognized in the Statement of Changes in Equity.

- **Earnings per Share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

- **Derivative financial instruments**

The Company uses derivative financial instruments, such as forward contract to manage its exposure to foreign exchange risks. Any derivative that is either not designated as a hedge or is so designated but is ineffective as

per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value through profit or loss and the resulting exchange gains or losses/ fair value changes are included in Statement of profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Assets/ liabilities in this category are presented as current assets/current liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

- **Segment Information**

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

The board of directors of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The board of directors has been identified as being the CODM. Refer note 35.

- **Prior Period**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that led to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes on Accounts.

- **Cash flow statement**

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of no cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year is classified by operating, investing and financing activities.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

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• Critical Estimates and Judgements

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amount of assets and liabilities as of the balance sheet date and reported revenue and expenses for the year and disclosure of contingent liabilities as of the date of balance sheet. The estimates and assumptions used in the accompanying financial statements are based upon the management's evaluation of the relevant circumstances as of the date of financial statements. Actual amounts could differ from these estimates.

This note provides an overview of the areas that involve a higher degree of judgment or

complexity, and of items which may be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed in about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation of each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

- i. Estimation of current tax expense and payable
- ii. Estimation of defined benefit obligation – Note 34 in notes to accounts
- iii. Estimation of useful life of Property, Plant and Equipment and Intangibles

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Note 1 - Property Plant and Equipment's

Description	(₹ In lakhs)									
	Land	Building	Plant and Machinery - Cylinders	Plant and Machinery - Others	Electrical Installation	Furniture and Fixtures	Office Equipment	Vehicles	Total	Intangibles
As at 31 March 2020 (At Cost)	900.52	260.04	178.00	206.40	103.46	11.60	11.84	82.54	1,754.41	
Additions during the year	-	-	75.13	28.90	-	-	2.52	32.87	139.42	
Deletions during the year	-	-	(32.33)	(0.44)	-	-	-	-	(32.77)	
As at 31 March 2021 (At Cost)	900.52	260.04	220.81	234.85	103.46	11.60	14.37	115.41	1,861.05	-
Additions during the year	-	-	55.34	386.62	2.83	2.38	22.34	126.72	596.24	5.56
Deletions during the year	-	-	6.87	49.09	-	-	-	-	55.96	-
As at 31 March 2022 (At Cost)	900.52	260.04	269.27	572.39	106.29	13.97	36.71	242.13	2,401.33	5.56
Depreciation and amortization										
As at 31 March 2020	-	37.57	85.47	41.31	48.13	9.09	8.13	32.95	262.65	-
Charge for the year	-	10.35	9.90	26.72	13.07	0.66	1.53	10.60	72.84	-
Deletions during the year	-	-	(4.22)	-	-	-	-	-	(4.22)	-
As at 31 March 2021	-	47.92	91.15	68.03	61.20	9.75	9.66	43.56	331.26	-
Charge for the year	-	10.34	14.66	37.13	13.18	0.63	2.48	16.79	95.22	0.37
Deletions during the year	-	-	1.04	14.05	-	-	-	-	15.09	-
As at 31 March 2022	-	58.26	104.77	91.10	74.38	10.38	12.14	60.35	411.39	0.37
Net Book Value										
As at 31 March 2022	900.52	201.78	164.50	481.28	31.92	3.59	24.57	181.78	1,989.93	5.18
As at 31 March 2021	900.52	212.12	129.66	166.82	42.27	1.84	4.70	71.85	1,529.77	-
As at 31 March 2020	900.52	222.47	92.53	165.09	55.33	2.51	3.72	49.59	1,491.75	-

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Note 2 - Right of Use (ROU) Asset

(₹ In Lakhs)

Description	Land	Building/ Renting of Space	Plant & Machinery*	Total
Balance as at April 1, 2021	645.06	8.77	6,494.73	7,148.55
Additions during the year	-	-	-	-
Deletions during the year	-	-	171.65	171.65
Depreciation	41.62	7.01	420.53	469.16
Balance as at 31 March 2022	603.44	1.75	5,902.55	6,507.75

The movement in lease liabilities during the year ended March 31, 2022 is as follows :

Description	Land	Building/ Renting of Space	Plant & Machinery*	Total
Balance as at April 1, 2021	690.55	10.81	6,703.03	7,404.39
Additions during the year	-	-	-	-
Finance Cost accrued during the year	71.72	0.44	783.76	855.92
Deletions during the year	-	-	171.65	171.65
Repayment of Lease Liability	92.92	9.00	984.33	1,086.25
Balance as at 31 March 2022	669.34	2.25	6,330.81	7,002.40

The details of the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis are as follows

Particulars	31-Mar-22
Not Later than one year	1,071.79
Later than one year and not later than Five Years	4,199.30
Later Than Five Years	9,475.37
Total	14,746.46

Note 3 - Capital Work in Progress

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Work in Progress	39.48	-
Total Capital Work in Progress	39.48	-

Capital work-in-progress ageing schedule for the year ended March 31, 2022 is as follows:

Particulars	Amount in CWIP for a period of				Total
	Less than one year	1-2 years	2-3 years	3 years and above	
Construction of ISO Tanker	39.48	-	-	-	39.48
Total					39.48

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For capital-work-in progress, the project wise details of when the project is expected to be completed is given below as on March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than one year	1-2 years	2-3 years	3 years and above	
Construction of ISO Tanker	39.48	-	-	-	39.48
Total					39.48

Note 4 - Non Current Investments

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in Subsidiary		
Unquoted carried at cost*		
50,000 Equity Shares of Vituza Solar Energy Ltd of ₹10/- each.	-	5.00
Investments in Alternate Investment Fund		
Units of RKG Fund I	915.00	7,400.00
Units of RKG Fund II	6,485.00	-
Total Aggregate Book Value of unquoted Investments	7,400.00	7,405.00

* During the year, we have made the application for striking off subsidiary (Vituza Solar Energy Limited) as per Companies Act, 2013

Note 5 - Other Non Current Financial Assets

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
- Security deposit given to Related Party	700.00	700.00
Total	700.00	700.00

Note 6 - Deferred Tax Asset(s)/ (Liabilities)

Tax recognised in Statement of profit and loss

(₹ In lakhs)

Particulars	For the year Ended March 31, 2022	For the year Ended March 31, 2021
Current income tax		
Current year	1,394.49	1,772.38
Less: MAT Entitlement Credit	-	-
Sub Total (A)	1,394.49	1,772.38
Deferred tax expense		
Origination and reversal of temporary differences	164.47	(80.93)
Sub Total (B)	164.47	(80.93)
Total (A+B)	1,558.95	1,691.46

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Reconciliation of effective tax rates

Particulars	For the year Ended March 31, 2022	For the year Ended March 31, 2021
Profit before tax	6,097.94	5,785.79
Enacted tax Rate (under Normal Provisions)*	25.17%	25.17%
Computed Expected Tax Expenses - Normal Provision	1,534.73	1,456.17
Effect of expenses that are not deductible in determining Taxable Profit	24.22	235.29
Effective Tax	1,558.95	1,691.46

*The Company has opted for Section 115BAA in the previous year.

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	For the year Ended March 31, 2022	For the year Ended March 31, 2021
Property Plant and Equipment	(37.25)	(48.98)
Carry Forward Losses		
Leave Encashment Provision	9.34	2.10
Gratuity Provision	11.33	8.06
Provision for Bad and Doubtful debts under ECL	116.61	74.26
MAT Entitlement Credit		
Provision for ascertained Contingent Liability	-	229.06
Net Deferred Tax Assets/ (Liabilities)	100.03	264.50

Movement in deferred tax balances during the year ended March 31, 2022

Particulars	Balance As at March 31, 2021	Recognised in profit & loss	Recognised in OCI	Balance As at March 31, 2022
Property, Plant & Equipment	(48.98)	11.73	-	(37.25)
Carry Forward Losses	-	-	-	-
Leave Encashment	2.10	7.24	-	9.34
Gratuity Provision	8.06	3.27	-	11.33
ECL Provision	74.26	42.35	-	116.61
Provision for ascertained Contingent Liability	229.06	(229.06)	-	-
Total	264.50	(164.47)	-	100.03

Note 7 - Other Non Current Assets

(₹ In lakhs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Capital Advance	5.82	-
Total	5.82	-

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Note 8 - Inventories

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw Materials and Spares		
Stock of Refrigerant Gases	746.47	548.64
Total	746.47	548.64

Note 9 - Trade Receivables

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables		
Unsecured - Considered good	12,105.85	9,590.82
Less:		
Impairment for Trade receivable under Expected Credit Loss model	(463.30)	(295.04)
Total	11,642.54	9,295.79

Trade receivables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Description	Outstanding for following periods from due date of payment					Total
	Less than 6 Months	6 Months -1 Year	1-2 years	2-3 years	3 years and above	
(i) Undisputed Trade receivables - considered good	11,566.79	469.88	5.92	9.24	16.52	12,068.35
(ii) Undisputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables - considered good	-	5.97	18.68	12.43	0.40	37.49
(v) Disputed Trade Receivables - Which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-
Total						12,105.85
Previous year figure						9,590.82
Less: Allowance for Credit Loss						(463.30)
Previous year figure						(295.04)
Total Trade Receivables						11,642.54
Total Trade Receivables - Previous year						9,295.79

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Note 10 - Cash and cash equivalents

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Balances with banks		
* Current Accounts	22.91	1,654.34
* Dividend Account	5.57	-
* Deposit Accounts	70.18	68.37
ii) Cash on hand	0.36	1.74
Total	99.03	1,724.45

Note 11 - Other Current Financial Assets

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
i) Unsecured, considered good;		
- Loans and advances to Employees	5.94	1.12
- Loans and advances to Wholly owned subsidiary	-	0.87
- Interest receivable from Related Parties	-	327.05
- Inter Corporate Deposit	620.00	-
- Loans and advances to Related Parties measured at amortized cost	4,659.69	4,659.69
- Short Term deposits	2,774.70	54.30
Total	8,060.33	5,043.03

Note 12 - Current Tax Asset

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Withholding Taxes	606.36	588.07
Less: Adjusted against current tax liability	(606.36)	(588.07)
Total	-	-

Note 13 - Other Current Assets

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured considered good		
Prepaid Expenses	79.68	20.33
Advance to Suppliers	409.46	104.94
Balances with Government Authorities	307.76	354.81
Total	796.90	480.08

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Note 14 - Equity Share Capital

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Authorised Share Capital		
(i) Equity Shares (3,50,00,000 Nos of ₹ 10 each)	3,500.00	3,500.00
(ii) Preference Shares (5,00,000 Nos of ₹ 100 each)	500.00	500.00
Total	4,000.00	4,000.00
Issued		
(i) Equity Shares (2,10,02,024 Nos of ₹ 10 each)	2,100.20	2,100.20
Subscribed And Paid Up		
(i) Equity Shares (2,10,02,024 Nos of ₹ 10 each)	2,100.20	2,100.20
Total	2,100.20	2,100.20

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time, and are entitled to voting rights proportionate to their share holding at the meetings of shareholders.

Promoter Name	No. of Shares held	% of Total Shares	% Change during the year
Anil Jain T	150,000	0.71	-22.26
Tarachand Jain	342,279	1.63	-
Sherisha Technologies Private Limited	9,386,881	44.70	22.75
Promoter Group			
Ugamdevi Jain	568,713	2.71	-
Dimple Jain	97,714	0.47	-

Details of Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos	% of Holding	Nos	% of Holding
Authorised Share Capital				
Sherisha Technologies Private Limited	9,386,881	44.70%	4,609,003	21.95%
Anil Jain T			4,824,815	22.97%
Total	9,386,881	44.70%	9,433,818	44.92%

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Note 15 Other Equity

(₹ In lakhs)

For the year ended March 31, 2022						
Particulars	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2021	422.10	4,258.52	-	7,181.36	(5.16)	11,856.82
Movement to Reserves	-	-	-	4,538.99	-	4,538.99
Dividend A/c	-	-	-	(105.01)	-	(105.01)
Total Comprehensive Income for the Year	-	-	-	-	-	-
Other Comprehensive Income for the Year	-	-	-	-	5.23	5.23
Balance as at March 31, 2022	422.10	4,258.52	-	11,615.34	0.07	16,296.03

For the year ended March 31, 2021						
Particulars	Reserves and Surplus				Other Components of Equity	Total
	General Reserve	Security Premium	Statutory Reserve	Retained Earnings	Remeasurement of Net Defined benefit Liability/ Asset	
Balance as at April 01, 2020	422.10	2,324.12	-	3,297.06	(5.27)	6,038.01
Movement to Reserves	-	1,934.40	-	4,094.33	-	6,028.72
Dividend paid during the year	-	-	-	(210.02)	-	(210.02)
Total Comprehensive Income for the Year	-	-	-	-	-	-
Other Comprehensive Income for the Year	-	-	-	-	0.11	0.11
Balance as at March 31, 2021	422.10	4,258.52	-	7,181.36	(5.16)	11,856.82

Note 16 - Borrowings - Short Term/ Long Term

(₹ In lakhs)

Borrowings	Short Term		Long Term	
Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
(i) Secured				
a) - Vehicle Loan (See Note i)	225.61	1.98	102.60	8.98
b) Workings Capital Loan				
- Banks	1,179.44	-	-	-
Total	1,405.05	1.98	102.60	8.98

Notes:-

- i. During the year, the company has acquired the various commercial vehicles through financing from HDFC, ICICI, Kotak & Diamler to the tune of ₹358.95 Lakhs ranging tenure period from 12 months to 36 months.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Note 17 - Long Term Provisions

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Employee Benefits:-		
- Gratuity	44.69	30.50
- Leave Encashment	36.28	8.00
Provision for Contingent Liability	-	581.46
Provision for Current Contingency	-	328.58
Total	80.97	948.54

Note 18 - Trade Payables

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables (Refer Note 31)		
- Dues to Micro and Small Enterprises	296.21	376.43
- Others Trade Payables	4,929.18	9,661.93
Acceptances	2,500.00	-
Total	7,725.39	10,038.35

Refer Note 31 for Disclosure Information in respect of Micro, Small and Medium Enterprises as at 31st March 2022.

Trade Payables ageing schedule for the year ended as on March 31, 2022 and March 31, 2021:

Description	Outstanding for following periods from due date of payment				
	Less than one year	1-2 years	2-3 years	3 years and above	Total
(i) MSME	296.21	-	-	-	296.21
(ii) Others	4,770.11	1.17	21.21	7.85	4,800.35
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	128.84	128.84
Total					5,225.39
Previous year figure					10,038.35

Note 19 - Other Financial Liabilities

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed Dividend	5.57	-
Total	5.57	-

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Note 20 - Other Current Liabilities

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory Liabilities	1,672.41	302.97
Advance from customers	16.59	1.13
Other current liabilities	221.72	251.77
Directors Remuneration Payable-AnilJain	-	2.27
Provision for Taxation (Net)	788.13	1,184.32
Payable to Employees	18.64	26.56
Provision for Employee Benefit - Short Term	85.06	2.10
Provision for Interest expenses	40.89	-
Provision for Expenses	516.36	-
Cylinder Deposit	15.44	9.45
Total	3,375.25	1,780.55

Note 21 - Revenue From Operations

(₹ In lakhs)

Particulars	For Period Ended March 31, 2022	For Year Ended March 31, 2021
Revenue from Refrigerant Gases	3,772.16	1,719.87
Revenue from Ash and Coal Handling	32,062.93	51,574.02
Revenue from Solar Segment	1,166.74	1,231.54
Revenue from Service Segment	7,394.05	8,740.45
Total	44,395.88	63,265.88

Note 22 - Other Income

(₹ In lakhs)

Particulars	For Period Ended March 31, 2022	For Year Ended March 31, 2021
Interest from Inter-Company Deposits	419.37	399.47
Interest from Fixed Deposits	8.95	10.29
Foreign Exchange Fluctuation - Gain	21.96	10.38
Miscellaneous income	0.19	0.22
Write Back	0.02	22.54
Handling charges - income	-	1.48
Bad Debts Recovered	7.82	-
Rental income	3.30	-
Profit/Loss on Sale of Fixed Assets	19.51	-
Interest Income on Income Tax	21.48	-
Total	502.60	444.37

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Note 23 - Cost of materials Consumed

(₹ In lakhs)		
Particulars	For Period Ended March 31, 2022	For Year Ended March 31, 2021
Opening Balance		
Opening Raw Materials and Components	548.64	318.25
Add:		
Cost of materials Consumed	14,690.57	20,842.82
Freight Inward	2,567.37	6.75
Consumption of Stores and Spares	20.86	12.96
Less: Closing Stock		
Closing Raw Materials and Components	(746.47)	(548.64)
Total	17,080.98	20,632.13

Note 24 - Purchase of Stock in Trade

(₹ In lakhs)		
Particulars	For Period Ended March 31, 2022	For Year Ended March 31, 2021
Purchase Coal	18,268.35	32,065.85
Total	18,268.35	32,065.85

Note 25 - Employee benefits expense

(₹ In lakhs)		
Particulars	For Period Ended March 31, 2022	For Year Ended March 31, 2021
Salaries, and Bonus etc.	1,102.71	442.04
Contribution to Provident and Other Funds	30.72	21.78
Staff Welfare Expenses	98.25	54.99
Remuneration to Key Management personnel	84.00	84.00
Total	1,315.67	602.81

Note 26 - Finance Cost

(₹ In lakhs)		
Particulars	For Period Ended March 31, 2022	For Year Ended March 31, 2021
Interest cost on financial liabilities measured at amortized cost	924.02	892.80
Other Charges	36.69	4.23
Total	960.71	897.03

The above amount includes Interest on Lease Liability of ₹885.92 Lakhs.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Note 27 - Depreciation and Amortisation

(₹ In lakhs)

Particulars	For Period Ended March 31, 2022	For Year Ended March 31, 2021
Depreciation / Amortisation for the year		
- Tangible Assets & Intangible assets	564.75	529.05
Total	564.75	529.05

The above amount includes Depreciation on account of IND AS - Leases Application to the tune of ₹ 469.16 Lakhs.

