

Vaksons Automobiles Limited
CIN: L51502DL2003PLC119052

**Registered Office: 105, 1st Floor, Barodia Tower, Plot No.12, D Block, Central Market,
Prashant Vihar, New Delhi-110085
Tel No. 91 – 130 – 2218572**

Email id: info@vaksonsautomobiles.com
Website: <https://vaksonsautomobiles.com/>

19th Annual Report 2021-22



CORPORATE INFORMATION

CIN: L51502DL2003PLC119052

BOARD OF DIRECTORS:

EXECUTIVE DIRECTORS:

- ☞ Mr. Atul Kumar Jain
- ☞ Mrs. Vandana Jain
- ☞ Mr. Satender Kumar Jain

NON-EXECUTIVE INDEPENDENT DIRECTORS:

- ☞ Mr. Ashok Kumar
- ☞ Mr. Sumeet Alakh
- ☞ Mr. Darshana Gotad

KEY MANAGERIAL PERSON:

- ☞ Mr. Atul Kumar Jain
(Chief Financial Officer)
- ☞ **Ms. Muskan Kachhawaha**
Company Secretary

STATUTORY AUDITOR:

M/s D G M S & Co. [Chartered Accountants]

Office No. 10, Vihang Vihar ,
Opp. Gautam Park, Panchpakhadi,
Thane - West 400602
Telephone: +91-22-25452965

SECRETARIAL AUDITOR OF THE COMPANY:

M/s JNG & Co.,
Shop No. 2, Ram Niwas, Ranchod Das Road,
Dahisar (West), Mumbai – 400068,
Tel No: - 022 28918179
Email: jigar.gandhi@jngandco.in

COMMITTEES:

AUDIT COMMITTEE:

- ☞ Mr. Sumeet Alakh (Chairman)
- ☞ Mr. Ashok Kumar (Member)
- ☞ Mr. Atul Kumar Jain (Member)

STAKEHOLDERS RELATIONSHIP COMMITTEE:

- ☞ Mr. Ashok Kumar (Chairman)
- ☞ Mr. Sumeet Alakh (Member)
- ☞ Mr. Atul Kumar Jain (Member)

NOMINATION REMUNERATION COMMITTEE:

- ☞ Mr. Sumeet Alakh (Chairman)
- ☞ Mr. Ashok Kumar (Member)
- ☞ Mr. Atul Kumar Jain (Member)

REGISTRAR AND SHARE TRANSFER AGENT:

Cameo Corporate Services Limited
Subhramanian Building No. 1, Club House Road, Chennai,
Tamil Nadu-600002
Tel- 44-28460390/0425 Fax- 44-28460129
E-Mail: investors@cameoindia.com
Website: www.cameoindia.com

REGISTERED OFFICE:

105, 1st Floor, Barodia Tower, Plot No.12, D Block,
Central Market, Prashant Vihar,
New Delhi-110085,
Tel No. 91 – 130 – 2218572

Request to Members

Members are requested to send their queries, if any, relating to the annual report, shareholding, etc., to the Company Secretary at the Registered Office of the Company, on or before Sunday, July 31, 2022, so that the answers/details can be kept ready at the Annual General Meeting.

Ms. MUSKAN KACHHAWAHA

Company Secretary

105, 1st Floor, Barodia Tower,

Plot No 12, D Block Central Market

Prashant Vihar

New Delhi – 110085.

North West Delhi

Tel No. 91 – 130 – 2218572

Email id: info@vaksonsautomobiles.com

Website: <https://vaksonsautomobiles.com/>



NOTICE

NOTICE is hereby given that the **19th Annual General Meeting** of the Members of **Vaksons Automobiles Limited** will be held at registered office of the company situated at 105, Barodia Tower, Central Market, Plot No. 12, D Block, Prashant Vihar, New Delhi on **Monday, August 1, 2022** at **01:00 P.M.** to transact the following business:

Ordinary Business:

1. To consider and adopt the Standalone Financial Statements of the company for the year ending on 31st March 2022 and Director's report and Auditor's report thereon.
2. To consider and adopt the Consolidated Financial Statements of the company for the year ending on 31st March 2022.
3. To appoint a director in place of Mr. Atul Jain (holding DIN 00004339), who retire by rotation and being eligible offers himself for re- appointment.

Special Business:

- 4. Appointment of Director – Mr. Ashok Kumar (DIN- 07042469) (Non-Executive Independent Director)**

To consider and, if thought fit, to pass with or without modifications, the following resolution as Special Resolution:

“RESOLVED THAT, pursuant to provision of Section 149,150,152 read with Schedule IV to the Companies Act,2013 , and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules,2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations,2015, **Mr. Ashok Kumar (DIN: 07042469)** who was appointed as an Additional (Non-Executive Independent) Director of the Company w.e.f. 30th June, 2022 subject to approval of shareholders at the 19th AGM and in respect of whom the Company has received a notice in writing under section 160 of the Act proposing his candidature for the office of the Director and declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment , be and hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years for the period upto 29th June, 2027.”