Note 28 - Other expenses

(₹ In lakhs)

Particulars	For Period Ended March 31, 2022	For Year Ended March 31, 2021
Advertisement and Publicity	56.73	98.15
Annual General Meeting Expenses	-	0.34
Audit fees	6.00	6.35
Bad Debts	0.92	86.16
Communication	17.21	3.78
Compensation	54.00	-
Director Sitting Fees	5.50	1.60
CSR Expenses	-	224.03
Donation	114.20	-
Food , Accommodation & Travelling Expenses	547.97	748.03
General Expenses	306.80	0.74
Insurance	51.72	13.25
Legal , Professional & Expert Engagement Fees	167.63	125.31
Inventory Write off	-	39.09
Manpower Services	-	104.67
Machine Hiring Charges	0.10	19.98
Power and fuel	80.54	457.01
Printing and stationery	7.20	15.06
Rates and taxes	91.01	130.28
Rent	102.62	101.00
Repairs and maintenances	38.43	59.28
Security Charges	8.82	9.12
Provision for Probable Liability	-	761.16
Provision for Bad and Doubtful Debts as per ECL	168.27	59.26
Transportation, Handling and Carriage expenses	122.01	133.97
Total	1,947.69	3,197.59

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Payment made to Auditors

(₹ In lakhs)		
Particulars	For Period Ended March 31, 2022	For Year Ended March 31, 2021
Payment made to statutory auditors :		
i. As auditors	6.00	6.00
ii. For taxation matters	-	-
iii. For other services	-	-
iv. For reimbursement of expenses	-	-
Total	6.00	6.00

29. Contingent Liabilities :

LITIGATIONS INVOLVING OUR COMPANY

Our Company is involved in certain legal proceedings, which are pending at varying levels of adjudication at different forum. The outstanding matters set out below includes details of criminal proceedings, tax proceedings, statutory and regulatory actions and other material pending litigation involving our Company.

We cannot assure you that these legal proceedings will be decided in favour of our Company, or that no further liability will arise out of these proceedings. Further, such legal proceedings could divert management time and attention and consume financial resources. Any adverse outcome in any of these proceedings may adversely affect our profitability and reputation and may have an adverse effect on our results of operations and financial condition.

1. AGAINST OUR COMPANY

(a) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:

- M/s Hindustan Fluoro Carbon Limited (the "Petitioner") has filed a writ petition (19504/2009) before the Hon'ble High Court of Andhra Pradesh at Hyderabad (the "Court") under Article 226 of Constitution of India in the year 2009 against State Bank of India, Chennai and Ors. (Collectively, the "Respondents"). Our Company is one of the Respondents in the matter. Petitioner has filed the writ before the Court in the nature of Mandamus to declare the act of State Bank of India, one of the Respondents, rejecting Petitioner's letter of credit issued by SBI-Commercial Branch Chennai, Chennai, OF) as illegal and consequentially seeking an order directing State Bank of India to honour its commitment to realize the payment of ₹132.06 Lakhs along with interest on the same to the Petitioner towards goods supplied by the Petitioner to our Company. Our Company has filed counter reply with the Hon'ble High Court in the year 2016 to dismiss the writ petition. Presently, the matter is pending before the Hon'ble High Court.

(b) Litigation involving material violations of statutory regulations which are currently pending or have arisen in the preceding last ten years:

NONE.

2. FILED BY OUR COMPANY

(a) Pending matters, which, if they result in an adverse outcome, would materially and adversely affect the operations or the financial position of our Company:

- Our Company has filed an execution petition in the original suit (60/2014) before the Hon'ble District Munsiff Judge at Chengalpet (the "Court") under Order XXI read with Rule 11 (2) of Civil Procedure Code, 1908 for execution of judgement and decree obtained by our Company in Original Suit (60/2014) (the "Suit") against

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

V.Veera alias Veerapathiran (the "Defendant") before Court seeking permanent injunction and removal of the construction undertaken by the Defendant over the immovable property located at No. 114 Thandalam Village, Now Thirupporur Taluk, Kancheepuram District admeasuring 0.33 Hectares which is disputed in Suit. The said matter is pending.

- ii. Our Company has filed a commercial suit (747/2012) before the Hon'ble High Court of Madras at Chennai under Order XVII read with Rule 1 of Civil Procedure Code, 1908 against United India Assurance Co. (the "Defendant") for recovery of insurance claim rejected by the Defendant, to the tune of ₹484.93 Lakhs for the loss caused to our Company because of leakage of stored gas which was insured by standard fire and special peril policy availed from the Defendant. The judgement was passed in this matter on 11.01.2022 and we have currently preferred an appeal against the said judgement.
 - iii. We have filed an appeal against the order of the Ld. Additional Commissioner of Customs (Gr.4) in Order No 78192/2020 dated December 18, 2020 submitting that the impugned goods are not covered under the Gas Cylinder Rules, 2016 ("GCR") and that there is no requirement for us to obtain the PESO license for import of the same and further that no penalty can be imposed under Section 112(a) of Customs Act, 1962. By the impugned order, Ld. Additional Commissioner of Customs ordered for confiscation of goods viz. Empty tin cans imported by the Company valued at ₹13,81,666/- under Section 111(d) of Customs Act, 1962 besides imposing a penalty of ₹ 50,000 under section 112(a) of the Act. The appeal is yet to be listed and we are in the process of trying to get the same listed at the earliest.
 - iv. Our Company has filed a suit (105/2011) (the "Suit") before the Hon'ble District Munsiff Court at Chengalpet (the "Court") under Order XVIII read with Rule 1 of Civil Procedure Code, 1908 against Mr. Dhanpal (the "Defendant") seeking permanent injunction against the Respondent from encroachment and removal of the construction undertaken by the Defendant over the immovable property located at No. 114 Thandalam Village, Now Thirupporur Taluk, Kancheepuram District admeasuring 0.33 Hectares which is disputed in Suit. The Hon'ble Court passed a judgement and decree favour of our Company and we are in process of filing the execution petition under Order XXI read with Rule 11(2) of C.P.C for execution of judgment and decree obtained in the Suit.
 - v. Our Company has filed a Commercial Summary Civil suit [C.S.No.658/2019] (the "Suit") before the Hon'ble High Court, Madras (the "Court") under Order VII Rule 1 CPC read with section 2 (1)(c)(i) of the Commercial Court, Commercial Division, Commercial Appellate Division of the High Court Act, 2015 against ICICI Bank Ltd, T.Nagar Branch, Chennai ("the Defendant") for recovery of ₹1,74,72,785/- being the loss and damages cost due to ICICI's negligence in respect of export of consignments to an importer in Kenya, ICICI being the escrow agent had negligently released original delivery documents before receiving payments and hence the commercial suit has been filed. Notice has been ordered to be served and returned by August 3, 2021.
- (b) Litigation involving issues of moral turpitude or criminal liability, which are currently pending or have arisen in the preceding last ten years:**
- NIL.
- (c) Litigation involving material violations of statutory regulations which are currently pending or have arisen in the preceding last ten years:**

Company has filed an appeal before the Hon'ble Commissioner of Income Tax Appeals at Chennai (the "appellate authority") as aggrieved by an order of Assessing officer, Chennai under Section 143(3) r.w.s 147 of Income Tax Act 1961 which was passed against our Company. This matter relates to issue of Long-Term capital gains on sale of land and excess depreciation claimed during the Financial Year 2013-14 which is having the tax demand to the tune of ₹ 821.13 Lakhs for the assessment year 2014-15 which was raised by an assessing officer by way of issue of an assessment order dated March 31, 2022 under Section 143(3) r.w.s 147 of Income Tax Act, 1961. The matter is pending and shall come up for hearing in due course.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

30. Additional information pursuant to Schedule III of the Companies Act, 2013

(₹ In lakhs)

S. No	Particulars	As at March 31, 2022	As at March 31, 2021
A	Expenditure in Foreign currency on:		
	(i) Salary and allowance		
	(ii) Tours and Travels		
	(iii) Import of Materials/ Equipment (CIF Value)		
	a. Capital goods		
	b. Components and spares	-	2.40
	c. Finished goods/Semi Finished goods	-	-
	d. Raw Materials (Refrigerant Gases)	2405.56	1149.31
	e. Others	-	7.17
B	Earnings in Foreign Exchange	-	-

31. Information in respect of Micro, Small and Medium Enterprises as at 31st March 2022:

(₹ In lakhs)

S. No	Particulars	As at March 31, 2022	As at March 31, 2021
1	Amount remaining unpaid to any supplier:		
	a) Principal Amount	296.21	376.43
	b) Interest due thereon	Nil	Nil
2	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount paid to the supplier beyond the appointed day;	Nil	Nil
3	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	Nil	Nil
4	Amount of interest accrued and remaining unpaid	0.46	Nil
5	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0.46	Nil

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Disclosure requirements of Indian Accounting Standards

32. Disclosures in respect of Ind AS 107 - Financial Instruments

a. Financial Instruments by Categories

The carrying value and fair value of financial instruments by categories were as follows:

(Amount as of March 31, 2022)

(₹ In lakhs)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI
Assets:			
Non-Current Investment	7,400.00	-	-
Other Non-Current Financial Assets	700.00	-	-
Current Trade Receivables	11,642.54	-	-
Cash & Cash Equivalents	99.03	-	-
Other Bank Balances	-	-	-
Other Financial Assets	8,060.33	-	-
Liabilities:			
Long term Borrowings	102.60	-	-
Lease Liability	7,002.40	-	-
Other Non- Current financial liabilities	-	-	-
Short term Borrowings	1,405.05	-	-
Trade Payables	7,725.39	-	-
Other Current financial liabilities	3,380.81	-	-

(Amount as of March 31, 2021)

(₹ In lakhs)

Particulars	Amortized cost	Financial assets/ liabilities at fair value through profit or loss	Financial assets/ liabilities at fair value through OCI
Assets:			
Non-Current Investment	7,405.00	-	-
Other Long Term Financial Assets	700.00	-	-
Current Trade Receivables	9,295.79	-	-
Cash & Cash Equivalents	1,724.45	-	-
Other Bank Balances	-	-	-
Other Financial Assets	5,043.03	-	-
Liabilities:			
Long term Borrowings	8.98	-	-
Lease Liability	7,404.39	-	-
Other Non- Current financial liabilities	-	-	-
Short term Borrowings	1.98	-	-
Trade Payables	10,038.35	-	-
Other Current financial liabilities	36.00	-	-

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

b. Fair Value Hierarchy

- **Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

c. Valuation Technique used to determine Fair Value:

Specific valuation techniques used to value financial instruments include:

- Use of DCF for Unquoted instruments

d. The following tables present fair value hierarchy of assets and liabilities measured at fair value:

(₹ In lakhs)

Particulars	For the year 31.03.2022				For the year 31.03.2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Investments in Subsidiary			NA	NA			5	5

The carrying amount of current financial assets and current trade and other financial liabilities measured at amortised cost are considered to be the same as their fair values, due to their short-term nature. The carrying amount of Security Deposit measured at amortized cost is considered to be the same as its fair value due to its insignificant value. The carrying value of Rupee Term Loan and Term loan from related parties' approximate fair value as the instruments are at prevailing market rate.

33. Financial risk management

The Company's activities expose to limited financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument.

The company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), Interest rate risk and the market value of its investments.

Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. It principally arises from the Company's Trade Receivables, Retention Receivables, Advances and deposit(s) made.

Trade receivables

The company has outstanding trade receivables amounting to ₹1,16,42,54,320.15 as at March 31, 2022 & ₹ 92,95,78,589.66 as at March 31, 2021 respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The company is not exposed to concentration of credit risk to any one single customer. Default on account of Trade

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Receivables happens when the counterparty fails to make contractual payment when they fall due.

Further for amounts overdue are constantly monitored by the management and provision towards expected credit loss are made in the books. Management estimated of expected credit loss for the Trade Receivables are provided below with the classification on debtors.

Particulars	Overdue period							
	0-30 days	31-60 days	61-90 days	91-120 days	121-180 days	181-360 days	> 360 days	> 3 Years
Trade Receivables	3.00%	3.00%	3.00%	5.00%	10.00%	10.00%	100.00%	100.00%

The above % has been arrived by taking a simple average of 3 Variants. The 3 variants are arrived on by the management on the basis of Conservative, Moderate and aggressive estimates.

Credit risk exposure:

An analysis of age of trade receivables at reporting date is summarized as follows:

			(₹ In lakhs)
			March 31, 2022
Particulars	Net outstanding	Impairment	
0 to 30 days	2,410.91	72.33	
31 to 60 days	3,683.05	110.49	
61 to 90 Days	5,404.59	162.14	
91 to 120 days	13.87	0.69	
121 to 180 days	54.37	5.44	
181 to 360 days	474.26	47.42	
More than 1 year but less than 3 years	64.79	64.79	
No Credit Loss expected	-	-	
Total	12,105.85	463.30	
Movement in Provision for Doubtful Debts			Amount
As at March 31, 2021			295.04
Charge for the year ended March 31, 2022			168.26
Utilized for the year March 31, 2022			-
Reversal of Excess Provision			-
As at March 31, 2022			463.30

Trade receivables are impaired in the year when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality.

Liquidity Risk

Our liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are cash and cash equivalents, cash generated from operations, Term loan from Banks, and Contribution in the form of share capital.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

We manage our liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consist mainly of sundry creditors, expense payable, employee dues, repayment of loans and retention & deposits arising during the normal course of business as of each reporting date. We maintain a sufficient balance in cash and cash equivalents to meet our short-term liquidity requirements.

We assess long term liquidity requirements on a periodical basis and manage them through internal accruals. Our non-current liabilities include Unsecured Loans from Promoters, Term Loans from Banks, Retentions & deposits.

The table below provides details regarding the contractual maturities of non-derivative financial liabilities. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay.

The table includes principal cash flows.

(Amount as of March 31, 2022)

(₹ In lakhs)

Particulars	1 year	1-3 years	3-5 years	More than 5 years	Total
Vehicle Loans	225.49	100.70	2.02	-	328.21

(Amount as of March 31, 2021)

(₹ In lakhs)

Particulars	1 year	1-3 years	3-5 years	More than 5 years	Total
Vehicle Loans	1.98	6.98	2.00	-	10.96

Foreign currency exchange rate risk

The fluctuation in foreign currency exchange rates does not have material impact on the statement of profit or loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the respective entities. The company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks and the impact of which is found to be immaterial.

Interest Rate Risk

At the reporting date the interest rate profile of the company's interest - bearing financial instruments as follows, all being fixed rate of borrowing, the company is not assuming any risk on interest increase.

Particulars	As at March 31, 2022	As at March 31, 2021
Financial Liabilities		
- Term Loan from Bank - Unsecured	-	-
- Vehicle Loan from Bank - Secured	6.17 to 8.21%	8%
- Working Capital from Bank - Secured	8.50%	-
- Vehicle Loan from Financial Institutions	7.04%	-
- Inter - Corporate Deposits	-	-

The period end balances are not necessarily representative of the average debt outstanding during the period.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

In order to maintain or adjust the capital structure, the Company may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets or by adequate funding by the shareholders to absorb the losses of the Company.

The Company's capital comprises equity share capital, retained earnings and other equity attributable to equity holders. The primary objective of Company's capital management is to maximize shareholders value. The Company manages its capital and makes adjustment to it in light of the changes in economic and market conditions. The total share capital as on March 31, 2022 is ₹21,00,20,240 (Previous Year: ₹21,00,20,240).

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Debt	1,507.65	10.98
Less: Cash and cash equivalent	99.03	1,724.45
Net Debt	1,408.62	-
Total Equity	18,396.23	13,957.02
Net debt to equity ratio (No of times)	0.08	NA

34. Disclosure in respect of Indian Accounting Standard (Ind AS)-19 "Employee Benefits"

a. General description of various defined employee's benefits schemes is as under:

a) Provident Fund:

The company's Provident Fund is managed by Regional Provident Fund Commissioner. The company pays fixed contribution to provident fund at pre-determined rate.

b) Gratuity:

Gratuity is a defined benefit plan, provided in respect of past services based on the actuarial valuation carried out by LIC of India and corresponding contribution to the fund is expensed in the year of such contribution.

The scheme is funded by the company and the liability is recognized on the basis of contribution payable to the insurer, i.e., the Life Insurance Corporation of India, however, the disclosure of information as required under Ind AS-19 have been made in accordance with the actuarial valuation.

b. The summarized position of various defined benefits recognized in the Statement of Profit & Loss, Other Comprehensive Income (OCI) and Balance Sheet & other disclosures are as under:

(Actuarial Valuation)

Movement in defined benefit obligation:

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation -Beginning of the year	32.02	24.00
Current service cost	16.03	6.48
Interest Cost	2.19	1.64
Benefits Paid	-	-
Re-measurements - actuarial loss/(gain)	(5.23)	(0.11)
Past service cost/ others	-	-
Defined benefit obligation - End of the year	45.01	32.02

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Amount Recognized in Statement of Profit and Loss

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current service cost	16.03	6.48
Past service cost	-	-
Loss/Gain on settlement	-	-
Net Interest cost/(income) on Net Defined Benefit Liability/(assets)	2.19	1.64
Cost Recognized in P&L	18.22	8.12

Amount recognized in Other Comprehensive Income (OCI)

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Actuarial (gain)/loss due to assumption changes	-	-
-change in financial assumptions	9.77	0.68
-experience variance (i.e., Actual experience Vs assumptions)	(15.00)	(0.79)
Actuarial (gain)/loss recognized in OCI	(5.23)	(0.11)

Sensitivity Analysis

(₹ In lakhs)

Particulars	31.03.2022	31.03.2021
Defined benefit obligation (base)	45.01	32.02

(₹ In lakhs)

Particulars	Change in Assumption	31.03.2022	31.03.2021
Discount Rate	+1.0%	37.39	27.61
	-1.0%	54.59	37.46
Salary growth Rate	+1.0%	51.79	37.34
	-1.0%	39.05	27.61
Attrition Rate	+50%	43.15	31.60
	-50%	47.07	32.48
Mortality Rate	+10%	44.99	32.01
	-10%	45.04	32.03

Actuarial Assumption

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.30%	6.85%
Rate of salary increase	10.00%	10% p.a for first 3 years and 7.5% p.a thereafter
Retirement Age	58 Years	58 Years
Average Future Service	19.61	18.74

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Leave encashment

Movement in defined benefit obligation:

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation	37.12	8.35
Fair value of plan assets	-	-
Surplus/ (Deficit)	(37.12)	(8.35)
Effects of asset ceiling, if any	-	-
Net asset/(liability)	(37.12)	(8.35)

Amount Recognized in Statement of Profit and Loss

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of obligation as at the beginning	8.35	3.33
Present value of obligation as the end	37.12	8.35
Benefit payment	0.22	-
Actual return on plan assets	-	-
Acquisition adjustment	-	-
Cost Recognized in P&L	28.99	5.02

Sensitivity Analysis

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit obligation (base)	(37.12)	(8.35)

(₹ In lakhs)

Assumption	Change in Assumption	As at March 31, 2022	As at March 31, 2021
Discount Rate	+1.0%	30.81	7.08
	-1.0%	45.12	9.94
Salary growth Rate	+1.0%	44.82	9.91
	-1.0%	30.90	7.08
Attrition Rate	+50%	35.60	8.26
	-50%	38.89	8.45
Mortality Rate	+10%	37.08	8.35
	-10%	37.16	8.35

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Actuarial Assumption

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	7.30%	6.85%
Rate of salary increase	10.00%	10% p.a for first 3 years and 7.5% p.a thereafter
Retirement Age	58 Years	58 Years
Average Future Service	18.78	18.74

35. Disclosure in respect of Indian Accounting standard (Ind AS)-108: "Operating Segments"

The Company has not derived revenues from any customer which amount to 10 per cent or more of Company's revenues except KSK Mahanadi Power Company Ltd having 36.43%, Verve Industries Private Limited (25.14%).

(₹ In lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Segment Revenue (Net Sales/Income)		
Coal & Ash Handling Business	32,062.94	51,574.02
Solar Power - Generation and Related Activities	1,166.74	1,231.54
Refrigerant Gas- (Refilling) and Sales	3,772.16	1,719.87
Sale Of Service	7,394.04	8,740.45
Total	44,395.88	63,265.88
Segment Results		
(Profit /Loss before Interest and Tax)		
Coal & Ash Handling Business	2,484.05	4,889.88
Solar Power - Generation and Related Activities	441.11	526.15
Refrigerant Gas- (Refilling) &Sales	610.10	61.03
Sale Of Service	2,660.33	2,905.09
Corporate	(977.15)	(2,143.70)
Total	5,218.44	6,238.45
Finance Cost	960.71	897.03
Other Income	502.60	444.37
Exceptional Items	1,337.61	
Profit /Loss before Tax	6,097.94	5,785.79

Particulars	As at March 31, 2022	As at March 31, 2021
Segment Assets		
Coal & Ash Handling Business	11,726.23	9,171.46
Solar Power - Generation and Related Activities	6,526.67	7,263.93
Refrigerant Gas- Refilling & Sales	3,228.14	2,729.25
Sale Of Service	124.67	1,750.61
Corporate	16,487.75	13,224.57
Total - Segment Assets	38,093.46	34,139.82

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Particulars	As at March 31, 2022	As at March 31, 2021
Segment Liabilities		
Coal & Ash Handling Business	10,670.79	9,564.62
Solar Power - Generation and Related Activities	7,266.01	7,697.13
Refrigerant Gas- Refilling & Sales	328.99	254.18
Sale Of Service	2,760.20	3,513.08
Corporate	17,067.57	13,110.81
Total-Segment Liabilities	38,093.46	34,139.82

36. Disclosure in respect of Indian Accounting Standard (Ind AS)-37 "Provisions, Contingent Liabilities and Contingent Assets"

These provisions are expected to be settled in the next financial year. Management estimates the provision based on historical information and any recent trends that may suggest future claims could differ from historical amounts

(₹ In lakhs)

Particulars	Opening balance as on 01.04.21	Additions/ Transfers during the year	Utilization during the year	Reversal during the year / Transfers during the years	Closing balance as on 31.03.22
Short term Provision for tax (Net)	1184.32	788.13	-	1184.32	788.13
Provision for ECL	295.04	168.26	-	-	463.30
Provision for Contingent Liability	581.46	-	-	581.46	-
Provision for current contingency	328.58	-	-	328.58	-

Particulars	As at March 31, 2022	As at March 31, 2021
Corporate Guarantee to Group Co.	3,748.00	3,748.00
Other Guarantees	7,350.00	7,350.00
Claims against the company not acknowledged as debts		
In respect of:		
a) Income Tax	821.13	170.61
b) Civil	0.00	22.00
c) Customs & Central Excise	0.50	36.00

Earlier, the company has given corporate guarantee against the term loan taken by the six solar companies to the tune of ₹ 7,350 Lakhs. The exposure to this guarantee has been reduced to ₹ 4,000 Lakhs as per the revised sanction letter dated 11th January 2022. The documentation of ROC is in process and the same will be completed during Q-1 of FY 22-23.

37. Disclosure in respect of Indian Accounting Standard 24 "Related Parties Disclosures"

a. Related Parties:

Refex Industries Limited

Related Party Disclosures as at 31st March, 2022

a) The names of Related Parties of the Company are as under:

(i) Subsidiary Company

Vituza Solar Energy Limited (Strike off)

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

(ii) Key Managerial Personnels (KMPs)

Mr. Anil Jain - Managing Director

S. Gopalkrishna- Company Secretary

U.Lalitha - Chief Financial Officer

(iii) Firms/Companies in which Key Managerial Personnel are interested

Svaryu Energy Limited (previously known as Refex Energy Limited)

Refex Solar Power Pvt Ltd

Sherisha Technologies Pvt Ltd

Broil Solar Energy Pvt Ltd

SEI CleanTech Pvt Ltd

Ishaan Solar Power Pvt Ltd

SEI Tejas Pvt Ltd

SunEdison Infrastructure Ltd

SunEdison Energy India Pvt Ltd

VS Lignite Power Private Limited

iv) Relatives of KMPs

Ugamdevi Jain

Tarachand Jain

Dimple Jain

Jagdish Jain

b) Transactions during the Year

(₹ In lakhs)			
Name of Related Party	Nature of Transaction	2021-22	2020-21
Anil Jain - Managing Director	Director Remuneration	84.00	84.00
	Rental Expenses	9.00	25.15
	Dividend	24.12	48.25
	Rights Issue	-	1040.08
	Other reimbursements	-	2.39
Amalanathan	Director's Sitting fee	1.80	-
Jamuna Ravikumar	Director's Sitting fee	1.60	-
Ramesh Dugar	Director's Sitting fee	1.10	-
Shailesh Rajagopalan	Director's Sitting fee	1.00	-
U.Lalitha - Chief Financial Officer	Salary & Allowances	20.99	15.46

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Name of Related Party	Nature of Transaction	2021-22	2020-21
S.GopalKrishnan- Company Secretary	Salary & Allowances	4.26	3.96
Entities in which Key Management personnel are interested			
Vituza Solar Energy Limited	Write off of Loan	1.02	-
	Loss on disposal of subsidiary	5.00	-
Svaryu Energy Limited (previously known as Refex Energy Limited)	Purchase	46.89	886.06
VS Lignite Power Private Limited	Sales	3670.24	-
	Purchase	1.34	-
Refex Solar Power Pvt Ltd	Purchase	-	425.98
	Reimbursement	-	4.15
Sei Tejas Pvt Ltd	Sales	-	12.16
SunEdison Energy India Pvt Ltd	Sales	-	1.32
	Reimbursements	0.06	-
SunEdison Infrastructure Ltd	Sales	-	11.36
	Purchase Service	-	38.33
Sherisha Technologies Pvt Ltd	Interest Income on Advance	419.37	327.05
	Reimbursement received	0.83	6.39
	Dividend	23.04	46.09
	Rental Charges	8.68	8.17
	Rights Issue	-	1136.52
	Purchase& Reimbursement income	810.00	2549.51
Relatives of KMP	Loan/Advance	-	4659.69
	Dividend	5.08	10.16
	Rights Issue	-	119.45

C) Cumulative Balances Outstanding as on 31st March, 2022

Name of Related Party	Group Classification	2021-22	2020-21
Anil Jain	Rent and Remuneration Payable	-	3.10
Svaryu Energy Limited (previously known as Refex Energy Limited)	Trade Payable	(6.16)	419.97
VS Lignite Power Private Limited	Trade receivable	718.65	-
	Trade payable	0.01	-
SunEdison Energy India Pvt Ltd	Reimbursement Outstanding	0.07	-
Ishan Solar Power Pvt Ltd	Trade Receivable	-	0.01
SEI Tejas Pvt Ltd	Trade Receivable	-	18.62
SunEdison Infrastructure Ltd	Trade Receivable	-	22.30
Sherisha Technologies Pvt Ltd	Advances	700.00	700.00
	Rental Deposit	7.00	7.00
	Interest Receivable	-	327.05
	Inter Corporate Deposit	4659.69	4659.69

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

Additional Regulatory Information

S. No	Ratios	Formula	As at March 31, 2022	As at March 31, 2021	Deviation	Remarks
a)	Current ratio (in times)	Current Assets Current Liabilities	1.57	1.32	18.67%	No Material Deviation
b)	Debt-Equity ratio (in times)	Total Debt (1) Shareholders Equity	0.46	0.53	-12.93%	No Material Deviation
c)	Debt service coverage ratio (in times)	Earnings available for debt service ⁽²⁾ Debt service ⁽³⁾	2.94	6.62	-55.60%	The deviation in DSCR ratio is mainly due to the company has acquired the various commercial vehicles through financing from Banks & Financial Institutions and also availed the CC limit during the year.
d)	Return on equity ratio (in %)	Net Profit after taxes Shareholders Equity	24.67%	29.34%	-15.89%	No Material Deviation
e)	Inventory turnover ratio - (in times) (Refrigerant Segment)	Cost of Goods Sold (4) Average Inventory	3.81	3.02	26.14%	The deviation in Inventory turnover ratio is mainly on account of increase in the volume trades as well as the prices of refrigerant gases during the period when compared to the corresponding period.
f)	Trade receivables turnover ratio (in times)	Net Credit Sales Average Trade Receivables	4.24	7.66	-44.62%	The deviation in Trade receivables turnover ratio is mainly due to increase in the volume of Refrigerant and Ash handling where the credit period is higher and reduction in the volume of the coal where the credit period is lower which resulted in higher working capital.

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

S. No	Ratios	Formula	As at March 31, 2022	As at March 31, 2021	Deviation	Remarks
g)		Net Credit Purchase				
	Trade payables turnover ratio (in times)	Average Trade Payables	4.00	7.48	-46.47%	The deviation in Trade payables turnover ratio is mainly due to increase in the volume of Refrigerant and Ash handling where the credit period is higher and reduction in the volume of the coal where the credit period is lower which resulted in higher working capital.
h)		Turnover				
	Net capital turnover ratio (in times)	Working Capital	5.72	15.12	-62.17%	The deviation in Net capital turnover ratio is mainly due to increase in the volume of Refrigerant and Ash handling where the credit period is higher and reduction in the volume of the coal where the credit period is lower which resulted in higher working capital.
i)		Net Profit				
	Net profit ratio (in %)	Turnover	10.22%	6.47%	57.98%	The deviation in Net profit ratio is mainly due to an exceptional income of ₹ 1342 Lakhs during the current period which is provision created towards ITAT demand for the AY 11-12 and the same has been reversed during the period on account of order passed by the ITAT in favour of the company.
j)		Earnings before Interest & Taxes				No Material Deviation
	Return on capital employed (in %)	Capital Employed (5)	28.90%	32.95%	-12.28%	

(1) Total Debt include lease liabilities

(2) Earnings for Debt Service = Net profit after taxes + Non-cash operating expenses + Interest

STANDALONE NOTES FORMING PART OF FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

- (3) Debt Service = Interest & Lease payments + Principal Repayments in next 12 months.
- (4) Cost of Goods Sold = Cost of Goods sold related to refrigerant segment.
- (5) Capital Employed = Tangible Net worth + Total Debt + Deferred Tax Liability

- 38.** COVID-19 has caused significant disruptions to businesses across India. The management has considered the possible effects, if any, that may impact the carrying amounts of inventories, receivables and intangibles (including goodwill). In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.
- 39.** There is an exceptional income item of ₹ 1342 Lakhs during the current quarter which is pertaining to the Income Tax demand provision created for the IT case pending with ITAT for the AY 11-12. However, ITAT has passed the order on 07/02/2022 in favour of the company. Hence, the company has reversed the income tax demand provision of ₹ 1342 Lakhs during the current quarter and also there is an exceptional expense item of ₹ 5 Lakhs pertaining to write off the investment made in the subsidiary during the year (i.e., Vituza solar energy limited) which is under the process of striking off. In view of the same consolidation of the Financial Statements of the Company is not required as there is no other subsidiary in place as on March 31, 2022.
- 40. Previous Years figures have been regrouped/ reclassified wherever necessary to confirm to the Current year's Presentation**

Signature to Notes 1 to 40

Notes 1 to 40 forms part of the Financials
As per our report of even date attached

For M. Krishnakumar & Associates,
Chartered Accountants
ICAI Firm Registration Number: 006853S

Sd/-
M. Krishnakumar B.SC FCA
Proprietor
Membership No. 203929
Firm Registration No. with ICAI:006853S

Place: Chennai
Date: May 06, 2022

For and On behalf of the Board of Directors

Sd/-
Dinesh Kumar Agarwal
Director
(DIN:07544757)

Sd/-
Shailesh Rajagopalan
Director
(DIN:01855598)

Sd/-
S.Gopalkrishnan
Company Secretary & Compliance officer
Membership No: ACS - 3588

Sd/-
T. Anil Jain
Managing Director
(DIN:00181960)

Sd/-
Pillappan Amalanathan
Director
(DIN:08730795)

Sd/-
U. Lalitha
Chief Financial Officer
PAN No. ACQPL1682F

Corporate Information

Board of Directors:

Mr. Anil Jain	Chairman cum Managing Director
Mr. Dinesh Kumar Agarwal	Non-Executive Director
Mr. Shailesh Rajagopalan	Non-Executive Director
Mr. Pillappan Amalanathan	Independent Director
Mrs. Jamuna Ravikumar	Independent Director
Mr. Ramesh Dugar	Independent Director
Mr. S. Gopalakrishnan	Company Secretary and Compliance Officer
Mrs. U. Lalitha	Chief Financial Officer

Statutory Auditors

M. Krishna Kumar & Associates

Practising Chartered Accountants
New No. 33, (Old No. 17), School View Road,
R.K. Nagar, Chennai- 600 028

Secretarial Auditors

Mr R Muthukrishnan

Practising Company Secretary
New No. 33, (Old No. 17), School View Road,
R.K. Nagar, Chennai- 600 028

Bankers

- **HDFC Bank**
R A Puram Branch
Chennai – 600 028
- **ICICI Bank Ltd**
No. 40, Bazullah Road,
T. Nagar,
Chennai – 600 017
- **HDFC Bank**
R K Salai Branch
Chennai – 600 004

Stock Code

BSE: 532884
NSE: REFEX
ISIN Code: INE056I01017

Website

www.refex.co.in

CIN Number, Registered and Corporate Office

CIN: L45200TN2002PLC049601
11th Floor, Bascon Futura SV
IT Park, New #10/2, Old #56L,
Venkatanarayana Road,
T Nagar, Chennai – 600 017,
Tamil Nadu, India
Phone: +91-44-43405950
Email: cscompliance@refex.co.in

Registrar and Share Transfer Agent

Cameo Corporate Services
Limited
Subramanian Building, Fifth
Floor, No. 1, Club House Road,
Chennai – 600 002

Refex's Presence





REFEX INDUSTRIES LIMITED

Registered Office

11th Floor, Bascon Futura SV IT Park,
New #10/2, Old #56L, Venkatanarayana Road,
T Nagar, Chennai – 600 017, Tamil Nadu, India

Phone: +91-44-43405950

Website: www.refex.co.in

Email: cscompliance@refex.co.in

CIN: L45200TN2002PLC049601



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<https://www.instagram.com/refexgroup/>



REFEX INDUSTRIES LIMITED

Registered Office: 11th Floor, Bascon Futura IT Park, New No. 10/2, Old No. 56L, Venkat Narayana Road, T. Nagar, Chennai – 600017, Tamil Nadu, India

Tel: +91 44 43405950; **Website:** www.refex.co.in; **E-mail:** cscompliance@refex.co.in

(Corporate Identity Number: L45200TN2002PLC049601)

NOTICE

(Pursuant to Section 101 of the Companies Act, 2013)

NOTICE is hereby given that the **20th (Twentieth) Annual General Meeting (“AGM”)** of the Members of **Refex Industries Limited** will be held on **Friday, September 23, 2022 at 11:00 a.m.** (IST) through Video Conferencing / Other Audio-Visual Means (“VC”/ “OAVM”), to transact the following business:

ORDINARY BUSINESS:

1. **Consideration and Adoption of the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon**

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

“RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended March 31, 2022 and the Reports of the Board of Directors and Auditor thereon, as circulated to the members, be and are hereby considered and adopted.”

2. **Re-appointment of Mr. Shailesh Rajagopalan (DIN: 01855598) as a Director (Non-Executive), who retires by rotation and being eligible, offers himself for re-appointment**

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

“RESOLVED THAT pursuant to the provisions of Section 152(6) and other applicable provisions of the Companies Act, 2013, **Mr. Shailesh Rajagopalan (DIN: 01855598)**, who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as a Director (Non-Executive) of the Company, liable to retire by rotation.”

3. **Appointment of Statutory Auditors of the Company and fixation of remuneration:**

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

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any,

of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, **M/s. ABCD & Co.**, Chartered Accountants (ICAI Firm Registration No.: 016415S), be appointed as the Statutory Auditors of the Company to hold office for the first term of 5 (five) consecutive years from the conclusion of this 20th Annual General Meeting (“AGM”) until the conclusion of the 25th AGM to be held in the year 2027, at a remuneration mentioned in the explanatory statement to this Notice and as may be determined by the Board of Directors of the Company, on the recommendation of the Audit Committee from time to time, in addition to out of pocket expenses as may be incurred by them during the course of the audit.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any committee thereof), be authorized on behalf of the Company, including but not limited to determine role and responsibilities/ scope of work of the Statutory Auditors, to negotiate, finalize, amend, sign, deliver and execute the terms of appointment, including any contract or document in this regard and to alter and vary the terms and conditions of remuneration arising out of increase in scope of work, amendments to the Accounting Standards or the Companies Act, 2013 or Rules framed thereunder or Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other requirements resulting in any change in the scope of work, etc., without being required to seek any further consent or approval of the members of the Company and to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary or desirable for the purpose of giving effect to this resolution and with power to the Board to settle all questions, difficulties or doubts that may arise in respect of the implementation of this resolution.”