- 5. To approve a resolution under Section 180 (1) (a) of the Companies Act, 2013 for Sale of Substantial Assets w.r.t Land of the Company.**

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 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (the “Act”) read with Companies (Management and Administration) Rules, 2014 and the 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 (‘the Board’ which expression shall also include any committee thereof) to sell of Substantial Assets i.e. land measuring 1033 sq. Yadr. Located at Jiwan vihar, patti Musalman, Murthal Road, Dist. Sonpat- 131001, Haryana to Mrs. Shanta jain- Mother of Atul Jain(Executive Director & CFO and Mother-in-Law of Mrs. Vandana Jain (Executive Director of Company) for consideration of around Rs. 450 lakhs, as a going concern on lump sum basis on such terms and conditions as may be agreed to by the Board and Mrs. Shanta Jain”



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“RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform or cause to be done or proposed all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to settle and finalize all issues that may arise in this regard, without further referring to the members of the Company, including without limitation, negotiating, finalizing and executing necessary agreements, memoranda, deeds of novation/ assignment/ conveyance and such other documents as may be deemed necessary or expedient in its own discretion and in the best interest of the Company.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved, ratified and confirmed in all respect.”

6. To consider and approve the transaction to be entered into with related party Mrs. Shanta Jain- Mother of Atul Jain, Executive Director & CFO of the Company.

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) (the “Act”) read with the Rule 15 of the Companies (Meetings of Board and Its Powers) Rules, 2014 and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded to the Board of Directors of the Company (‘the Board’ which expression shall also include any committee thereof) to enter into sale agreement of Substantial Assets i.e. land measuring 1033 sq. Yadrs. Located at Jiwan vihar, patti Musalman, Murthal Road, Dist. Sonpat- 131001, Haryana with Mrs. Shanta Jain- Mother of Atul Jain (Director and CFO) and Mother-in-Law of Mrs. Vandana Jain (Executive Director of Company) of Company for consideration of around Rs. 450 lakhs.

“RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform or cause to be done or proposed all such acts, deeds, matters and things, as may be required or deemed necessary or incidental thereto and to settle and finalize all issues that may arise in this regard, without further referring to the Members of the Company, including without limitation, negotiating, finalizing and executing necessary agreements, memoranda, deeds of assignment/ novation/ conveyance and such other documents as may be deemed necessary or expedient in its own discretion and in the best interest of the Company.”

“RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved ratified and confirmed in all respect.”

For, Vaksons Automobiles Limited

**Sd/-
Mr. Atul Kumar Jain
(Chairman & Managing Director)
DIN: 00004339**

**Date: 1st July, 2022
Place: New Delhi**



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NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 3 to 6 of the Notice, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE 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.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.

3. The Register of Members and the transfer books of the Company will remain closed from **Tuesday, July 26, 2022 to Monday, August 1, 2022 (both days inclusive)**.
4. The Register of Contracts or Arrangements in which the Directors are interested, maintained u/s 189 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
5. In compliance with the aforementioned MCA Circulars and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by Securities and Exchange Board of India (“SEBI”), the Notice of the annual general meeting along with the Annual Report for the financial year 2021-22 is being sent only by electronic mode to those members whose email addresses are registered with the Company/Depositories unless any member has requested for a hard copy of the same. Members may note that the Notice of annual general meeting and Annual Report for the financial year 2021-22 will also be available on the Company’s website <https://vaksonsautomobiles.com/> and the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com.
6. Corporate Members are requested to send a scanned copy (PDF / JPEG format) of the Board Resolution authorizing its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act, to info@vaksonsautomobiles.com.
7. The statutory documents of the Company and/or the documents referred to in this Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM, i.e. Monday, August 1, 2022. Members seeking to inspect can send an e- mail to info@vaksonsautomobiles.com.
8. As per Regulations 39 and 40 of the Listing Regulations, as amended, listed companies can effect issuance of duplicate securities certificate; renewal / exchange, endorsement, sub-division/split, consolidation of securities certificate; transfer, transmission and transposition, as applicable in Dematerialized form only with effect from 24th January, 2022.

Further, SEBI vide its circular dated 3rd November, 2021, read with clarification dated 14th December, 2021 introduced common and simplified norms for processing investor’s service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, effective 1st January, 2022, the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents/details are updated. On or after 1st April, 2023, in case of any of the above cited documents/details are not available in the folios, RTA shall be constrained to freeze such folios. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. This communication was also intimated to the Stock Exchanges and available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their



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service request with RTA for assistance in this regard. As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with RTA or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialized form, the nomination form may be filed with the respective DPs. In view of this, members holding shares in physical form are requested to consider converting their holdings to demat form to avoid hassle in transfer of shares.

9. Members holding shares in demat mode, who have not registered their email addresses are requested to register their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA to receive all communication (including Annual Report) in electronic mode.
10. Non-resident Indian members are requested to inform the RTA, Cameo Corporate Services Limited situated at Subramaniam Building No. 1, Club House Road, Chennai, Tamil Nadu-600002 immediately about:
 - a. Change in their residential status on return to India for permanent settlement
 - b. 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.
11. SEBI has mandated the submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the Company's RTA.
12. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DPs if the shares are held by them in demat form and to Company's RTA if the shares are held by them in physical form.
13. The Board of Directors of the Company has appointed **Mr. Jigarkumar Gandhi Makarand, Practising Company Secretary (FCS 7569, CP 8108)**, as Scrutiniser for conducting the voting process of remote e-voting and e-voting during AGM in a fair and transparent manner.
14. The route map showing directions to reach the venue of the 19th AGM is annexed.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:-

The remote e-voting period begins on Thursday, July 28, 2022 at 9:00 A.M. and ends on Sunday, July 31, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Monday, July 25, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Monday, July 25, 2022.

How do I vote electronically using NSDL e-Voting system?

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





Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, 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.