SPECIAL BUSINESS:

4. Re-appointment and Remuneration of Mr. Anil Jain (DIN: 00181960) as Managing Director and a Key Managerial Personnel

To consider, and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 (**“Act”**), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**“SEBI Listing Regulations”**) (including any statutory modification(s), amendments(s) or re-enactment thereof for the time being in force) and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be required and pursuant to the provisions of the Articles of Association of the Company, on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, consent of the Members of the Company, be and is hereby accorded for re-appointment of **Mr. Anil Jain (DIN: 00181960) as a Managing Director**, liable to retire by rotation and a Key Managerial Personnel of the Company, designated as **Chairman & Managing Director**, who is also a Promoter of the Company, whose current term of office is expiring on June 30, 2023, for a further period of **05 (five) years, with effect from July 01, 2023 till June 30, 2028**, on the terms and conditions including remuneration as set out hereunder, notwithstanding the annual remuneration payable to him exceeding Rupees 5 Crores or 2.5 per cent of the net profits of the Company, calculated as per the provisions of Section 198 of the Act, whichever is higher, with the liberty to the Board of Directors [*hereinafter referred to as the “Board” which term shall be deemed to include the Nomination and Remuneration Committee (“NRC”) of the Board*] to alter, vary and modify the terms and conditions of the said appointment and/or remuneration, in such manner as may be agreed to between the Board and Mr. Anil Jain within and in accordance with the Act or such other applicable provisions or any amendment thereto:

Period of appointment: July 01, 2023 to June 30, 2028

(a) Basic Salary: ₹75,00,000/- per annum

(b) Perquisites and Allowances: ₹75,00,000/- per annum

(c) Remuneration based on net profits up to 1%:

In addition to Basic Salary, Perquisites and Allowances as set out above, Mr. Anil Jain, Managing Director shall be entitled to receive remuneration based on net profits calculated in accordance with the provisions of Section 198 of the Act, which will be determined by the Board and/or the NRC, subject to the conditions that such payment shall be within the overall ceiling of the remuneration permissible under the Act.

The Perquisites and Allowances, as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof; house maintenance allowance together with reimbursement of expenses and/or allowances for utilization of gas, electricity, water, furnishing, and repairs; medical reimbursement; leave travel concession for self and family including dependents; medical insurance and such other perquisites and/or allowances.

The Perquisites and Allowances, as aforesaid, shall be evaluated, wherever applicable, as per the provisions of the Income Tax Act, 1961 read with rules made thereunder including any statutory modification(s) or re-enactment thereof. In the absence of any such rules, Perquisites and Allowances shall be evaluated at actual cost.

Further, Mr. Anil Jain shall be eligible for the following retiral benefits which shall not be included in the computation of the ceiling on his overall remuneration:-

- i. contribution to provident fund, superannuation fund, or annuity fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961 (43 of 1961);
- ii. gratuity payable as per prevailing government laws and the Company's Policy; and
- iii. encashment of leave at the end of his current tenure as per prevailing government laws and the Company's Policy.

The revision in the Basic Salary, Perquisites and Allowances as may be determined by the Board and/or the NRC of the Board shall be within the above limits.

(d) Reimbursement of Expenses: Reimbursement of expenses incurred for travelling, boarding, and lodging including for his spouse and attendant(s) during business trips; provision of cars for use on the Company's business; telephone expenses at residence and club memberships shall be reimbursed and not considered as the Perquisites.

(e) General:

- (i) The Managing Director shall perform the duties as such with regard to all work of the Company and he will manage and attend to such business and carry out the orders and directions given by the Board, from time to time in all respect and confirm to and comply with all such directions and regulations as may from time to time, be given and made by the Board.
- (ii) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to the duties of directors.
- (iii) The Managing Director shall adhere to the Company's Code of Conduct.
- (iv) The office of the Managing Director may be terminated by the Company by **giving 6 (six) months' prior notice** in writing, by either party.
- (v) No sitting fee will be paid for attending any meetings of the Board of Directors or any committee(s) thereof.

RESOLVED FURTHER THAT notwithstanding anything to the contrary contained herein, wherein any financial year, during the currency of the tenure of Mr. Anil Jain, the Company has no profit or its profits are inadequate, the Company shall, subject to the requisite approvals/ sanctions, if any, wherever required and subject to the provisions of Sections 196, 197 and 203 read with Schedule V to the Act, pay Mr. Anil Jain, Basic Salary, Perquisites, and Allowances, the minimum remuneration as set out herein above, without any further reference to the members of the Company in general meeting.

RESOLVED FURTHER THAT the above may be treated as a written memorandum setting out the terms of re-appointment of Mr. Anil Jain, Managing Director, in terms of Section 190 of the Act.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to delegate all or any of the powers to any committee of the Board of the Company and to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Borrowing of Funds in excess of the limits as prescribed under Section 180(1)(c) of the Companies Act, 2013

To consider, and if thought fit, to pass the following Resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of the special resolution passed by the members of the Company at their 15th Annual General Meeting held on September 26, 2017 and pursuant to the provisions of Section 180(1)(c), 180(2) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the enabling provisions of the Memorandum and Articles of Association of the Company, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (*hereinafter referred to as the "Board", which expression shall be deemed to include any committee duly constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this resolution*), to borrow any sum or sums of money (in foreign currency or Indian rupees) including by way of fully/ partly convertible debentures and/ or non-convertible debentures, from time to time, at its discretion, from any one or more of the combinations of banks, financial institutions, firms, companies, bodies corporate, mutual funds, trusts, other organizations, institutions and/ or any other persons, notwithstanding that the monies to be borrowed together with the monies already borrowed by the Company (*apart from temporary loans obtained from the Company's Bankers in the ordinary course of business*) may, at any time, exceed the aggregate of the paid-up share capital of the Company, its free reserves (*that is to say reserves not set apart for any specific purpose*) and securities premium, subject to such aggregate borrowings not exceeding the amount of **₹1,000 Crore (Rupees One Thousand Crore only)** and that the Board be and is hereby empowered and authorized to arrange funds and fix the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may, in its absolute discretion, think fit.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and to execute all documents and writings to give effect to this resolution."

6. Creation of charge on the assets of the Company as prescribed under Section 180(1)(a) of the Companies Act, 2013

To consider, and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (**“Act”**), including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, and the enabling provisions of the Memorandum and Articles of Association of the Company, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (*hereinafter referred to as the **“Board”**, which expression shall be deemed to include any committee duly constituted/to be constituted by the Board to exercise its powers, including the powers conferred by this resolution*) for creation of charge / mortgage / pledge / hypothecation / security or other encumbrances in addition to existing charge / mortgage / pledge / hypothecation / security or other encumbrances, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on all or any of the moveable and / or immovable properties, tangible or intangible assets of the Company, both present and future and / or the whole or substantially the whole or one or more or all or any part of the undertaking(s) of the Company, as the case may be in favour of the lender(s), agent(s) and trustee(s), for securing the borrowings availed/ to be availed by the Company by way of loan(s) (*in foreign currency and / or rupee currency*) and securities (*comprising fully/ partly convertible debentures and/ or non-convertible debentures, bonds or other debt instruments*), issued / to be issued by the Company, subject to the limits approved by the members of the Company under Section 180(1)(c) of the Act, from time to time, together with interest at the respective agreed rates, additional interest, compound interest in case of default, accumulated interest, liquidated damages, commitment charges, premium on prepayment, remuneration of the agent(s) / trustee(s), premium (if any) on redemption, all other costs, charges and expenses, including any increase as a result of devaluation / revaluation / fluctuation in the rates of exchange and all other monies payable by the Company in terms of the loan agreement(s), debenture trust deed(s) or any other document, entered into / to be entered into between the Company and the lender(s) / agent(s) / trustee(s), etc. in respect of the outstanding loans / borrowings / debentures / securities and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the lender(s) / agent(s) / trustee(s), etc.

RESOLVED FURTHER THAT the securities to be created by the Company as aforesaid may rank prior / pari-passu / subservient with / to the mortgages and / or charges already created or to be created in future by the Company or in such other manner and ranking as may be thought expedient by the Board and as may be agreed to between the concerned parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize, settle, and execute such documents / deeds / writings / papers / agreements as may be required and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to the creation of mortgages / charges / pledge / hypothecation / security or other encumbrances as aforesaid.”

7. **Conversion of loan into shares or convertible instruments or other securities**

To consider, and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Sections 62(1) and 62(3) and other applicable provisions, if any, of the Companies Act, 2013 (**“Act”**) and relevant rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company and subject to all applicable circulars, notifications, guidelines issued by the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and such other statutory/ regulatory authorities, and subject to all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary, and subject to such conditions and modifications, as may be prescribed by any one of them while granting any such approval, permission, consent and / or sanction which may be agreed to by the Board, the consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (*hereinafter referred to as the **“Board”**, which expression shall be deemed to include any committee duly constituted/ to be constituted by the Board to exercise its powers, including the powers conferred by this resolution*) to convert the whole or part of the loans, to be extended by any one or more of the combinations of banks, financial institutions, firms, companies, bodies corporate, mutual funds, trusts, other organizations, institutions and/or any other persons (*hereinafter referred to as the **“Lenders”***) (*after the date of this resolution*) by the Company under the lending

arrangements (future arrangements), in the event of default or exercise of an option provided under the lending arrangements in facility agreements, into shares, or convertible instruments or other securities, of the Company, as per the terms contained in the respective loan documents to be executed between the Company and its Lenders (*as may be specified by the Lenders under the financing documents to be executed in respect of the financial assistance which may be availed*) and such conversion shall be subject to the applicable statutory and regulatory guidelines for conversion of loans into shares, or convertible instruments or other securities of the Company.

RESOLVED FURTHER THAT within the overall existing borrowing limit of the Company under Section 180(1)(c) of the Act, as may be approved by the shareholders of the Company, from time to time, the Board, be and is hereby authorized to negotiate and finalize the terms and conditions with the Lenders for raising further loans from time to time, and provide the Lenders with a right to convert such loans into shares, or convertible instruments or other securities, of the Company any time until there are amounts outstanding under such loans in accordance with the terms of the lending agreements, in the event of default or exercise of an option provided under the lending arrangements in facility agreements and subject to the applicable statutory and regulatory guidelines for conversion of loans into shares, or convertible instruments or other securities of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to accept such modifications and to accept such terms and conditions as may be imposed or required by the Lenders arising from or incidental to the aforesaid terms providing for such option and to do all such acts, deeds and things as may be necessary to give effect to this resolution.

RESOLVED FURTHER THAT subject to the applicable provisions of the Act and in accordance with the Memorandum of Association and Articles of Association of the Company and subject to all applicable circulars, notifications, guidelines issued by the Securities and Exchange Board of India, Reserve Bank of India, Stock Exchanges and such other statutory/regulatory authorities, and all such other approvals, permissions, consents and sanctions of any authorities, as may be necessary, the Board be and is hereby authorized to offer, issue and allot from time to time to the Lenders such number of shares, or convertible instruments or other securities, of the Company, upon conversion of the loans, extended by the Lenders, into shares, or convertible instruments or other securities, of the Company in accordance with the terms of the lending agreements subject

to the applicable statutory and regulatory guidelines for conversion of loans into shares, or convertible instruments or other securities of the Company.

RESOLVED FURTHER THAT the shares, or convertible instruments or other securities, of the Company to be issued pursuant to this resolution shall rank *pari-passu* with the respective existing shares, or convertible instruments or other securities of the Company in all respects.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board, be and is hereby authorized to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable as may be required to create, offer, issue and allot the aforesaid shares or convertible instruments or other securities, to dematerialize the shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board in its absolute discretion may deem fit, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to delegate all or any of the powers herein conferred by this resolution on it, to any committee of Directors or any person or persons, as it may in its absolute discretion deem fit in order to give effect to this resolution."

8. **Issue of securities on a preferential basis to a Promoter**

To consider and if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 23(1)(b), 42, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 ("**Act**") and applicable rules made thereunder, including the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other rules and regulations made thereunder (including any amendment(s), statutory modification(s) or re-enactment(s) thereof) ("**Act**"), the enabling provisions of the Memorandum and Articles of Association of the Company, and subject to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("**SEBI ICDR Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015, as amended, and subject to other applicable Rules / Regulations / Guidelines / Notifications / Circulars and clarifications issued thereunder, if any, from time to time by the Government of India, Ministry of Corporate Affairs (“MCA”), the Securities and Exchange Board of India (“SEBI”) and/ or any other competent authorities to the extent applicable, the uniform listing agreement entered into by the Company with the stock exchanges where the equity shares of the Company are listed and subject to all necessary approval(s), consent(s), permission(s) and/ or sanction(s), if any, of the Government of India, any other statutory or regulatory authorities, as may be required, and subject to such conditions as may be prescribed by any of them while granting any such approval(s), consent(s), permission(s), and/or sanction(s), and which may be agreed to by the Board of Directors of the Company (*hereinafter referred to as “Board” which term shall be deemed to include any duly constituted/to be constituted committee of Directors thereof to exercise its powers including powers conferred under this resolution*), the consent of the members of the Company, be and is hereby accorded to offer, issue and allot from time to time in one or more tranches either:

- (a) up to 11,05,000 (Eleven Lakh Five Thousand) equity shares of face value of ₹10/- each of the Company (“**Equity Shares**”) for cash at a price of ₹130/- (including a premium of ₹120/-) per Equity Share aggregating up to ₹14,36,50,000/- (Rupees Fourteen Crore Thirty-Six Lakh and Fifty Thousand only); or
- (b) up to 11,05,000 (Eleven Lakh Five Thousand) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company of face value of ₹10/- each (“**Warrants**”) for cash at a price of ₹130/- (Rupees One Hundred and Thirty only) (“**Warrants Issue Price**”), aggregating up to ₹14,36,50,000/- (Rupees Fourteen Crore Thirty-Six Lakh and Fifty Thousand only) which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (eighteen) months,

to **Sherisha Technologies Private Limited** [CIN: U74110TN2002PTC049676], part of the Promoter/ Promoter Group of the Company (hereinafter referred to as the “**Proposed Allottee**”), by way of preferential issue on such other terms and conditions as set out herein, subject to applicable laws and regulations, including the provisions of Chapter V of the SEBI ICDR Regulations and the Act, as the Board may determine.

RESOLVED FURTHER THAT in terms of the provisions

of SEBI ICDR Regulations, the “**Relevant Date**” for the purpose of determination of minimum price for the issue and allotment of Equity Shares or Warrants, as the case may be, shall be **Wednesday, August 24, 2022**, being the date, 30 (thirty) days prior to the date of this 20th Annual General Meeting.

RESOLVED FURTHER THAT in case the preferential issue is of Equity Shares, the preferential allotment shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- a) 100% of the preferential allotment consideration shall be payable on or before the date of the allotment of the Equity Shares;
- b) The Equity Shares so offered, issued and allotted to the Proposed Allottee, shall be issued by the Company for cash consideration;
- c) The Equity Shares shall be allotted in one or more tranches, on receipt of subscription monies within a period of 15 days from the date of passing of this special resolution, provided that if any approval or permission by any regulatory authority/ Stock Exchanges/ the Central Government for allotment is pending, the period of 15 days shall be counted from the date of receipt of such approval or permission;
- d) The Equity Shares shall be allotted by the Company to the Proposed Allottee in dematerialized form within the time prescribed under the applicable laws;
- e) The Equity Shares to be allotted shall be fully paid-up and shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing equity shares of the Company in all respects including the payment of dividend and voting rights from the date of allotment thereof;
- f) The pre-preferential allotment holding of the Proposed Allottee and Equity Shares to be allotted shall be subject to lock-in as specified in the provisions of Chapter V of the SEBI ICDR Regulations; and
- g) The Equity Shares will be listed on BSE Limited and the National Stock Exchange of India Limited where the existing equity shares of the Company are listed, subject to the receipt of necessary permissions and approvals, as the case may be.

RESOLVED FURTHER THAT without prejudice to the generality of the above resolution, in case the preferential issue is of Warrants and allotment of equity shares on the exercise of the Warrants, the

preferential allotment shall be subject to the following terms and conditions apart from others as prescribed under applicable laws:

- a) The Warrant holder shall, subject to the SEBI ICDR Regulations and other applicable rules, regulations and laws, be entitled to apply for and be allotted 1 (one) equity share against each Warrant.
- b) An amount of ₹32.50/- (Rupees Thrity Two and Paise Fifty Two only), which is equivalent to 25% of the Warrants Issue Price shall be paid at the time of subscription and allotment of each Warrant. The Warrant holder will be required to make payments of balance 75% of the Warrants Issue Price, at the time of exercise of the right attached to Warrant(s) to subscribe to Equity Share(s).
- c) The Warrants and the Equity Shares allotted pursuant to exercise of such Warrants shall be subject to lock-in for such period as specified in the provisions of Chapter V of the SEBI ICDR Regulations and be listed on the Stock Exchanges(s) subject to receipt of necessary permission(s), sanction(s) and approval(s).
- d) The price determined above and the number of Equity Shares to be allotted on conversion of the Warrants shall be subject to appropriate adjustments as permitted under the rules, regulations and laws, as applicable from time to time. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the Warrants shall continue to be locked in till the time such amount is paid.
- e) The right attached to Warrants may be exercised by the Warrant holder, in one or more tranches, at any time on or before the expiry of 18 (eighteen) months from the date of allotment of the Warrants by issuing a written notice to the Company specifying the number of Warrants proposed to be converted. The Company shall accordingly, without any further approval from the members, allot the corresponding number of Equity Shares in dematerialized form.
- f) The tenure of Warrants shall not exceed 18 (eighteen) months from the date of allotment. If the entitlement against the Warrants to apply for the Equity Shares of the Company is not exercised by the Warrant holder within the aforesaid period of 18 (eighteen) months, the entitlement of the Warrant holder to apply for Equity Shares of the Company along with the

rights attached thereto shall expire and any amount paid by the Warrant holder on such Warrants shall stand forfeited by the Company.

- g) The Equity Shares to be allotted on exercise of the Warrants shall be in dematerialized form and shall be subject to the provisions of the Memorandum of Association and Articles of Association of the Company and shall rank *pari passu* with the then existing equity shares of the Company in all respects including the payment of dividend and voting rights.
- h) The pre-preferential allotment shareholding of the Warrant Holders, if any, in the Company and Warrants allotted in terms of this resolution and the resultant Equity Shares arising on exercise of rights attached to such Warrants shall be subject to lock-in as specified in the provisions of Chapter V of the SEBI ICDR Regulations.
- i) The Warrants by itself, until exercised and converted into Equity Shares, shall not give the Warrant holders any rights with respect to that of an equity shareholder of the Company.
- j) The Equity Shares allotted upon conversion of the Warrants will be listed on the BSE Limited and the National Stock Exchange of India Limited where the existing Equity Shares of the Company are listed, subject to the receipt of necessary permissions and approvals, as the case may be.