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



| Type of shareholders | Login Method |
|---|---|
| Individual Shareholders holding securities in demat mode with NSDL. | <ol style="list-style-type: none"><li data-bbox="639 294 1406 848">1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are 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<li data-bbox="639 858 1406 1312">2. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.<li data-bbox="639 1322 1406 1423">3. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div data-bbox="775 1427 1286 1723" style="text-align: center;"><p>NSDL Mobile App is available on</p><p> </p><div style="display: flex; justify-content: space-around;"></div></div> |



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| | |
|---|---|
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <ol style="list-style-type: none"> 1) Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2) After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 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 link in www.cdslindia.com home page. 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 provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| <p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p> | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period</p> |

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

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

| Login type | Helpdesk details |
|---|--|
| <p>Individual Shareholders holding securities in demat mode with NSDL</p> | <p>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</p> |
| <p>Individual Shareholders holding securities in demat mode with CDSL</p> | <p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43</p> |



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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|--|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

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



6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “**Forgot User Details/Password?**”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?**” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

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

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jigar.gandhi@jngandco.in with a copy marked to evoting@nsdl.co.in. **Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.**
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@vaksonsautomobiles.com



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2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info@vaksonsautomobiles.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting for Individual shareholders holding securities in demat mode**.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.



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ROUTE MAP TO THE 19TH AGM VENUE

Venue Address: 105, 1st Floor, Barodia Tower, Plot No.12, D Block, Central Market, Prashant Vihar, New Delhi-110085





**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (2) OF THE COMPANIES ACT, 2013
In conformity with the provisions of Section 102 (2) of the Companies Act, 2013,**

The following explanatory statement forms a part of the Notice calling Annual General Meeting or the FY 2021-22

Item No. 4: Appointment of Director – Mr. Ashok Kumar (DIN- 07042469) (Non-Executive Independent Director)

Mr. Ashok Kumar (DIN: 07042469), was appointed as an Additional – (Non Executive Independent) Director by Board of Directors in their Meeting held on Thursday, 30th June, 2022. The Board of Director of the Company at its meeting subject to approval of members, proposed to appoint **Mr. Ashok Kumar**, as a Non-Executive Independent Director, for the period upto 29th June, 2027.”

Further, as per the provisions of Section 149 of the Companies Act, 2013 and rules made thereunder, no independent director shall hold office for more than two consecutive terms, Since, **Mr. Ashok Kumar** is appointed as Additional director, therefore, is eligible for appointment as Independent Director of the Company and considering the knowledge, experience and contribution given by him to the Board, his continued association would benefit the Company. Therefore, it is desirable to consider him to appoint as Non-Executive Independent Director.

Accordingly, in terms of the requirements of the provisions of Companies Act, 2013, approval of the members of the Company is required for appointment of **Mr. Ashok Kumar (DIN: 07042469)**, from Additional Independent Director to Independent Director of the Company for a term of five (5) consecutive years with effect from 30th June 2022, and whose office shall not be liable to retire by rotation.

The Company has also received a declaration from **Mr. Ashok Kumar (DIN: 07042469)**, declaring that he meets the criteria of independence as provided under Section 146(9) of the Companies Act, 2013.

None of the Directors / Key Managerial Personnel of the Company other than **Mr. Ashok Kumar (DIN: 07042469)**, are concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Ordinary Resolution set out at Item no.4 of the Notice for approval by the members.

Item No. 5 & 6

In this Covid pandemic, not only in India but globally has witnessed turbulent times during past few years with very high Volatility in market. These have put the financials of almost all the trading companies in India under tremendous stress with debts reaching very high level. With an objective to improve the financial health and long term viability of the Company's business by reduction of debt, pursuant to the recommendation of the audit committee, the board of directors at its meeting held on June 30, 2022 approved the sale and transfer of Substantial asset of the company i.e. Land measuring 1033 sq. yards located at Jiwan vihar, patti Musalman, Murthal Road, Dist. Sonpat- 131001, Haryana to Mrs. Shanta Jain- Mother of Atul Jain(Executive Director & CFO) and Mother-in-Law of Vandana Jain (Executive Director of Company) of the Company for consideration of around Rs. 450 Lakhs , as a going concern on lump sum basis on such terms and conditions as may be agreed to by the Board.

As per Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially whole of the asset of the Company, only with the consent of the Company by as Special Resolution. As per explanation to section 180(1)(a) of the Companies Act, 2013 (“Act”), since the land is substantial assets of the company, consent of the members would be required by way of a Special Resolution to sale and transfer the said land.



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As per Section 188(1) of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ('Rules') and Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR)'], transaction entered into between related parties for selling or otherwise disposing of property of any kind exceeding the threshold limit mentioned in the 'Rule' and 'SEBI (LODR)' to be approved by the members of the Company by way of a special Resolution. As per Rule 15(3)(a)(ii) of the Companies (Meetings of Board and its Powers) Rules, 2014, since the amount for agreement for selling or disposing of the land exceeds 450 lakhs, consent of the members would be required by way of a Special Resolution to enter into the agreement for sale and transfer of the said land to Mrs. Shanta Jain- Related party being Mother of Atul Jain (Executive Director & CFO) and Mother-in-Law of Vandana Jain (Executive Director of Company) of the Company.

Since the transaction of sale of land to related Party is outside the ordinary course of business, the approval of the members of the Company under section 188 of the Act is being sought by way of an Ordinary Resolution as set out at item no. 5 & 6 for the business transfer transaction.