RESOLVED FURTHER THAT pursuant to the provisions of the Act, the name of the Proposed Allottee be recorded for the issuance of invitation to subscribe to the Equity Shares or Warrants in Form No. PAS-5 together with an application form be issued to the Proposed Allottee inviting it to subscribe to the Equity Shares or Warrants, as the case may be.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary or desirable for such purpose, including without limitation to vary, modify or alter any of the relevant terms and conditions, attached to the Equity Shares or Warrants, as the case may be, to be allotted to the Proposed Allottee, effecting any modifications, changes, variations, alterations, additions and/or deletions to the preferential issue as may be required by any regulatory or other authorities involved in or concerned with the issue and allotment of Equity Shares or Warrants, as the case may be, making applications to the stock exchanges for obtaining in-principle approvals, listing

of shares, filing requisite documents with the MCA and other regulatory authorities, filing of requisite documents with the depositories, to resolve and settle any questions and difficulties that may arise in the preferential offer, issue and allotment of equity shares without being required to seek any further consent or approval of the members of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers conferred upon it by this resolution, to any director(s), committee(s), executive(s), officer(s) or authorized signatory(ies) to give effect to this resolution, including execution of any documents on behalf of the Company and to represent the Company before any governmental or regulatory authorities and to appoint any professional advisors, bankers, consultants, advocates and advisors to give effect to this resolution and further to take all other steps which may be incidental, consequential, relevant or ancillary in this regard.”

9. Issue of further securities

To consider, and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to Sections 23, 41, 42, 55, 62, 71 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (**“Act”**), and any other applicable laws as amended as on date including the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**“SEBI ICDR Regulations”**), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Securities Contracts (Regulation) Act, 1956 (**“SCRA”**), the Securities Contracts (Regulation) Rules, 1957 (**“SCRR”**), the Foreign Exchange Management Act, 1999 (**“FEMA”**), the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, the Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993, the Depository Receipts Scheme, 2014, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, the provisions of the Uniform Listing Agreements entered into by the Company with the Stock Exchanges on which its equity shares are listed and in accordance with any other applicable regulations/ guidelines issued by the Government of India (**“GOI”**), the Securities and Exchange Board of India (**“SEBI”**), Reserve Bank of India (**“RBI”**) and/or any other competent authorities and clarifications

thereof, issued from time to time, the provisions of the Memorandum of Association (**“MOA”**) and Articles of Association (**“AOA”**) of the Company, and subject to receipt of approval, if any, of the SEBI, RBI, Registrar of Companies (**“RoC”**) and other appropriate statutory or regulatory authorities, and such other approval(s), no objection(s), permission(s) and sanction(s), as may be necessary and subject to such conditions and modifications as may be stipulated or imposed by any of them while granting such approval(s), no objection(s), permission(s) and sanction(s) which may be agreed to by the Board of Directors of the Company or any committee of the Board duly constituted/ to be constituted to exercise its powers including the powers conferred by this resolution (hereinafter referred to as the **“Board”**), the consent of the members of the Company, be and is hereby accorded to create, issue, offer and allot (including the provisions for reservation on firm and/or competitive basis, of such part of Issue and for such categories of persons including employees of the Company, as may be permitted), in one or more tranches and in one or more foreign markets the Global Depository Receipts (**“GDRs”**) and/or American Depository Receipts (**“ADRs”**) and / or other Depository Receipts and /or FCCBs and/or Euro Convertible Bonds (**“ECBs”**) and/or equity shares and/or preference shares whether cumulative or non-cumulative/ redeemable/ optionally convertible and/ or securities linked to equity shares/ preference shares and/or fully convertible debentures/ partly convertible debentures/ optionally convertible debentures or any other securities which are convertible into or exchangeable with equity shares/preference shares, at a later date, including warrants, with a right exercisable by the warrant holder to exchange the said warrants with equity shares at a later date (hereinafter referred to as **“Securities”**) in the course of one or more offering(s), including through a Further Public Offering (**“FPO”**) and/or by way of Rights Issue and/or Qualified Institutional Placement (**“QIP”**) in accordance with Chapter VI of the SEBI ICDR Regulations and/or such other form(s), modes and means, pursuant to the SEBI Regulations, to such Indian person(s) whether or not such persons are Members of the Company, including Qualified Institutional Buyers (**“QIBs”**) and eligible investors (*whether residents and/or institutions/ incorporated bodies and/or individuals and/or trustees and/or banks or otherwise*) including to Government of India, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions, Bodies Corporate, Companies, Private or Public or other Entities, authorities and employees by way of any employee reservation, and to eligible retail individual Shareholders of the Company by way of a reservation,

and to such other categories of eligible investors for whom a reservation category is permissible pursuant to the SEBI ICDR Regulations, and to such other person, in one or more combinations thereof, through a public issue including the exercise of a green shoe option, if any, at such price as may be determined whether through book building process with a specified price band or through alternate book building method with a specified base / floor price or otherwise in accordance with the SEBI ICDR Regulations in consultation with advisors or such persons and on such terms and conditions as the Board may in its absolute discretion decide, whether by way of public offering or private placement or conversion of any debt or sub-debt into any securities, or a combination thereof and whether by way of circulation of an offering circular or placement document or otherwise, for an amount *(including upon conversion of warrants or other convertible securities into equity shares)* not exceeding **₹500 Crore (Rupees Five Hundred Crore only)** at such price, either with or without premium or with or without discount, as may be determined by the Board, at the option of the Company, as the case may be, and such issue and allotment be made in one or more tranches, on such terms and conditions as may be decided by the Board at the time of issue or allotment considering the prevailing market conditions and other relevant factors and wherever necessary in consultation with lead manager(s) and/ or underwriter(s) and/or other advisor(s) for such Issue.

RESOLVED FURTHER THAT the Securities to be so allotted shall be subject to the MOA and AOA of the Company and shall rank pari-passu in all respects with the existing securities of the same class of the Company including rights in respect of dividend;

RESOLVED FURTHER THAT the Securities may be offered, issued and allotted under Chapter VI of SEBI ICDR Regulations to QIBs at such price to be determined by the Board at its absolute discretion, subject to compliance with the SEBI ICDR Regulations and / or other applicable law, and may also offer a discount percentage as permitted under applicable law, as amended, on the floor price calculated in accordance with the pricing formula based on the relevant date as prescribed under the SEBI ICDR Regulations;

RESOLVED FURTHER THAT in the event of issue of GDRs / ADRs, the pricing shall be determined in compliance with principles and provisions set out in the Issue of Foreign Currency Convertible Bonds (Through Depository Receipt Mechanism) Scheme, 1993, as amended from time to time, the Depository Receipts Scheme, 2014, as amended and other

applicable provisions, as amended from time to time;

RESOLVED FURTHER THAT in case of a QIP pursuant to Chapter VI of the SEBI ICDR Regulations, the allotment of Securities (or any combination of the Securities as may be decided by the Board) shall only be to QIBs within the meaning of Chapter VI of the SEBI ICDR Regulations, such Securities shall be fully paid-up and the allotment of such Securities shall be completed within 12 months from the date of passing of this resolution or such other time as may be allowed under the SEBI ICDR Regulations from time to time at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of the SEBI ICDR Regulations and the Securities shall not be eligible to be sold for a period of twelve months from the date of allotment, except on a recognized stock exchange, or except as may be permitted from time to time under the SEBI ICDR Regulations;

RESOLVED FURTHER THAT in the event that Equity Shares are issued to QIBs under Chapter VI of the SEBI ICDR Regulations, the relevant date for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares under Chapter VI of the SEBI ICDR Regulations or such other time as may be decided by the Board and as permitted by the SEBI Regulations, subject to any relevant provisions of applicable laws, rules and regulations as amended from time to time, in relation to the proposed Issue of the Securities;

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to make available for allocation a portion of the FPO to anchor investors as may be permissible in accordance with the SEBI ICDR Regulations and applicable laws and to take any and all actions in connection with such reservations, allocation as the Board may think fit or proper in its absolute discretion, including, without limitation, to negotiate, finalize and execute any document or agreement and any amendments, supplements, notices or corrigenda thereto, seek any consent or approval required or necessary, give directions or instructions and do all such acts, deeds, matters and things as the Board may, from time to time, in its absolute discretion, think necessary, appropriate, or desirable and settle any question, difficulty, or doubt that may arise with regard to or in relation to the foregoing;

RESOLVED FURTHER THAT the Company may enter into any arrangement with any agency or body authorized by the Company for the issue of depository receipts representing the underlying equity shares

issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the trade ability or free transferability thereof as per international practices and regulations (including listing on one or more stock exchange(s) inside or outside India) and under the forms and practices prevalent in the international markets;

RESOLVED FURTHER THAT without prejudice to the generality of the above, the aforesaid Issue of Securities may have all or any of the terms or combinations of the terms in accordance with the prevalent market practice including but not limited to terms and conditions relating to payment of interest, dividend, premium or the redemption at the option of the Company and/or holders of any Securities including terms or issue of additional equity shares or variations of the price or period of conversion of Securities into equity shares or issue of equity shares during the period of the Securities or terms pertaining to voting rights or option(s) for early redemption of Securities;

RESOLVED FURTHER THAT the Company and/or any agencies or the Board of the Company may issue depository receipts representing the underlying Equity Shares in the capital of the Company or such other securities in bearer, negotiable or registered form with such features or attributes as may be required and to provide for the trade ability thereof as per market practices and regulation (including listing on one or more stock exchange(s) in or outside India);

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue, transfer or allotment of Securities, the Board be and is hereby severally authorized to take all the necessary steps, including preparation of the offer document for the issue and to authorize any director or directors of the Company or any other officer or officers of the Company to sign the above documents for and on behalf of the Company together with the authority to amend, vary or modify the same as such authorized persons may consider necessary, desirable or expedient and for the purpose aforesaid to give such declarations, affidavits, certificates, consents and/or authorities as may, in the opinion of such authorized person, be required from time to time, and filing of the offer document with SEBI, RoC, Stock Exchanges, appointment of various intermediaries and entering into arrangements for managing, underwriting, placement, marketing, listing, trading, acting as depository, custodian, registrar, paying and conversion agent, trustee and to sign all applications, filings, deeds, documents and writings, and to pay any fees, commissions, remunerations, expenses relating thereto, determination of the

terms of the issue, including the class of investors to whom the Securities are to be issued and allotted, the number of Securities to be issued in each tranche, issue opening and closing dates, issue price, premium / discount to the then prevailing market price, amount of issue, discount to issue price to a class of investors (including such as retail public, employees and existing shareholders), flexibility of part payment at the time of application by a class of investors (such as retail public, employees and existing shareholders) including through Application Supported by Blocked Amount ("**ASBA**") and payment of balance amount on allotment of Securities, exercise of a green shoe option, if any, listing on one or more stock exchanges in India as the Board deems fit and to do all such acts, deeds, matters and things and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable, and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise in regard to FPO, and the transfer, allotment and utilization of the issue proceeds, and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, as it may in its absolute discretion, deem fit and proper in the best interests of the Company, without requiring any further approval of the members;

RESOLVED FURTHER THAT all or any of the powers conferred on the Company and the Board vide this resolution may be exercised by the Board or by any committee(s) of the Board constituted/ to be constituted or by any one or more Directors of the Company with power to delegate to any Officer(s) of the Company, as the Board may in its absolute discretion decide in this behalf."

10. **Omnibus Approval for Material Related Party Transactions with VS Lignite Power Private Limited**

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

"RESOLVED THAT pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('**SEBI Listing Regulations**'), the applicable provisions of the Companies Act, 2013 ('**Act**'), if any, read with relevant rules made thereunder, if any, each as amended from time to time and the Company's Policy on Related Party Transaction(s), and as per the recommendation/ approval of the Audit Committee and the Board of Directors of the Company, the approval of the members, be and is hereby accorded to the Board of Directors of Company (*hereinafter referred to*

as the “**Board**”, which term shall be deemed to include any committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this resolution) to enter into and/or continue with, material related party transactions/ contract(s)/ arrangement(s)/ agreement(s) (whether existing agreements or new agreements to be executed from time to time and as may be amended from time to time and whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with **VS Lignite Power Private Limited ('VS Lignite')**, a related party under Section 2(76)(iv) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations, on such terms and conditions as may be agreed between the Company and VS Lignite, for the purchase and sale of goods, materials and other transactions, as mentioned in the explanatory statement, for **a period of five years commencing from financial year 2022-23 to financial year 2026-27**, individually and/ or in the aggregate up to an amount not exceeding **₹80 crore in each financial year**, which is and may be in excess of 10% of the annual consolidated turnover of the Company during previous financial year 2021-22, provided however, that the said contracts/ arrangements/ transactions, agreements (including any modifications, alterations or amendments thereto) shall be carried out on an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board, be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s)

as it may deem fit from time to time and the Board is also hereby authorized to resolve and settle, from time to time all questions, difficulties or doubts that may arise with regard to above transactions and to finalize, execute, modify and amend all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board in its absolute discretion may deem fit without being required to seek any further consent or approval of the shareholders or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT all actions taken by the Board or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

By Order of the Board of Directors
For Refex Industries Limited

Sd/-
Gopalakrishnan Srinivasan
Company Secretary &
Compliance Officer
Membership No: ACS – 3588

Date: August 30, 2022
Place: Chennai

Registered Office:
11th Floor, Bascon Futura IT Park, New No. 10/2,
Old No. 56L, Venkat Narayana Road,
T Nagar, Chennai – 600017, Tamil Nadu
CIN: L45200TN2002PLC049601

NOTES:

Section A – Attendance and Documents Inspection

1. In view of the Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has, vide its General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021 and Circular No. 2/2022 dated May 5, 2022 (hereinafter collectively referred to as the “MCA Circulars”) and the Securities and Exchange Board of India (“SEBI”) vide Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 read with SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (hereinafter collectively referred to as the “SEBI Circulars”) have permitted the companies to hold their general meetings through video conferencing / any other audio visual means (“VC/OAVM facility”) without the physical presence of the members at a common venue. Hence, in compliance with the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC facility.
2. The deemed venue for the AGM will be the place from where Chairperson conducts the proceedings of the AGM.
3. As per the provisions of Clause 3.A.II of the General Circular No. 20/2020 dated May 5, 2020, issued by the MCA, the matter of Special Business as appearing at item no. 4 to 10 of the accompanying Notice, is considered to be unavoidable by the Board and hence, forms part of this Notice.
4. **ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT:** In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for FY 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the RTA/ Company/Depositories. Members may note that the Notice and Annual Report for FY 2021-22 are also available on the Company's website (www.refex.co.in) under ‘Investors’ section, websites of the Stock Exchanges i.e., the BSE Limited (www.bseindia.com) and the National Stock Exchange of India Limited (www.nseindia.com), and on the website of CDSL (<https://evoting.cdslindia.com>). In case any member is desirous of obtaining hard copy of the Annual Report for the financial year 2021-22 and Notice of the 20th AGM of the Company, he/she may send request to the Company's email address at cscpliance@refex.co.in mentioning Folio No./ DP ID and Client ID.

The Notice is being sent to all the members, whose names appeared in the Register of Members / records of depositories as beneficial owners, as on **Friday, August 26, 2022**.

5. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS AND THE SEBI CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
6. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended (“Act”) with respect to Item Nos. 1 to 10 forms part of this Notice. The relevant details, pursuant to Regulations 36(3) and 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking re-appointment and appointment of Statutory Auditor at this AGM forms part of the Explanatory Statement, respectively.
7. Only registered members of the Company may attend and vote at the AGM through VC/OAVM facility. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. The Members can join the AGM in the VC/OAVM mode at least 15 minutes before and till 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders’ Relationship Committee, Auditors etc. who are allowed

to attend the AGM without restriction on account of first come first served basis. Shareholders can also view the proceedings of the AGM through live webcast facility available at <https://evoting.cdslindia.com>.

9. **Speaker Registration:** Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/ folio number, PAN, mobile number at **cscompliance@refex.co.in** up to **Monday, September 19, 2022**. Those Members who have registered themselves shall be given an opportunity of speaking live in AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM and avoid repetition of questions.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to **cscompliance@refex.co.in**.
11. Institutional Investors, who are members of the Company, are encouraged to attend and vote at the 20th AGM through VC/OAVM facility. Corporate members intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, to attend the AGM through VC/ OAVM or to vote through remote e-Voting are requested to send a certified copy of the Board Resolution to the Scrutinizer by e-mail at **rmk64@hotmail.com** with a copy marked to **helpdesk.evoting@cdslindia.com** and the Company at **cscompliance@refex.co.in**.
12. Members desiring any information with regard to Annual Accounts/ Annual Report are requested to submit their queries addressed to the Company Secretary at **cscompliance@refex.co.in** at least 10 (ten) days in advance of the AGM so that the information called for can be made available to the concerned shareholder(s).

Section B – Updation of records, Nomination, KYC and Unpaid Dividend/IEPF

13. Members are requested to direct notifications about change of name / address, email address, telephone/

mobile numbers, Permanent Account Number (PAN), Nomination, power of attorney, bank account details or any other information to their respective depository participant(s) (DP) in case the shares are held in electronic mode or to Cameo Corporate Services Limited, Registrar and Share Transfer Agent of the Company ("Cameo") at Cameo Corporate Services Limited, Unit: Refex Industries Limited, "Subramanian Building", #1, Club House Road, Chennai - 600 002 Tamil Nadu, Contact No: 044 - 2846 0390 to 95/40020700/40020710, Fax No: 044 - 2846 0129, Email: **investor@cameoindia.com**, in case the shares are held in physical form.

14. SEBI vide its Circulars dated November 3, 2021 and December 14, 2021, has mandated furnishing of PAN, KYC details and Nomination / opt out of Nomination, by holders of physical securities. Folios wherein any one of the abovementioned details are not registered by April 1, 2023 shall be frozen. The concerned members are therefore urged to furnish PAN, KYC and Nomination/ opt out of Nomination by submitting the prescribed forms duly filled and signed by sending a physical copy of the prescribed forms to Cameo Corporate Services Limited, Unit: Refex Industries Limited, "Subramanian Building", # 1, Club House Road, Chennai 600 002 Tamil Nadu or by email to **investor@cameoindia.com** from their registered email id. The Company has also sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to aforesaid SEBI circular.
15. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Company's Registrar and Share Transfer Agent, Cameo Corporate Services Limited at **investor@cameoindia.com** for assistance in this regard.
16. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB /P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting

a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.refex.co.in and on the website of the Company's Registrar and Transfer Agents Cameo Corporate Services Limited at investor@cameoindia.com. It may be noted that any service request can be processed only after the folio is KYC compliant.

17. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** As per Regulation 40 of the SEBI Listing Regulations, as amended, transfer of securities would be carried out in dematerialized form only with effect from April 1, 2019. However, members can continue to hold shares in physical form. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA for assistance in this regard.
18. **NOMINATION:** 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. If a member desires to opt out or cancel the earlier Nomination and record a fresh Nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Cameo Corporate Services Limited at investor@cameoindia.com, in case the shares are held in physical form.
19. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
20. Non-Resident Indian members are requested to inform the Company's RTA immediately of:
 - i. Change in their residential status on return to India for permanent settlement.
 - ii. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
21. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details/ NECS/ mandates, nominations,

power of attorney, change of address/ name, Permanent Account Number ('PAN') details, etc. to their Depository Participant, only and not to the Company/ the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the members.

22. In case of members holding shares in physical form, such information is required to be provided to the Company's RTA in physical mode, or in electronic mode at investor@cameoindia.com.
23. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Cameo, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
24. **UNCLAIMED DIVIDEND / IEPF:** Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended, the Company has uploaded the details of unpaid and unclaimed dividend amounts, pertaining to previous financial years, lying with the Company, on the website of the Company at <https://www.refex.co.in> and also on the website of the MCA at <http://www.iepf.gov.in>.
25. Members are requested to note that, dividends, if not encashed for a consecutive period of 07 (seven) 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 are requested to claim their dividends from the Company, within the stipulated timeline.
26. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/ investors are advised to visit the web link: <http://iepf.gov.in/IEPF/refund.html> or contact Cameo for lodging claim for refund of shares and / or dividend from the IEPF Authority.
27. The following table provides a list of years for which unclaimed dividends and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

Financial Year	Dividend per Equity Share (₹)	Date of Declaration	Due Date for Transfer to IEPF	Amount (₹) (Unpaid as on March 31, 2022)
2020-21 (Final)	0.50	September 30, 2021	December 02, 2021	1,53,186.50
2020-21 (Interim)	1.00	December 29, 2020	March 02, 2021	4,03,644.00

Section C - Voting through electronic means and attending AGM through VC/OAVM

28. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, as amended and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 and Secretarial Standard-2 (**SS-2**) on "General Meetings" issued by the Institute of Company Secretaries of India, the Company is providing facility of remote e-Voting to its members in respect of the business to be transacted at the AGM.
29. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (**CDSL**) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-Voting on the date of the AGM will be provided by CDSL.
30. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in remote e-voting on resolutions placed by the Company in the AGM Notice.
31. **BOOK CLOSURE PERIOD:** The Register of Members and Share Transfer books of the Company will remain closed from **Saturday, September 17, 2022 to Friday, September 23, 2022** (Both days inclusive), for the purpose of 20th AGM.
32. **CUT-OFF DATE:** A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., **Friday, September 16, 2022** only shall be entitled to avail the facility of remote e-voting as well as e-voting at the AGM. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut- Off Date on **Friday, September 16, 2022**. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the Cut-Off Date may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com or the Company at: cscompliance@refex.co.in and/or RTA at: investor@cameoindia.com.
33. **REMOTE E-VOTING PERIOD:** The remote e-voting period commences on **Tuesday, September 20, 2022 (9:00 a.m. IST)** and ends on **Thursday, September 22, 2022 (5:00 p.m. IST)**. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date i.e., **Friday, September 16, 2022**, may cast their vote by remote e-voting. Those members, who will be present in the AGM through the VC facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
34. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at helpdesk.evoting@cdslindia.com. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his / her existing user ID and password for casting the vote.
35. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
36. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e., **Friday, September 23, 2022**.
37. To support the '**Green Initiative**', members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company's RTA in case the shares are held by them in physical form. All such members are requested to kindly get their e-mail addresses updated immediately which will not only save your Company's money incurred on the postage but also contribute a lot to save the environment of this Planet.
38. **Voting Options** - In view of meeting being held by audio visual means, the members shall have two options of voting, both electronically as follows:
 - i. Remote e-voting;
 - ii. Electronic e-voting during the AGM.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- (ii) Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- (iii) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

Step 1: **Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode:**

In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com homepage or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending

	OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL:	
Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at: helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
 - 1) The shareholders should log on to the e-voting website **www.evotingindia.com**.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat:

PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (ii) After entering these details appropriately, click on "SUBMIT" tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on

“CANCEL” and accordingly modify your vote.

- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- i. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-Voting.
- ii. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- iii. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- iv. Shareholders are encouraged to join the Meeting through Laptops / I-Pads for better experience.
- v. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- vi. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- vii. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- viii. If votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

Section D – Declaration of voting results

- 39. A member may participate in the 20th AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- 40. **Scrutinizer for e-Voting:** Mr. R Muthu Krishnan, Practicing Company Secretary, FCS-6775, CP No. 3033, has been appointed as the Scrutinizer to scrutinize the e-Voting process in a fair and transparent manner. He has communicated his willingness to be appointed and will be available for the said purpose.
- 41. **Scrutinizer’s Report:** The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast during the AGM and thereafter unblock the votes cast through remote e-voting and shall submit not later than 48 hours of

the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

42. **Voting Results:** The results of voting will be declared and the same along with the Scrutinizer's Report will be published on the website of the Company (www.refex.co.in) and the website of CDSL (<https://evoting.cdslindia.com>).
43. The Company shall simultaneously communicate the results along with the Scrutinizer's Report to the BSE Limited and the National Stock Exchange of India Limited, where the securities of the Company are listed.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400 013 Maharashtra or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

Details of Directors proposed to be appointed/re-appointed, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard 2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India:

Name of the Director	Mr. Shailesh Rajagopalan	Mr. Anil Jain
DIN	01855598	00181960
Date of Birth (Age in years)	February 04, 1977 (45 years)	September 13, 1976 (45 years)
Date of first appointment	December 29, 2020	September 13, 2002
Experience/ Expertise in Specific Functional Areas	Mr. Shailesh Rajagopalan is an accomplished Operations veteran, having worked across various industry verticals. Starting out with building IT solutions for the Retail domain, he has vast expertise in building custom IT solutions structured around custom process automation flows, which in a manner make the IT solution almost a bespoke build. He believes in the core philosophy that Execution of any project is dependent more on effective management of People. Having spent over a decade in IT Sales and Operation management, he chose to endeavour to build an enterprise of his own.	Mr. Anil Jain played a pivotal role in navigating the Company over the last 20 years by overcoming the business challenges, financial problems and other operational difficulties. He has sound knowledge of all segments of the Company namely: i) Refilling of Refrigerant Gases ii) Solar Power generations iii) Coal and Ash handling iv) Power Trading business The Company under his guidance has shown improvements in term of turnover and profits.
Qualification(s)	Master in Business Administration	B.Com.
Directorship in other companies including listed companies *	SunEdison Infrastructure Limited (Listed) Sherisha Bikaner Solar Power Private Limited Engender Developers Private Limited	SunEdison Infrastructure Limited (Listed) Sherisha Bikaner Solar Power Private Limited STPL Horticulture Private Limited SIL Neptune Solar Private Limited
Listed entities from which the person has resigned in the past three years	NIL	NIL
Chairmanship / Membership of Committees (across all public companies in Audit Committee and Stakeholders' Relationship Committees)	SunEdison Infrastructure Limited Audit Committee - Member	Refex Industries Limited Stakeholders' Relationship Committee-Member
Shareholding in the listed entity, including shareholders as a beneficial owner	NIL	Mr. Anil Jain holds 1,50,000 (0.71%) equity shares in the Company and is Significant Beneficial Owner of 45.40% paid-up equity share capital of the Company as on June 30, 2022.
No. of Board Meetings Held/ Attended	8/8	8/8
Details of Remuneration sought to be paid	Except, Sitting Fee for attending the Board and/or Committee Meetings, no other remuneration is payable.	As per Resolution No. 4.
Last Remuneration drawn (per annum)	₹1.0 lakh only. (Sitting fee for Board and its Committee meetings from 1st April, 2021 till 31st March, 2022)	₹84 lakh only. (Remuneration from 1st April, 2021 till 31st March, 2022)
Disclosure of relationships between directors inter-se	NIL	NIL
Terms and conditions of re-appointment and Remuneration	Mr. Shailesh Rajagopalan shall be re-appointed as Director (Non-Executive), liable to retire by rotation.	As per Resolution No. 4.

* Directorships in private limited companies (except deemed public companies), foreign companies and section 8 companies and their committee memberships are excluded. Membership and chairmanship of Audit Committee and Stakeholders' Relationship Committee of only public companies have been included in the aforesaid table.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (THE “ACT”)

The following Explanatory Statement, as required under Section 102 of the Companies Act, 2013 (“Act”) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI Listing Regulations”) sets out all material facts relating to the business(es) to be dealt at the 20th Annual General Meeting as mentioned under Item Nos. 1 to 10 of the accompanying Notice dated August 30, 2022:

Item No. 1: Approval of Audited Financial Statements

In terms of the provisions of Section 129 of the Companies Act, 2013, the Company submits its audited financial statements for FY22 for adoption by members at the Annual General Meeting (“AGM”).

Since, the only subsidiary company i.e., Vituza Solar Energy Limited is under the process of striking-off, the consolidated financial statements are not applicable.

The Board of Directors (the “Board”), on the recommendation of the Audit Committee, has approved audited financial statements for the financial year ended March 31, 2022. Detailed elucidations of the financial statements have been provided under various sections of the Annual Report, including the Board’s Report and Management Discussion and Analysis Report.

The Audited Financial Statements of the Company along with the reports of the Board of Directors and Auditors thereon:

- have been sent to the members at their registered e-mail address; and
- have been uploaded on the website of the Company i.e., <http://www.refex.co.in> under the “Investors” section.

M/s M. Krishnakumar & Associates (ICAI Firm Regn. No. 006853S) (ICAI Membership No. 203929), Statutory Auditor has issued an unmodified audit report on the financial statements and has confirmed that the financial statements, represent a true and fair view of the state of affairs of the Company.

None of the Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board recommends the ordinary resolution set out at Item No. 1 for approval of the members of the Company.

Item No. 2: Re-appointment of Mr. Shailesh Rajagopalan (DIN: 01855598) as a Director (Non-Executive), who retires by rotation

Section 152 of the Companies Act, 2013 (“Act”) mandate certain number of directors to retire at every Annual General Meeting (“AGM”) of the Company who can offer themselves for re-appointment. In compliance with this requirement, Mr. Shailesh Rajagopalan (DIN: 01855598) retires by rotation at the ensuing AGM. He is eligible and has offered himself for re-appointment.

A brief profile of Mr. Shailesh Rajagopalan to be re-appointed as a Non-Executive Director is given under the heading “Details of Directors proposed to be appointed and re-appointed, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India” elsewhere in the Notice.

The Company has received declaration from Mr. Shailesh Rajagopalan that he is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Mr. Shailesh Rajagopalan has contributed immensely to the Company’s growth, especially in digital transformation. He has a rich and varied experience particularly in operations, digitization, IT, Real-Time / Mobility technologies spanning more than two decades.

Mr. Shailesh Rajagopalan doesn’t hold any equity shares in the Company. Mr. Shailesh Rajagopalan along with his relatives, is interested in his re-appointment.

Except the above, none of other Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board recommends resolution at Item No. 2 relating to re-appointment of Mr. Shailesh Rajagopalan as Director (Non-Executive), for approval of the members as an Ordinary Resolution.

Item No. 3: Appointment of Statutory Auditor and fix their remuneration

The shareholders of the Company, in their 15th Annual General Meeting (“AGM”) held on September 26, 2017, had appointed M/s M. Krishnakumar & Associates, Chartered Accountants (ICAI Firm Regn. No. 006853S) (ICAI Membership No. 203929), as the Statutory Auditors of the Company, for one term of 05 (five) consecutive years, to hold the office from the conclusion of the 15th AGM till the conclusion of the 20th AGM, for auditing the accounts of

the Company, from the financial year 2017-18 to 2021-22, at such remuneration and out of pocket expenses that may be determined by the Board of Directors.

M/s M. Krishnakumar & Associates, Chartered Accountants will be completing their present term on conclusion of this AGM in terms of the said approval and pursuant to the provisions of Section 139 of the Companies Act, 2013 ("**Act**") read with the Companies (Audit and Auditors) Rules, 2014.

Pursuant to the provisions of Section 139(1) of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Company shall appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting.

The Board is further informed that in terms of Section 139(2), no listed company or a company belonging to such class or classes of companies as may be prescribed, shall appoint or re-appoint—

- (a) an individual as auditor for more than one term of five consecutive years; and
- (b) an audit firm as auditor for more than two terms of five consecutive years:

Provided that—

- (i) an individual auditor who has completed his term under clause (a) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term;
- (ii) an audit firm which has completed its term under clause (b), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term:

Further, in terms of Regulation 33(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the listed entity shall ensure that the limited review or audit reports submitted to the stock exchange(s) on a quarterly or annual basis are to be given only by an auditor who has subjected himself/ herself to the peer review process of the Institute of Chartered Accountants of India and holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The existing auditors, M/s M. Krishnakumar & Associates, Chartered Accountants (FRN: 006853S), have served the Company for one term of consecutive 05 (five) years and their term will expire at the ensuing AGM of the Company.

Pursuant to the aforesaid provisions, rotation of auditor is applicable on the Company and accordingly, in terms of Section 139(1) & (2) of the Act read with the Rules made

thereunder, it is mandatory to appoint a peer reviewed reputed firm of chartered accountants to hold office of the statutory auditors of the Company for a term of five consecutive years.

In view of the above provisions, the Board, in its meeting held on August 05, 2022, on the recommendation of the Audit Committee, recommended the appointment of M/s ABCD & Co., Chartered Accountants (FRN: 016415S) as Statutory Auditors of the Company for a period 05 (five) consecutive years, to hold office from the conclusion of the 20th AGM till the conclusion of the 25th AGM to be held in the year 2027, to conduct the audit of the accounts of the Company from financial year 2022-23 to 2026-27.

A brief profile of M/s ABCD & Co., Chartered Accountants (FRN: 016415S), is mentioned hereinbelow for information of the shareholders:

M/s. ABCD & Co., Chartered Accountants (FRN: 016415S) ("ABCD") has over 50 years of combined experience. ABCD is a perfect blend of experience and young professionals. With headquarters at Chennai and branch at Hubli, the firm handles assignments across the Country with Total Quality Assurance.

ABCD provide audit, assurance, tax and advisory services in various areas to help organizations negotiate risks, look after stakeholders' expectations and excel in the dynamic and challenging environments in which they do business.

The Firm has strong presence in the field of Audit and assurance services. The cliental includes manufacturing, engineering, mining, export, trading services to various corporate as well as firms.

The Company has received consent and eligibility letter under Section 141 of the Act read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014 and Peer Review Certificate issued by the Institute of Chartered Accountants of India (ICAI).

They have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

They have also provided confirmation that they have subjected themselves to the peer review process of ICAI and hold a valid certificate issued by the 'Peer Review Board of ICAI'.

The disclosures as required under Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows: -

- (a) **Proposed fees payable to the statutory auditor(s) along with terms of appointment and in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change:**
Proposed fees: ₹9,00,000/- (Rupees Nine Lakhs only) plus applicable taxes and out-of-pocket expenses incurred in connection with the audit for FY2022-23. The same include fees for audit of financial statements (₹5,00,000/-) and for limited review of financial results (₹2,00,000/- per limited review from Q2 of FY23 onwards), as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company had paid ₹6,50,000/- (Rupees Six Lakhs Fifty Thousand only) plus applicable taxes and out-of-pocket expenses incurred in connection with the limited review / audit for FY2021-22, to the outgoing auditor, namely, M/s M. Krishnakumar & Associates, Chartered Accountants (FRN: 006853S).

The rationale for such change is that new auditors proposed to be appointed, namely, M/s. ABCD & Co., Chartered Accountants (FRN: 016415S), is comparatively a bigger firm providing wide range of professional services in the area of business advisory, audit & certification and taxation with a team of experienced professionals having a combined experience of more than 50 years. Therefore, it is commensurate with the nature and size of the Company.

The remuneration proposed to be paid to the Statutory Auditors for the subsequent years of the first term will be determined judiciously by the Board of Directors from time to time based on the recommendations of the Audit Committee and in consultation with the Statutory Auditors, which will be commensurate with the services rendered by them during the said tenure. Revision of fees, if any, during the term of five years would be based on the factors like covering increased costs, change in scope due to regulatory requirements, number of subsidiaries/associates subjected to limited review, etc.

Besides the audit services, the Company would also avail other permitted services from the Statutory Auditors, as may be required from time to time, for which the Auditors will be remunerated separately on mutually agreed terms, which may be approved by the Audit Committee / the Board of Directors, from time to time.

The terms and conditions of the appointment of the Statutory Auditors of the Company will inter-alia also include the conditions mentioned in Clauses 6A & 6B of the SEBI Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

- (b) **Basis of recommendation for appointment including the details in relation to and credentials of the statutory auditor(s) proposed to be appointed:**
The recommendations are based on the fulfilment of the eligibility criteria prescribed under the Companies Act, 2013 and Rules made thereunder with regard to the statutory audit, experience of the firm, capability, independence assessment, audit experience and also based on the evaluation of the quality of audit work done by them in the past.

None of the Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board recommends the Ordinary Resolution at Item no. 3 of this Notice for approval of the members.

Item No. 4: Re-appointment and Remuneration of Mr. Anil Jain (DIN: 00181960) as Managing Director and a Key Managerial Personnel

Mr. Anil Jain (DIN: 00181960) is one of the Promoters and holds a position on the Board of Directors of the Company w.e.f. September 13, 2002, i.e., since the inception of the Company.

Mr. Anil Jain (DIN: 00181960) was previously re-appointed as a Managing Director on the Board of the Company, by the shareholders in their 18th Annual General Meeting held on December 29, 2020, w.e.f. July 01, 2020, for a period of 3 (three) years from the expiry of his previous term which had expired on June 30, 2020.