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014:-

1. Name(s) of parties with whom the agreement is entered; **Mrs. Shanta Jain (agreement to be entered subject to shareholders' approval)**
2. Purpose of entering into the agreement; **Sale of Land**
3. Size of agreement; **Rs. 4.60 crores**
4. Shareholding, if any, in the entity with whom the agreement is executed; **Mrs. Shanta Jain holds 14,75,200 equity shares of Vaksons Automobiles Limited i.e. 14.02% of the Issued Capital**
5. Significant terms of the agreement (in brief) special rights like right to appoint directors, first right to share subscription in case of issuance of shares, right to restrict any change in capital structure etc.; **Not Applicable**
6. Whether, the said parties are related to promoter/promoter group/ group companies in any manner. If yes, nature of relationship; **Yes, Mrs. Shanta Jain (Mother of Atul Kumar Jain; Director & Promoter and Mother-in-Law of Vandana Jain (Executive Director of Company) of Vaksons Automobiles Limited.**
7. Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"; **The transaction falls within related party transaction and the transaction is at arm's length.**
8. In case of issuance of shares to the parties, details of issue price, class of shares issued; **Not Applicable**
9. In case of loan agreements, details of lender, nature of the loan, total amount of loan granted, total amount outstanding, date of execution of the loan agreement/sanction letter, details of the security provided to the lenders for such loan; **Not Applicable**
10. Any other disclosures related to such agreements, viz., details of nominee on the board of directors of the listed entity, potential conflict of interest arising out of such agreements, etc; **Mrs. Shanta Jain being in Promoter Group as mother of Mr. Atul Jain who is Director & Promoter of the company and Mother-in-Law of Vandana Jain (Executive Director of Company)**

Pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all entities falling under the definition "Related Party" shall abstain from voting in respect of the resolution proposed at item no. 5 and 6 of the notice, irrespective of whether the entity is a party to the particular transaction or not.



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As on the date of proposing these resolutions, Mr. Atul Jain hold 27,28,000 equity shares amounting to 25.93% Company. Also He is a Director and Key managerial personnel of the Company. Mrs. Vandana Jain holds 15,24,000 equity shares amounting to 14.49%. She is also Executive Director of the Company.

None of the Directors / Key Managerial Personnel of the Company other than Mr. Atul Kumar Jain (DIN: 00004339) (Director & CFO) & Mrs. Vandana Jain (DIN: 00004347) (Director) are concerned or interested, financially or otherwise, in the resolution.

The Board of Directors recommends passing of the Special Resolution and Ordinary Resolution as set out at Item No.5 and 6 respectively of the notice.



Annexure - A

The relevant details of directors who is proposed to be re-appointed directors of the Company, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 issued by the Company Secretaries of India are as under;

| DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT | |
|---|---|
| PARTICULARS | Mr. Atul Kumar Jain - 00004339 |
| Current Position | Executive Director and chairman (Liable to retire by rotation) |
| Age | 54 Years |
| Qualification: | He has completed his degree in Bachelors of Commerce in the year 1988 from Maharshi Dayanand University and started his career with a family business of Brick Kilns, Trading of Coal and Mining of Silica Sand. He has also run various other businesses like real estate, event management, hospitality, pharmaceuticals etc. he acquired the dealership of Force Motor and incorporated our Company. He has proved himself as an entrepreneur and also runs business in pharmaceutical sector under our Group Companies. |
| Expertise in specific functional areas | He is responsible of the overall growth and development of our Company and for taking all key decisions in consultation with the Board. |
| Date of first Appointment: | 20 th February, 2003. |
| Number of Board Meetings attended during the year: | During the Year, 6 meetings held, he Attended all the meetings held in F.Y. 2021-22. |
| Shareholding in the Company: | 27,28,000 Equity Shares i.e. 25.93% |
| Relationship with Other Directors: | Mrs. Vandana Jain (Wife) |
| Other Directorships: | 1) AROMA BUILDWELL PRIVATE LIMITED; 2) AROMA HOMEBUILD PRIVATE LIMITED; 3) NBL BUILDCON PRIVATE LIMITED; 4) KESHAV HEALTHFOODS PRIVATE LIMITED 5) FABINO LIFE SCIENCES LIMITED 6) VAKSONS METAPLAST PRIVATE LIMITED |
| Memberships / Chairmanship of Committees: | Member of Audit committee, Stakeholder Relationship committee and Nomination and remuneration Committee of Vaksons Industries Private Limited. |



Annexure – B

| DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT | |
|---|---|
| PARTICULARS | Mr. Ashok Kumar – DIN 07042469 |
| Current Position | Non-Executive Independent Director (Liable to retire by rotation) |
| Age | 46 Years |
| Qualification: | Mr. Ashok Kumar aged 46 years is appointed as Additional Director (Non-Executive Independent Director). He was a Director in Auriga Secure Private Limited and has completed his higher secondary education. |
| Expertise in specific functional areas | His functional responsibility handling the business development of the Company. |
| Date of first Appointment: | 30/06/2022 |
| Number of Board Meetings attended during the year: | Not applicable as he is appointed on 30.6.2022. |
| Shareholding in the Company: | NIL |
| Relationship with Other Directors: | Not Related to any Directors |
| Other Directorships: | NIL |
| Memberships / Chairmanship of Committees: | W.e.f. 30 th June, 2022 he is Member of Audit committee, Stakeholder Relationship committee and Nomination and Remuneration Committee of Vaksons Industries Private Limited. Further he is chairman of Stakeholder Relationship committee. |



BOARD'S REPORT

To,
The Members,

Your directors take pleasure in presenting their Nineteenth Annual Report on the Business and Operations of the Company and the Accounts for the Financial Year ended 31st March, 2022 (period under review).

1. FINANCIAL PERFORMANCE OF THE COMPANY:

The summary of consolidated and standalone financial highlights for the financial year ended March 31, 2022 and previous financial year ended March 31, 2021 is given below:

Consolidated and Standalone Financial summary:

| Particulars | Rs. In Lakhs | | | |
|--|------------------------------|------------|--------------------------------|------------|
| | Standalone Financial Results | | Consolidated Financial Results | |
| | 31.03.2022 | 31.03.2021 | 31.03.2022 | 31.03.2021 |
| Revenue from operations | 30.87 | 54.91 | 97.78 | 578.11 |
| Other income | - | 0.42 | 12.80 | 34.26 |
| Total Income | 30.87 | 55.33 | 110.58 | 612.37 |
| Profit Before Interest, Depreciation & Tax | 30.87 | 55.33 | 110.58 | 612.37 |
| Interest | 1.12 | 0.81 | 1.47 | 44.23 |
| Depreciation | 6.34 | 7.64 | 10.70 | 13.97 |
| Profit before Tax | 5.04 | -33.54 | 1.58 | -59.66 |
| Current Tax | 0.78 | - | 0.78 | - |
| Deferred Tax | 0.26 | 0.20 | 0.16 | -0.23 |
| Total Tax Expenses | 1.04 | 0.20 | 1.04 | -0.23 |
| Net Profit for the period after tax | 3.99 | -33.74 | .63 | -59.43 |
| Earnings per share | - | - | - | (0.09) |

2. RESULTS OF OPERATIONS AND THE STATE OF COMPANY'S AFFAIRS:

The turnover for the year was Rs. 97.78 Lakhs on consolidated basis and Rs. 30.87 Lakhs on standalone basis as compared to Rs. 578.11 Lakhs and Rs. 54.91 Lakhs respectively in the previous year. The Earnings before Interest, Depreciation and Tax was Rs. 110.58 Lakhs on consolidated basis as compared to Rs. 612.37 Lakhs in previous year and on standalone basis was Rs. 30.87 Lakhs as compared to Rs. 55.33 Lakhs in previous year.

A detailed discussion on review of operations of the Company has been included in Management Discussion and Analysis which forms part of this Report.

3. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013

The Board has decided not to transfer any amount to the Reserves for the year under review.

4. CASH FLOW AND CONSOLIDATED FINANCIAL STATEMENTS:

As required under regulation 34 of the SEBI (LODR) Regulations, 2015, a Cash Flow Statement forms part of Annual Report.



5. DIVIDEND:

The dividend policy for the year under review has been formulated taking into consideration of growth of the company and to conserve resources, the Directors do not recommend any dividend for year ended March 31, 2022.

6. TRANSFER OF UNPAID AND UNCLAIMED DIVIDENDS TO INVESTOR EDUCATION AND PROTECTION FUND

The Ministry of Corporate Affairs under Sections 124 and 125 of the Companies Act, 2013 requires dividends that are not encashed/ claimed by the shareholders for a period of seven consecutive years, to be transferred to the Investor Education and Protection Fund (IEPF). In FY 2021-22, there was no amount due for transfer to IEPF.

7. SHARE CAPITAL

The authorized share capital of the company is Rs. 11,00,00,000 comprising of 1,10,00,000 Equity shares of Rs. 10/- each.

The paid-up share capital of the Company is Rs 10,52,04,800 comprising of 1,05,20,480 Equity shares of Rs. 10/- each.

Company has appointed M/s Cameo Corporate Services Ltd, as the Registrar and Transfer Agent of the Company.

8. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (the "Amended Listing Regulations"), is presented in a separate section forming part of the Annual Report.

9. CHANGE IN NATURE OF BUSINESS, IF ANY

There has been no change in nature of business of the Company during the FY under review.

10. DISCLOSURES BY DIRECTORS

The Board of Directors have submitted notice of interest in Form MBP 1 under Section 184(1) as well as intimation by directors in Form DIR 8 under Section 164(2) and declarations as to compliance with the Code of Conduct of the Company.

11. REMUNERATION POLICY:

The Company has framed a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Policy is provided in Annexed to this Report as "Annexure I".

12. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the FY and the date of this Report.

13. EXTRACT OF ANNUAL RETURN:

Pursuant to the provisions of section 92(3) and Section 134 (3) (a) of the Companies Act, 2013 a copy of the Annual Return of the Company for the year ended March 31, 2022 will be placed on the website of the Company at <https://vaksonsautomobiles.com/>.



14. CHANGE IN SHARE CAPITAL:

There was no change in Share Capital for year ended March 31, 2022.

15. FAMILIARISATION PROGRAMME FOR DIRECTORS

As a practice, all Directors (including Independent Directors) inducted to the Board go through a structured orientation programme. Presentations are made by Senior Management giving an overview of the operations, to familiarise the new Directors with the Company's business operations. The Directors are given an orientation on the products of the business, group structure and subsidiaries, Board constitution and procedures, matters reserved for the Board, and the major risks and risk management strategy of the Company.

During the year under review, no new Independent Directors were inducted to the Board.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

I. Change in Directors

During the period under review, there were no changes in Director.

II. Committees of Board of Directors

There has been no change in Committees of Board of Directors during period under review.

III. Independent Directors

Independent Directors have provided their confirmation, that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company.

IV. Retirement by Rotation of the Directors

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, **Mr. Atul Jain (DIN 00004339)**, Executive Director & CFO who retire by rotation and being eligible offers himself for re- appointment.

The brief resume of Mr. Atul Jain (DIN 00004339), the nature of his expertise in specific functional areas, names of the companies in which he has held directorships, his shareholding etc. are furnished in the "Annexure A" to notice of the ensuing AGM.