The current term of appointment of Mr. Anil Jain, as a Managing Director of the Company, **shall expire on June 30, 2023.**

A brief profile of Mr. Anil Jain is mentioned below:

Mr. Anil Jain is a dynamic person who started working at the age of 17 and founded the REFEX Group in 2002. Reflex started as a manufacturer of air-conditioning gases. The turning point came after he was exposed to a new product - Refrigerant gas.

Mr. Anil Jain is a leading industrialist with a vision and drives to establish a successful Reflex business portfolio. Once he completed his graduation from the prestigious Loyola College, he immediately started his entrepreneurial journey.

His vision to be the first in any business has been his driving passion steering to success. He was able to foresee exponential growth in the business of HFC gases, as, by 2010, the use of HFC gases would be mandatory as per the Montreal Protocol. He revolutionized the industry, by launching retail-sized cans when all other vendors offered 10kg cylinders and above.

Solar EPC, which was a fledgling business in 2007, he had the foresight to jump onto that bandwagon to capitalize on it early on.

He is the president of Jain International Trade Organisation (JITO) and runs several initiatives that provide an ideation and implementation platform for the young and the ambitious. Philanthropy is his second name. Whether it was covid support for the staff of Refex or the society at large, Anil puts his best foot forward to make a difference.

Mr. Anil has received several industrial recognitions such as 'Young Entrepreneur by Times Group', 'The Standard Chartered DUN & BRADSTREET Top 100 SMEs Award', and 'Times of India Trailblazers of Tamil Nadu awarded by Times' to name a few.

Mr. Anil believes in funding and nurturing/mentoring start-ups to encourage newer ideas and businesses.

The performance evaluation of Mr. Anil Jain is based on various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, the performance of the Company, understanding of the industry and global trends, etc.

The performance of Mr. Anil Jain during his association with the Company has been evaluated as exceptional by the Board of Directors/ the Nomination and Remuneration Committee ("**NRC**").

Based on the skills, experience, knowledge and positive outcome of performance evaluation and the substantial contribution made by Mr. Anil Jain, during his tenure as Managing Director of the Company, tremendous personal efforts made by the incumbent, despite tough competition amongst the Company's competitors and slow progress due to Covid-19 pandemic across the Country and the world at large, the Board, in its meeting held on August 05, 2022, on the recommendations of the NRC, considered, approved and recommended to the shareholders, the re-appointment of Mr. Anil Jain as a Managing Director, liable to retire by rotation and a Key Managerial Personnel, **for a period of consecutive five years commencing from July 01, 2023 to June 30, 2028**, on the terms and conditions including remuneration as mentioned herein below, in accordance with the provisions of Section 196, 197 and 203 read with Schedule

V to the Companies Act, 2013 ("**Act**") and Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**").

Mr. Anil Jain has given a declaration as per Section 196(3) read with Part I of Schedule V to the Act that he fulfils the conditions for the appointment of a managing director. Mr. Jain has also given declaration in form DIR-8 that he is not dis-qualified from being appointed as a director in terms of Section 164(2) of the Act.

Also, in compliance with the SEBI Order dated June 14, 2018, to the Stock Exchanges and further SEBI Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, this is to confirm that Mr. Anil Jain (DIN: 00181960) has not been debarred from holding the office of director by virtue of any SEBI order or any other such authority.

Since, the Company has adequate profits for payment of managerial remuneration as proposed in the resolution placed at Item No. 4, the Company may authorize the payment of remuneration up to 5% of the net profits of the Company by an ordinary resolution, however, in terms of Regulation 17(6)(e) of the SEBI Listing Regulations, as amended, the fees or compensation payable to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by **special resolution** in general meeting, if -

- (i) the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 percent of the net profits of the listed entity, whichever is higher; or
- (ii) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 percent of the net profits of the listed entity;

Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.

Mr. Anil Jain is one of the Promoters of the Company and in view of the above, the remuneration of Mr. Anil Jain, as a Managing Director shall be subject to the approval of the shareholders by way of a special resolution.

The remuneration proposed is commensurate to the scale of operations and size of the business of the Company and as per industry standards.

A brief profile of Mr. Anil Jain to be re-appointed as a Managing Director is given under the heading "*Details of Directors proposed to be appointed and re-appointed, pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India*" elsewhere in the Notice.

It is, therefore, proposed to seek the members' approval for re-appointment and remuneration payable to Mr. Anil Jain as Managing Director, in terms of the applicable provisions of the Act and the SEBI Listing Regulations.

Mr. Anil Jain holds 1,50,000 (0.71%) equity shares in the Company and is Significant Beneficial Owner of 45.40% paid-up equity share capital of the Company as on June 30, 2022.

Except for the proposed re-appointment, remuneration, property leased to the Company and shareholding interest, Mr. Anil Jain does not have any pecuniary relationship with the Company or with any other key managerial personnel. The relatives of Mr. Anil Jain may be deemed to be interested in this resolution to the extent of their shareholding, if any, in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board recommends resolution at Item No. 4 relating to re-appointment of Mr. Anil Jain as Managing Director, for approval of the members as a Special Resolution.

Item No. 5 & 6: Borrowing of Funds in excess of the limits as prescribed under Section 180(1)(c) of the Companies Act, 2013 and Creation of charge on the assets of the Company as prescribed under Section 180(1)(a) of the Companies Act, 2013

Keeping in view the Company's existing and future funding requirements towards capital expenditure, operational expenditure and working capital expenditure and for general corporate purposes, the Company needs to borrow funds, from time to time.

Members of the Company, at their 15th Annual General Meeting held on September 26, 2017, had accorded approval to the Board of Directors of the Company to borrow money(s) up to an aggregate amount of ₹1,000 Crore, by way of a Special Resolution passed under Section 180(1)(c) of the Companies Act, 2013 ("Act").

However, the Company is also required to create security on the assets / properties of the Company, in favour of the lenders and accordingly, the Company needs prior approval of the shareholders under the provisions of Section 180(1)(a) of the Act.

Therefore, in order to align the requisite sanctions for exercising the borrowing limits and creation of security therefor, it is prudent to seek the afresh approval of

the shareholders to borrow funds from one or more of the combinations of banks, financial institutions, firms, companies, bodies corporate, mutual funds, trusts, other organizations, institutions and/or any other persons (hereinafter referred to as the "**Lenders**") as may deem fit by the Company, which may, together with money already borrowed by the Company (*apart from temporary loans obtained from the Company's bankers in the ordinary course of business*), up to the previously sanctioned limit of ₹1,000 Crore, which is in excess of the borrowing limits under the provisions of Section 180(1)(c) and 180(2) of the Act.

The Company may borrow funds by way of issuing secured/ unsecured redeemable non-convertible/ partly convertible/ wholly convertible bonds/ debentures as well.

Further, the borrowings by the Company, in general, are required to be secured by charge / mortgage / pledge / hypothecation / security or other encumbrances on all or any of the moveable or immovable or tangible or intangible properties of the Company, in such form, manner and ranking, as may be determined by the Board, from time to time, in consultation with the Lender(s).

In order to facilitate securing the borrowings made by the Company or to be made in future, it would be necessary to create charge on the assets or the whole or substantially the whole or one or more or all or any part of the undertaking(s) of the Company.

Section 180(1)(a) of the Act provides for the power to the Board of Directors to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, subject to the approval of members in the general meeting.

The consent of the members is required under the provisions of Sections 180(1)(c) and 180(1)(a) of the Act, to borrow funds in excess of the limits and to mortgage and / or create a charge on any of the moveable and / or immovable properties and/or the whole or any part of the undertaking(s) of your Company to secure its borrowings.

Accordingly, the proposed resolutions at Item Nos. 5 & 6 of the accompanying Notice are placed for approval of the members by way of special resolutions to enable the Company to exercise the aforesaid powers as and when required.

None of the Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in these resolutions.

Your Board recommends the Special Resolutions set out at Item nos. 5 & 6 of the Notice for your approval.

Item No. 7: Conversion of loan into shares or convertible instruments or other securities

To meet funding requirements towards capital expenditures, operational expenditure and working capital expenditure and for general corporate purposes, your Company will avail financial assistance by way of loans, issue of debentures etc., from time to time, from any one or more of the combinations of banks, financial institutions, firms, companies, bodies corporate, mutual funds, trusts, other organizations, institutions and/or any other persons (hereinafter referred to as the **"Lenders"**), upon such terms and conditions as may be stipulated by them and approved by the Board.

In line with the regulatory changes in the recent past, the changes in the Companies Act, 2013 and in line with various directives issued by Reserve Bank of India, from time to time, the Company has been advised to pass a Special Resolution under Section 62(3) and other applicable provisions of the Companies Act, 2013 and the rules made thereunder to enable the Lenders to convert financial assistance categorized as loans (hereinafter referred to as the **"Financial Assistance"**), in foreign currency or Indian Rupee, as may be availed from the Lenders, from time to time, at their option, into equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable Securities and Exchange Board of India Regulations (SEBI Regulations) at the time of such conversion.

The proposed resolution at Item no. 7 is an enabling resolution under the provisions of Section 62(3) and other applicable provisions of the Companies Act, 2013 in view of the fact that under the lending arrangements, the Bank(s) / Financial Institution(s) or lenders insist for inclusion of an option to convert the outstanding facility into Equity in the event of default or upon exercise of an option provided under the lending arrangements in the facility agreements.

Accordingly, the Board recommends the resolution as set out at Item No. 7 and seek approval of the members of the Company, to enable the Lenders, in terms of the lending arrangements to be entered and as may be specified by the Lenders under the financing documents to be executed in respect of the Financial Assistance to be availed, in the event of default or exercise of an option provided under the lending arrangements in facility agreements, to convert the whole or part of their respective outstanding Financial Assistance into equity shares of the Company, upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable SEBI Regulations at the time of such conversion.

None of the Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

Item No. 8: Issue of securities on a preferential basis to a Promoter

BRIEF NOTE ON THE COMPANY'S OPERATIONS AND JUSTIFICATION FOR THE PROPOSED PREFERENTIAL ISSUE

The Company is in expansion mode and to part finance the capital expenditure, working capital requirements of the Company, for existing as well as new growth opportunities, maintain adequate liquidity for future requirements in line with growth strategy and general corporate purpose, the Company shall need funds from time to time.

To enhance its long-term resources and thereby strengthening the financial structure, the Company has been exploring various options for raising funds.

The Board of Directors of the Company, at its meeting held on August 05, 2022, subject to necessary approval(s), have approved the proposal for issuing 11,05,000 (Eleven Lakh Five Thousand only) Equity Shares/Warrants, Warrant may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (eighteen) months convertible, into one equity share of the Company of face value ₹10/- each, at a price not less than the price to be determined in accordance with Regulation 164 of Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**"SEBI ICDR Regulations"**), on Preferential Issue basis, through private placement offer to the Promoter(s)/ Promoter Group of the Company that has agreed to subscribe to the proposed preferential issue and has confirmed its eligibility in terms of Regulation 159 of the SEBI ICDR Regulations.

In accordance with Sections 23(1)(b), 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (**"Act"**) and the rules made thereunder and in accordance with the SEBI ICDR Regulations and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (**"SEBI Listing Regulations"**), as amended from time to time, approval of the Members of the Company by way of special resolution is required to issue securities by way of private placement on a preferential basis.

Accordingly, in terms of the Act and the SEBI ICDR Regulations, consent of the members is being sought for the raising of funds aggregating up to ₹14,36,50,000/- (Rupees Fourteen Crore Thirty-Six Lakh and Fifty Thousand only) by way of issue and allotment of either:

- (a) up to 11,05,000 (Eleven Lakh Five Thousand) equity shares of face value of ₹10/- each of the Company ("**Equity Shares**") for cash at a price of ₹130/- (including a premium of ₹120/-) per Equity Share aggregating up to ₹14,36,50,000/- (Rupees Fourteen Crore Thirty-Six Lakh and Fifty Thousand only); or
- (b) up to 11,05,000 (Eleven Lakh Five Thousand) warrants, each convertible into, or exchangeable for 01 (one) fully paid-up equity share of the Company of face value of ₹10/- each ("**Warrants**") for cash at a price of ₹130/- (Rupees One Hundred and Thirty only) ("**Warrants Issue Price**"), aggregating up to ₹14,36,50,000/- (Rupees Fourteen Crore Thirty-Six Lakh and Fifty Thousand only) which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (eighteen) months,

to **Sherisha Technologies Private Limited** [CIN: U74110TN2002PTC049676], a Promoter of the Company (hereinafter referred to as '**Proposed Allottee**'), by way of preferential issue on such other terms and conditions as set out herein, subject to applicable laws and regulations, including the provisions of Chapter V of the SEBI ICDR Regulations and the Act, as the Board may determine in the manner detailed hereafter.

The salient features of the preferential issue, including disclosures required to be made in terms of the provisions of Section 42 of the Act read with Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Section 62(1)(c) of the Act read with Rule 13(2) of the Companies (Share Capital and Debentures) Rules, 2014 and Chapter V of the SEBI ICDR Regulations, are set out below:

(i) Objects of the Issue

The Company proposes to utilise the proceeds raised from the proposed preferential issue for capital expenditure, working capital requirements of the Company, for existing as well as new growth opportunities, maintain adequate liquidity.

(ii) Relevant Date

The "Relevant Date" as per Regulation 161 of the SEBI ICDR Regulations for the determination of the minimum price for Equity Shares or Warrants, as the case may be, to be issued is fixed as **Wednesday, August 24, 2022**, i.e., 30 (thirty) days prior to the date of this 20th AGM.

(iii) Basis or justification for the price (including the premium, if any) has been arrived at

Regulation 164 of the SEBI ICDR Regulations prescribes the minimum price at which a preferential

issue may be made. In accordance with Regulation 164, the minimum price of the Equity Shares / Warrants, as the case may be, shall be the higher of:

- (a) the 90 trading days' volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; and
- (b) the 10 trading days' volume weighted average prices of the related equity shares quoted on a recognised stock exchange preceding the relevant date.

The equity shares of the Company are listed on the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**") and are frequently traded in accordance with the SEBI ICDR Regulations.

For the purposes of computation of price per Equity Share or Warrant, NSE is the stock exchange that has higher trading volume for the said period and, accordingly, has been considered.

As per the pricing formula prescribed under Regulation 164 of the SEBI ICDR Regulations, the minimum price at which the Equity Share and Warrants can be issued is **₹128.82/-** per Equity Share / Warrant.

The Company proposes to issue the Equity Share / Warrants at an issue price of **₹130/-** per Equity Share / Warrant, which is not less than the minimum price computed in accordance with Regulation 164 of the SEBI ICDR Regulations.

(iv) The Class or Classes of Persons to whom the allotment is proposed to be made:

The entire issue is made to the company belonging to the Promoter and/or Promoter Group, as mentioned herein.

(v) The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as the price

The Company has not made any preferential allotment during the current financial year 2022-23.

(vi) Issue Size, Maximum number of securities to be issued

The resolution set out in the accompanying notice authorises the Board to raise funds aggregating up to ₹14,36,50,000/- (Rupees Fourteen Crore Thirty-Six Lakh and Fifty Thousand only) by way of issue of either:

- (a) up to 11,05,000 (Eleven Lakh Five Thousand) equity shares of face value of ₹10/- each of the Company ("**Equity Shares**") for cash at a price of ₹130/- (including a premium of ₹120/-) per

Equity Share aggregating up to ₹14,36,50,000/- (Rupees Fourteen Crore Thirty-Six Lakh and Fifty Thousand only); or

- (b) up to 11,05,000 (Eleven Lakh Five Thousand) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of the Company of face value of ₹10/- each ("Warrants") for cash at a price of ₹30/- (Rupees One Hundred and Thirty only) ("Warrants Issue Price"), aggregating up to ₹14,36,50,000/- (Rupees Fourteen Crore Thirty-Six Lakh and Fifty Thousand only) which may be exercised in one or more tranches during the period commencing from the date of allotment of the Warrants until expiry of 18 (eighteen) months,

A minimum amount of ₹32.50/- (Rupees Thirty-Two and Paise Fifty only) per Warrant, which is equivalent to 25% of the Warrants Issue Price shall be paid at the time of subscription and allotment of each Warrant. The warrant holder will be required to make payments of balance 75% (i.e., ₹97.50/-) of the Warrants Issue Price, at the time of exercise of the right attached to Warrant(s) to subscribe to equity share(s).

- (vii) **the price of the shares or other securities to be issued on a preferential basis, either for cash or for consideration other than cash, shall be determined on the basis of valuation report of a registered valuer;**

The issue of Equity Shares / Warrants shall be made only for cash consideration.

- (x) **Particulars of proposed allottees and Identity of the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and / or who ultimately control the Proposed Allottee**

S. No.	Details of Proposed Allottee	Name of Ultimate Beneficial Owner of the Proposed Allottee
1.	Sherisha Technologies Private Limited	Mr. Anil Jain and Mr. Tarachand Jain are the ultimate beneficial owners. Mr. Anil Jain (51%) and Mr. Tarachand Jain (49%) hold in aggregate 100% stake and exercise significant influence over Sherisha Technologies Private Limited. Mr. Anil Jain is also a Director of Sherisha Technologies Private Limited.

- (xi) **The percentage of the post-preferential issue that may be held by the Proposed Allottee**

S. No.	Name of the Proposed Allottee	Category	Pre-Issue Holding (No. of Shares)	% of Pre Preferential Issue Capital	No. of Shares to be allotted	% of Post Preferential Issue Capital	Post Issue Holding (No. of Shares)	% of Post Preferential Issue Capital
1.	Sherisha Technologies Private Limited	Promoter & Promoter Group	93,86,881	44.70	11,05,000	2.76	1,04,91,881	47.46

The above table shows the expected holding in the Company upon consummation of the allotment, and assuming the conversion of Warrants, if allotted into Equity Shares and that, holdings of all other shareholders shall remain the same post-issue as they were on the date of which the pre-issue shareholding pattern was prepared.

The price of shares to be issued on a preferential basis by a listed company is not required to be determined by the valuation report of a registered valuer.

- (viii) **Intent of the promoters, directors or key managerial personnel of the Company to subscribe to the offer**

The Proposed Allottee, namely, Sherisha Technologies Private Limited, is a Promoter of the Company.

Except, Sherisha Technologies Private Limited, a Promoter company, which will be subscribing to Equity Shares/Warrants in the preferential issue, none of the other promoters, directors or key management personnel of the Company intends to apply /subscribe to any of the Equity Shares/ Warrants.

Mr. Anil Jain, Promoter, Chairman & Managing Director is deemed to be concerned or interested in the resolution no. 8 being a Shareholder and Director in Sherisha Technologies Private Limited (Promoter company).

- (ix) **Time frame within which the preferential issue shall be completed**

In accordance with Regulation 170 of the SEBI ICDR Regulations, the allotment of the Equity Shares / Warrants, as the case may be, shall be completed within a period of 15 days from the date of passing of the special resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval(s) or permission(s) from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of such approval(s) or permission(s).

(xii) The change in control, if any, in the Company consequent to the preferential issue:

At present, the Promoters/Promoter's Group Shareholding in the Company is 1,05,45,587 (50.21%) which would increase to 1,16,50,587 (52.70%) upon allotment of Equity Shares/ Warrants, on a fully diluted basis.

As a result of the proposed preferential issue of Equity Warrants and/or upon conversion of the Equity Warrants, there will be no change in the control of the Company.

There will be no change in the control or composition of the Board of Directors of the Company consequent to the said preferential issue.

(xiii) Current and proposed status of the Proposed Allottees post the preferential issue viz. promoter or non-promoter

As mentioned above, the Proposed Allottee is a Promoter of the Company and the status will continue post the preferential issue.

(xiv) Shareholding Pattern before and after the Preferential Issue (assuming the conversion of Equity Warrants, if allotted, into Equity Shares) is as below:

S. No.	Category	Pre-Issue		Post-Issue*	
		Total No. of Equity Shares held	% age of Shareholding	Total No. of Equity Shares held	% age of Shareholding
A.	Shareholding of Promoter and Promoter Group				
1.	Indian:				
	a) Individuals / HUF	11,58,706	5.51	11,58,706	5.24
	b) Bodies Corporate	93,86,881	44.70	1,04,91,881	47.46
	Sub-Total (A1)	1,05,45,587	50.21	1,16,50,587	52.70
2.	Foreign: Nil	-	-	-	-
	Sub-Total (A2)	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A1)+(A2)	1,05,45,587	50.21	1,16,50,587	52.70
B.	Non-Promoters' / Public Shareholding:				
1.	Institutions:	688	0.00	688	0.00
	Sub-Total (B1)	688	0.00	688	0.00
2.	Non-Institutions:				
	a) Individuals / HUF	91,70,639	43.67	91,70,639	41.48
	b) Any Other				
	i. Clearing Members	20,087	0.10	20,087	0.09
	ii. Bodies Corporate	2,75,000	1.31	2,75,000	1.24
	iii. Foreign Individuals or NRIs	2,23,981	1.07	2,23,981	1.01
	iv. IEPF	219	0.00	219	0.00
	v. Others	7,65,823	3.66	7,65,823	3.46
	Sub-Total (B2)	1,04,55,749	49.79	1,04,55,749	47.30
	Total Public Shareholding (B)=(B1)+(B2)	1,04,56,437	49.79	1,04,56,437	47.30
C.	Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-
	GRAND TOTAL (A) + (B) + (C)	2,10,02,024	100.00	2,21,07,024	100.00

* The post issue shareholding pattern in the above table has been prepared with shareholding as on June 30, 2022, on the basis that the Proposed Allottee would have subscribed to and been allotted all the Equity Shares. In the event for any reason, the Proposed Allottee does not or is unable to subscribe to and/or is not allotted the Equity Shares, the shareholding pattern in the above table would undergo corresponding changes. It is further assumed that shareholding of the Company in all other categories will remain unchanged.

(xv) Undertaking:

The Company hereby undertakes that:

- (a) The Company is in compliance with the conditions for continuous listing, and is eligible to make the preferential issue under Chapter V of the SEBI ICDR Regulations.
- (b) The Company shall re-compute the price of the Equity Shares or Warrants, as the case may be, in terms of the provisions of the SEBI ICDR Regulations where it is required to do so, including pursuant to Regulation 166 of the SEBI ICDR Regulations, if required; *
- (c) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations, the above Equity Shares / Warrants, as the case may be, shall continue to be locked in till the time such amount is paid by the Proposed Allottee.
- (d) Neither the Company, its Directors or Promoters have been declared as willful defaulter or a fugitive economic offender or a fraudulent borrower.
- (e) The Proposed Allottee has confirmed that it has not sold any equity shares of the Company during the 90 Trading Days preceding the Relevant Date.

** Since the Company's Equity Shares are listed on recognized Stock Exchanges for a period of more than 90 Trading days prior to the Relevant Date, the Company is neither required to re-compute the price nor is required to submit an undertaking as specified under applicable provisions of SEBI ICDR Regulations.*

(xvi) Listing

The Company will make an application to the Stock Exchanges at which the existing shares are listed, for listing of the aforementioned Equity Shares. The Equity Shares, once allotted, shall rank pari passu with the then existing equity shares of the Company in all respects.

(xvii) Lock-in period

The Equity Shares or Warrants allotted pursuant to this resolution and/or the resultant equity shares to be issued and allotted upon exercise of right attached to the Warrants as above shall be subject to a lock-in for such period as per the provisions of Chapter V of the SEBI ICDR Regulations.

However, in addition to the lock-in period prescribed under SEBI ICDR Regulations, the Equity Shares allotted shall along with any further issuance of shares

such as Bonus Shares, which may arise in future, shall be locked in for a further period as may be mutually agreed upon by the Company and the Proposed Allottee.

Further, the entire pre-preferential allotment holding of the Proposed Allottee shall be subject to lock-in as specified in the provisions of Chapter V of the SEBI ICDR Regulations.

(xviii) Shareholding Interest of every Promoter, Director and KMPs to the extent of 2% or more in Sherisha Technologies Private Limited, Proposed Allottee

Mr. Anil Jain, Promoter, Chairman & Managing Director (51%) and Mr. Tarachand Jain, Promoter (49%) hold in aggregate 100% equity stake and exercise significant influence over Sherisha Technologies Private Limited.

Save as aforesaid, no other Promoter, Director and KMP holds any equity share in Sherisha Technologies Private Limited.

(xix) Practicing Company Secretary's Certificate

A certificate from M/s Mehak Gupta & Associates, Company Secretaries (FCS: 10703; CoP No.: 15013), dated August 29, 2022, has been obtained by the Company certifying that the preferential issue is being made in accordance with the requirements of the SEBI ICDR Regulations.

The certificate can be accessed at <https://www.refex.co.in> and shall be placed before the 20th AGM of the shareholders.

Mr. Anil Jain, Promoter, Chairman & Managing Director of the Company along with his relatives, who is also a shareholder and Director of Sherisha Technologies Private Limited, may be considered as deemed to be concerned or interested in the resolution no. 8 of the Notice.

Mr. Shailesh Rajagopalan, Director (Non-Executive) of the Company, who is also a Director on the Board of Sherisha Technologies Private Limited, may be deemed to be interested in the resolution no. 8 of the Notice.

Mr. Dinesh Kumar Agarwal, Director (Non-Executive) of the Company, is drawing remuneration from Sherisha Technologies Private Limited.

Save as above, none of the other Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board accordingly recommends the Special Resolution as set out in Item No. 8 of this Notice for your approval.

Item No. 9: Issue of further securities

The Company needs funds for meeting the business requirements and general corporate purposes with adequate mix of debt and equity. It is therefore, proposed to have enabling approvals to raise funds through issue of adequate securities in Indian and/or international markets by way of Further Public Offering (“FPO”) and/ or Qualified Institutional Placement (“QIP”), to Qualified Institutional Buyers (“QIBs”) and/or other persons for an amount not exceeding **₹500 Crore (Rupees Five Hundred Crore only)** on such terms and conditions and price as may be determined by the Board.

Section 62 of the Companies Act, 2013 provides, inter-alia, that where it is proposed to increase the subscribed share capital of the Company by the issue of further securities, such further securities shall be offered to the persons who at the date of the offer are holders of equity shares of the Company, in proportion to the capital paid up on those shares as of that date unless shareholders decide otherwise by way of passing special resolution at the general meeting of the shareholders.

The Special Resolution will be an enabling resolution authorizing the Board to decide as and when it thinks it is appropriate to proceed with the offering. The funds raised from the issue will augment the Company's capital base and financial position, and the funds are proposed to be utilized including but not limited to the growth of the business, repayment of borrowings and other general corporate purposes from time to time.

Accordingly, consent of the members is sought for passing the Special Resolution as set out at Item No. 9 of the Notice.

This resolution is an enabling resolution and authorises the Board of Directors of the Company to further issue Securities, as may be required by the Company, from time to time.

None of the Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval by the members.

Item No. 10: Omnibus Approval for Material Related Party Transactions with VS Lignite Power Private Limited

The Securities and Exchange Board of India (“SEBI”), vide its notification dated November 09, 2021, has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, introducing amendments to the provisions pertaining to the Related Party

Transactions (“RPTs”) under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

The amendments *inter-alia* included replacing of current threshold i.e., 10% (ten per cent) of the listed entity's consolidated turnover, for determination of material Related Party Transactions requiring prior shareholders' prior approval by means of an ordinary resolution, with the threshold of lower of ₹1,000 crores (Rupees One Thousand Crore) or 10% (ten per cent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Accordingly, the threshold for determination of material related party transactions under Regulation 23(1) of the Listing Regulations has been modified with effect from April 01, 2022.

As per the provisions of Section 188 of the Companies Act, 2013 (“Act”) read with the Companies (Meeting of Board and its Power) Rules, 2014, any contract or arrangement with respect to specified transactions with related parties which are on arm's length basis and in the ordinary course of business do not require prior approval of the shareholders of the Company.

However, in terms of Regulation 23 of the SEBI Listing Regulations w.e.f. April 01, 2022, all material related party transactions (including those which are in the ordinary course of business and on arm's length terms) require prior approval of shareholders of the Company through an ordinary resolution in which all the related parties, whether party(s) to the proposed transaction(s) or not, shall abstain from voting to approve the resolution.

VS Lignite Power Private Limited [CIN: U40104TG2001PTC045088] (“VS Lignite”), is a related party, in terms of Section 2(76)(iv) of the Act and Regulation 2(1) (zb) of the SEBI Listing Regulations, as Mr. Anil Jain (DIN: 00181960), Promoter, Chairman & Managing Director has significant influence in VS Lignite and Mr. Dinesh Kumar Agarwal (DIN: 07544757), Director (Non-Executive) of the Company is also a Director (Non-Executive) of VS Lignite, a private limited company.

Since, the Company is, *inter-alia*, in the business of coal trading and coal & ash handling and power trading, the Company enters into business transactions pertaining to coal ash handling and purchasing of fly ash and bottom ash from eminent power plants across the Country.

VS Lignite is engaged in the business of generation of electricity in the State of Rajasthan and operates a 1x135 MW Thermal Power Plant located near Village Gurha, Tehsil Kolayat, District Bikaner in the State of Rajasthan (hereinafter referred to as ‘Power Plant’ / ‘Site’).

VS Lignite had invited quotations/tenders for various commercial transactions, for which the Company had submitted response and was awarded the Work Order/ Contracts, as follows: -

1. Work Order dated June 17, 2021, for sale of Fly Ash and Bottom Ash generated at the Power Plant. The scope of work is to purchase and off-take of Fly Ash and Bottom Ash by the Company within a period of 12 months, in compliance with Environmental Norms as may be notified by the Government of India, from time to time, at an aggregate order value of ₹2.03 crore.
2. Letter of Award dated June 23, 2021 effective from July 01, 2021, for hiring of equipment with Operators, Maintenance Staff & Facilities for Excavation Work at Gurha (East) Lignite Mine, Village: Gurha, Tehsil: Kolayat, Dist.: Bikaner, State: Rajasthan. The scope of work is removal / excavation of waste and overburden, so as to expose and extract the Lignite and Shale seams successively at Gurha (East) Lignite Mine. The scope of work also includes formation and maintenance of roads including haul roads, formation and maintenance of drains etc., and all that are necessary and incidental for the removal and transportation of waste and over burden and extraction of Lignite at an aggregate contract price of ₹115.97 crore, excluding applicable taxes, over the period of next 60 months.
3. Letter of Award dated November 20, 2021 effective from November 01, 2021, for hiring of equipment with Operators, Maintenance Staff & Facilities for Excavation Work for the purpose of sale of lignite at Gurha (East) Lignite Mine, Village: Gurha, Tehsil: Kolayat, Dist.: Bikaner, State: Rajasthan. The scope of work is removal / excavation of waste and overburden at Gurha (East) Lignite Mine and all that are necessary and incidental for the removal and transportation of waste and over burden and extraction of Lignite at an aggregate contract price of ₹8.41 crore, excluding applicable taxes, over the period of next 12 months.

The aggregate quantity of overburden/waste and lignite to be removed during the contract period are tentative which may vary depending upon the requirement of VS Lignite and upon Lignite seam availability. The volume shall be split up on year-wise basis and per the lignite requirement of the

Power Plant for which VS Lignite shall furnish a schedule of quantities on quarterly basis.

In line with the above business activities/contracts/ transactions and in the best interest of the Company and to ensure stability of purchase of goods and services in terms of quality, quantity and logistics, the Company has been entering into such transactions with VS Lignite, in the ordinary course of business and at arms' length basis and pursuant to the approvals of the Audit Committee, wherever required, obtained from time to time, inter-alia, for purchase/ sale of goods or services.

The annual consolidated turnover of the Company was ₹443.96 Crore for the financial year 2021-22 and accordingly, in view of the aforesaid provisions, the overall quantum of the related party transactions with VS Lignite and variation in volume / quantity, during the financial year 2022-23 or in subsequent financial year till the work order/contracts are valid, may exceed the stipulated threshold of ten percent of the annual consolidated turnover of the Company, as per the last audited financial statements of the Company.

All transactions between the Company and VS Lignite, have been/will be executed in the ordinary course of business and at arm's length basis. Hence, the provisions of Section 188(1) of the Act and the Rules made thereunder are not applicable on transactions between these entities.

However, all the transactions taken together during the financial year 2022-23 and subsequent financial years, between the Company and VS Lignite were/ may be exceeding 10% of the last year's turnover, due to which these transactions are considered as material related party transactions, in terms of the SEBI Listing Regulations.

Considering the quantum of transactions, reduced thresholds of materiality and the extended framework for related party transactions under the amended SEBI Listing Regulations, approval of the members is sought by way of an ordinary resolution as per the requirements of Regulation 23 of the SEBI Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated 30th March, 2022, for the following specific material related party transactions, details of which are mentioned herein in accordance with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated 22nd November, 2021:

S. No.	Particulars	Description
1	Type, material terms and particulars of the proposed transactions	Purchase of goods/material: 2,25,000 Metric Tonnes of Fly Ash and 75,000 Metric Tonnes of Bottom Ash; Sale of services: Removal / excavation of waste and overburden (like Aeolina sand, Kankar, friable sandstone, lenses of grey or greyish black clays, ochres and fullers earth), so as to expose and extract the Lignite and Shale seams successively. More particularly described herein above.
2	Name of the related party; and Relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise);	VS Lignite Power Private Limited Enterprise over which KMP have significant influence: Mr. Anil Jain (DIN: 00181960), Promoter, Chairman & Managing Director is directly/ indirectly holding 100% beneficial interest of VS Lignite; Director of the Company is a director: Mr. Dinesh Kumar Agarwal (DIN: 07544757)
3	Tenure of the proposed transaction(Particular tenure shall be specified);	The proposed transactions shall be for a period of 05 (five) financial years, from FY23 to FY27 and shall be extended for further period as mutually agreed by the parties, subject to necessary sanctions as applicable.
4	Value of the proposed transaction;	₹80 Crore per financial year.
5	The percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction;	~ 18.0% (based on the Company's consolidated turnover for FY22).
6	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: (a) details of the source of funds in connection with the proposed transaction; (b) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: nature of indebtedness, cost of funds and tenure; (c) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and (d) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT. Not applicable	Not applicable
7	Justification as to why the RPTs are in the interest of the listed entity	The Company is, inter-alia, in the business of coal trading and coal & ash handling and power trading, the Company and VS Lignite enter into business transactions relating to purchase of coal ash / sales of services. In line with the above business activities and in the best interest of the Company and to ensure stability of supplies in terms of quality, quantity and logistics, the Company has been entering into various business transactions with VS Lignite.
8	A copy of the valuation or other external party report, if any such report has been relied upon;	The transactions do not contemplate any valuation and entered into at prevailing market rates.
9	Percentage of the counter-party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis	~ 35.76% (based on VS Lignite's consolidated turnover for FY21)
10	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act forming part of this Notice.

The agreements/contracts/work orders between the Company and VS Lignite are available for inspection at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on all working days, from Monday to Friday, up to the date of the 20th AGM.

Any subsequent material modifications in the proposed transactions, as defined by the Audit Committee as a part of the Company's Policy on Related Party Transactions, shall be placed before the members for approval, in terms of Regulation 23(4) of the SEBI Listing Regulations. The transactions shall also be reviewed/ monitored on quarterly basis by the Audit Committee of the Company as per Regulation 23(2) and 23(3) of the SEBI Listing Regulations and Section 177 of the Act and shall remain within the proposed amount(s) being placed before the members.

The Board, in its meeting held on August 05, 2022, on the recommendation of the Audit Committee, considered and recommended the material related party transactions entered/ to be entered into with VS Lignite as above, to the shareholders for their approval by way of an ordinary resolution.

Mr. Anil Jain, Promoter, Chairman & Managing Director of the Company is directly/ indirectly holding 100% beneficial interest of VS Lignite.

Mr. Dinesh Kumar Agarwal, Non-Executive Director of the Company is also a Non-Executive Director on the Board of VS Lignite.

Pursuant to Regulation 23 of the SEBI Listing Regulations, members may also note that no related party of the Company (which includes each of the Company's promoters and promoter group entities) shall vote to approve the resolution set out at item no. 10, whether the entity is a related party to the particular transaction or not.

Save as above, none of the other Directors or Key Managerial Personnel of the Company including their relatives, except to the extent of their respective shareholdings in the Company, in any way, financially or otherwise, is interested or concerned in this resolution.

Your Board recommends the Ordinary Resolution set out at Item no. 10 of the Notice for your approval.

By Order of the Board of Directors
For Refex Industries Limited

Sd/-
Gopalakrishnan Srinivasan
Company Secretary &
Compliance Officer
Membership No: ACS - 3588

Date: August 30, 2022
Place: Chennai

Registered Office:
11th Floor, Bascon Futura IT Park, New No. 10/2,
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CIN: L45200TN2002PLC049601