17. DETAILS OF APPOINTMENT/ RESIGNATION OF KEY MANAGERIAL PERSONNEL (KMP):

During the year under Review, **Mr. Pankaj Jain**, Chief Financial Officer of the Company has resigned w.e.f. 15th November, 2021. And **Mr. Atul Jain (DIN 00004339)** has been appointed as CFO of the Company w.e.f. 5th March, 2022.

Mr. Ankit Agarwal, having Membership no. A49373 has resigned w.e.f 1st October, 2021 from post of Company Secretary & Compliance Officer. **CS Muskan Kachhawa** has been appointed as Secretary & Compliance Officer w.e.f. 14th February, 2022.

18. BOARD MEETINGS:



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During the year, Six Board Meetings were convened and duly held. The details of which are given in the Corporate Governance Report, which forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

19. AUDIT COMMITTEE:

The Audit Committee comprises of, Mr. Sumeet Alakh,(Chairman), Mr. Mahesh Pandey (Member) and Mr. Atul Kumar Jain (Member). Powers and role of the Audit Committee are included in the Corporate Governance Report. All the recommendation made by the Audit Committee was accepted by the Board of Directors. During the Year Five Meeting of Audit committee were convened and duly held.

20. BOARD EVALUATION:

Your Board has devised an Evaluation Policy for evaluating the performance of the Board, its Committees, Executive Directors, and Independent Directors. Based on the same, the performance was evaluated for the financial year ended March 31, 2022. As part of the evaluation process, the performance of Non- Independent Directors, the Chairman and the Board was conducted by the Independent Directors. The performance evaluation of the respective Committees and that of Independent and Non- Independent Directors was done by the Board excluding the Director being evaluated.

The policy inter alia provides the criteria for performance evaluation such as Board effectiveness, quality of discussion, contribution at the meetings, business acumen, strategic thinking, time commitment, and relationship with the stakeholders, corporate governance practices, contribution of the committees to the Board in discharging its functions etc.

The Board carried out formal annual evaluation of its own performance and that of its Committees viz., the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee (NRC). The Board also carried out the performance evaluation of all the individual directors including the Chairman of the Company. Additionally, NRC also carried out the evaluation of the performance of all the individual directors and Chairman of the Company. The performance evaluation was carried out by way of obtaining feedback from the Directors through a structured questionnaire prepared in accordance with the policy adopted by the Board and after taking into consideration the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India.

The feedback received from the Directors through the above questionnaire was reviewed by the Chairman of the Board and the Chairman of the NRC and then discussed the same at the meetings of the Board and NRC respectively. The performance evaluation of the Chairman, Whole Time Director and the Board as a whole was carried out by the Independent Directors at their separate meeting.

21. CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall under the criteria laid under the provisions of Section 135 of the Act and rules framed there under. Therefore, the provisions of Corporate Social Responsibility are not applicable to the Company.

22. AUDITORS:

i. Statutory Auditors:

Subject to the amendment stated in The Companies Amendment Act, 2017 read with Notification S.O. 1833(E) dated 7th May 2018 deleting the provision of annual ratification of the appointment of auditor, the requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with and no resolution has been proposed for the same.

ii. Secretarial Auditor:



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Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has M/s. JNG & Co. (Practicing Company Secretary) (FCS 7569) (CP No. 8108), Peer reviewed firm to undertake the Secretarial Audit of the Company for the F.Y. 2021-22. The Secretarial Audit Report for F.Y. 2021-22 is annexed herewith as “Annexure II”.

iii. Cost Auditor:

Your Company is principally engaged into trading business. Therefore, Section 148 of the Companies Act, 2013 is not applicable to the Company.

iv. Internal Auditor:

The Board of Directors, based on the recommendation of the Audit Committee and pursuant to the provisions of section 138 of the Act read with the Companies (Accounts) Rules, 2014, has reappointed M/s B B Gusani & Associate, Chartered Accountants (FRN No. 140785W) as the Internal Auditors of your Company for the financial year 2021-2022 . The Internal Auditor conducts the internal audit of the functions and operations of the Company and reports to the Audit Committee and Board from me to me.

23. AUDITOR’S REPORT:

The Auditor’s Report and Secretarial Auditor’s Report does not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is given as an Annexure, which forms part of this report.

24. SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENT:

As on March 31, 2022, your Company has subsidiary Company naming Vaksons Metaplast Private Limited (CIN: U37100DL2015PTC278744). There are no other associate companies or joint venture companies within the meaning of Section 2(6) of the Act. There are no changes in subsidiaries, during the period under review.

The Annual Accounts of the above referred subsidiary shall be made available to the shareholders of the Company and of the subsidiary company on request and will also be kept open for inspection at the Registered Office of the Company and of the subsidiary companies during the office hours on all working days and during the Annual General Meeting. Company’s consolidated financial statements included in this Annual Report incorporates the accounts of its subsidiaries prepared as per Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Pursuant to the provisions of Section 129(3) of the Act, a statement containing the salient features of financial statements of the Company’s subsidiaries in Form AOC-1 is attached to the financial statements of the Company as “Annexure III”.

25. VIGIL MECHANISM:

In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <https://vaksonsautomobiles.com/investor-relations.php>.

26. INTERNAL AUDIT & CONTROLS:

Pursuant to provisions of Section 138 read with rules made there under, the Board has appointed M/s. B B Gusani And Associates., Chartered Accountants (Firm Registration Number: 140785W), as an Internal Auditors of the Company to check the internal controls and functioning of the activities and recommend ways of improvement. The Internal Audit is carried out quarterly basis; the report is placed in the Audit Committee Meeting and the Board Meeting for their consideration and direction.



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The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

27. RISK ASSESSMENT AND MANAGEMENT:

Your Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business as part of its risk management policy. Your Company also takes all efforts to train its employees from time to time to handle and minimize these risks.

28. LISTING WITH STOCK EXCHANGES:

Vaksons Automobiles Limited continues to be listed on BSE Limited under script code 539402. It has paid the Annual Listing Fees for the year 2022-23 to BSE Limited.

29. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company is fully compliant with the applicable Secretarial Standards (SS) viz. SS-1 & SS-2 on Meetings of the Board of Directors and General Meetings respectively.

30. POLICIES AND DISCLOSURE REQUIREMENTS:

In terms of provisions of the Companies Act, 2013 the Company has adopted policies which are available on its website <https://vaksonsautomobiles.com/investor-relations.php>

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

In view of the nature of activities carried on by the Company, the requirements for disclosure in respect of Conservation of Energy, Technology Absorption, in terms of the Companies (Accounts) Rules, 2014 are not applicable to the Company. However the Company takes all possible efforts towards energy conservation. The requirement for disclosure with regard to technology absorption does not apply to the Company as the activities in which the Company operates does not require any technology. During the period under review the Company has earned Foreign Exchange of 'Nil' and incurred the Foreign Exchange outgo of 'Nil'.

32. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES:

Particulars of loans given, investments made, guarantees given and securities provided are provided in the financial statements.

33. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. Thus Disclosure in form AOC-2 is not required. Further, during the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. All related party transactions are placed before the Audit Committee and Board for review and approval, if required. The details of the related party transactions as required under Indian Accounting Standard (Ind AS) 110 are set out in Note to the financial statements forming part of this Annual Report.

34. DEPOSITS:

Your Company did not accept / hold any deposits from public / shareholders during the year under review.



35. PREVENTION OF INSIDER TRADING

In compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, the Company has formulated and adopted the revised “Code of Conduct for Prevention of Insider Trading” (“the Insider Trading Code”). The object of the Insider Trading Code is to set framework, rules and procedures which all concerned persons should follow, while trading in listed or proposed to be listed securities of the Company. During the year, the Company has also adopted the Code of Practice and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (“the Code”) in line with the SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018. The Code is available on the Company’s website <https://vaksonsautomobiles.com/>

36. RELATED PARTY TRANSACTIONS

All transactions entered into with related parties as defined under the Act during the FY were in the ordinary course of business and on an arm’s length pricing basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with the related parties during the FY which were in conflict with the interest of the Company and hence, enclosing of Form AOC-2 is not required. Suitable disclosure as required by the Accounting Standard (AS 18) has been made in the notes to the Financial Statements.

37. SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company’s operations in future.

38. FRAUD REPORTING

There have been no frauds reported by the Auditors of the Company to the Audit Committee or the Board of Directors under sub-section (12) of section 143 of the Companies Act, 2013 during the financial year.

39. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the Requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and an Internal Complaints Committee has been set up to redress complaints received regarding Sexual Harassment at workplace, with a mechanism of lodging & redress the complaints. All employees (permanent, contractual, temporary, trainees, etc.) are covered under this policy. Policy is available on website of company at <https://vaksonsautomobiles.com/investor-relations.php>.

Your Directors further state that pursuant to the requirements of Section 22 of Sexual Harassment of Women at Work place (Prevention, Prohibition & Redressal) Act, 2013 read with Rules there under, the Company has not received any complaint of sexual harassment during the year under review.

40. HUMAN RESOURCES:

Your Company considers people as its biggest assets and ‘Believing in People’ is at the heart of its human resource strategy. It has put concerted efforts in talent management and succession planning practices, strong performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible leadership.

Your Company has established an organization structure that is agile and focused on delivering business results. With regular communication and sustained efforts it is ensuring that employees are aligned on common objectives and have the right information on business evolution. Your Company strongly believes in fostering a culture of trust and mutual respect in all its employees seek to ensure that business world values and principles are understood by all and are the reference point in all people matters.



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Statement of Disclosure of Remuneration under Section 197 of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (“Rules”), is annexed to this Annual Report.

The current workforce breakdown structure has a good mix of employees at all levels. Your Board confirms that the remuneration is as per the remuneration policy of the Company.

41. CORPORATE GOVERNANCE:

Pursuant to SEBI (LODR) Regulations, 2015, the report on Corporate Governance during the period under review with the Certificate issued by M/s JNG and Co., Practicing Company Secretaries, on compliance in this regards forms part of this Annual Report.

42. DIRECTORS’ RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures.
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. They have prepared the annual accounts on a going concern basis.
- v. They have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively.
- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company’s internal financial controls were adequate and effective during the financial year 2021-22.

43. INTERNAL FINANCIAL CONTROLS:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company’s internal financial controls were adequate and effective during the financial year 2021-22.

44. CAUTIONARY STATEMENTS:

Statements in this Annual Report, particularly those which relate to Management Discussion and Analysis as explained in the Corporate Governance Report, describing the Company’s objectives, projections, estimates and expectations may constitute ‘forward looking statements’ within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied in the statement depending on the circumstances.



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45. ACKNOWLEDGEMENTS:

Your Directors would like to express deep sense of appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders and for the devoted service by the Executives, staff and workers of the Company. The Directors express their gratitude towards each one of them.

**For and on behalf of the
VAKSONS AUTOMOBILES LIMITED**

**Sd/-
Atul Kumar Jain
(Director & CFO)
DIN: 00004339**

**Sd/-
Vandana Jain
(Director)
DIN: 00004347**

**Place : New Delhi
Date : 1st July, 2022**



NOMINATION CUM REMUNERATION POLICY

The Board of Directors of **VAKSONS AUTOMOBILES LIMITED** (“the Company”) constituted the “Nomination and Remuneration Committee” at the Meeting held on February 16, 2015 with immediate effect, consisting of three (3) Non-Executive Directors all of which are Independent Directors.

1. Objectives:

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 52 of the SME Equity Listing Agreement. The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. To devise a policy on Board diversity To develop a succession plan for the Board and

2. DEFINITIONS :

Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time. **Board** means Board of Directors of the Company.

Directors mean Directors of the Company.

Key Managerial Personnel means Chief Executive Officer or the Managing Director or the Manager; Whole-time director; Chief Financial Officer; Company Secretary; and such other officer as may be prescribed.

Senior Management means Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads. **VAKSONS AUTOMOBILES LIMITED** Nomination and Remuneration Policy

3. ROLE OF COMMITTEE

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior
- Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

2.1.3. Policy for appointment and removal of Director, KMP and Senior Management

Appointment criteria and qualifications



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- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director/Managing Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term / Tenure

a) Managing Director/Whole-time Director:

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

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

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



Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

General:

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required. • The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

Fixed pay:

- A) The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b) **Minimum Remuneration:**
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- C) **Provisions for excess remuneration:**
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non- Executive / Independent Director:

A) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

B) Sitting Fees:



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Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

C) Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

D) Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

4. MEMBERSHIP

The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent. Minimum three (2) members shall constitute a quorum for the Committee meeting.

Membership of the Committee shall be disclosed in the Annual Report.

Term of the Committee shall be continued unless terminated by the Board of Directors.

5. CHAIRPERSON

Chairperson of the Committee shall be an Independent Director.

Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

6. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

7. COMMITTEE MEMBERS' INTERESTS

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

9. VOTING



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Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. NOMINATION DUTIES

1. The duties of the Committee in relation to nomination matters include:
2. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
3. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
4. Identifying and recommending Directors who are to be put forward for retirement by rotation.
5. Determining the appropriate size, diversity and composition of the Board;
6. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
7. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
8. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
9. Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
 - a. Delegating any of its powers to one or more of its members or the Secretary of the Committee;
 - b. Recommend any necessary changes to the Board; and c. Considering any other matters, as may be requested by the Board

11. REMUNERATION DUTIES

1. The duties of the Committee in relation to remuneration matters include:
2. To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
3. To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
4. To delegate any of its powers to one or more of its members or the Secretary of the Committee.
5. To consider any other matters as may be requested by the Board.
6. Professional indemnity and liability insurance for Directors and senior management.



12. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minutes and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and

For, Vaksons Automobiles Limited

Sd/-

Mr. Atul Kumar Jain

(Chairman & Managing Director)

DIN: 00004339

Date: 1st July, 2022

Place: New Delhi



Form MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2022
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of
The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,
The Members
Vaksons Automobiles Limited
Regd. Off: 105, 1st Floor, Barodia Tower,
Plot No 12, D Block Central Market Prashant Vihar,
New Delhi North West- 110085

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VAKSONS AUTOMOBILES 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 our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information, management representations provided by the Company, its officers, agents and authorized representatives and based on the draft independent auditors report during the conduct of the Secretarial Audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company as per **Annexure – A** 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 thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities Regulations, 2018;



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During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other applicable laws mentioned as sector specific laws hereinabove. I further report my observation as follows that:

1. The Company has submitted its voting results in pdf scan copies only under the regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

However, it has been found that there were no instances requiring compliance with the provisions of the laws indicated at point (c),(d), (e), (g) and (h) of Para (v) mentioned hereinabove during the period under review.

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015;

- (vi) I further report that I have been given to understand that there are no sector specific laws applicable to the company considering the nature of business activities carried on by the company however having regard to the compliance management system prevailing in the Company relating to product laws, manufacturing laws and safety laws, upon examination of the relevant documents and records on test-check basis, I report that the Company has adequate compliance management system.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance reports of Company Secretary / Chief Financial Officer taken on record by the Board of Directors of the Company that

I further report that

the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that

Board of Directors of the Company is duly constituted with proper balance of the Executive Directors and the Non-executive Directors (Independent and Non-independent). The changes in the composition of the Board that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever required.

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 sector specific laws, rules, regulations and guidelines.



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I further report that

during the audit period of the Company there were no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For JNG & Co.,

Sd/-

Jigarkumar Gandhi

FCS: 7569

C.P. No. 8108

Peer Review No: 1972/2022

Place: Mumbai

Date: July 01, 2022

UDIN : F007569D000553609

Peer Review No: 1972/2022

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



VAKSONS AUTOMOBILES LIMITED

ANNEXURE - A

List of documents verified

1. Memorandum & Articles of Association of the Company.
2. Minutes of the meetings of the Board of Directors and various committees comprising of Audit Committee, Nomination & Remuneration Committee etc. held during the period under report.
3. Minutes of General Body Meetings held during the period under report.
4. Statutory Registers/Records under the Companies Act and rules made there under
5. Agenda papers submitted to all the directors / members for the Board Meetings and Committee Meetings.
6. Declarations received from the Directors of the Company pursuant to the provisions of 184 of the Companies Act, 2013.
7. E-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 1956 and Companies Act, 2013 and attachments thereof during the period under report.
8. Intimations received from directors under the prohibition of Insider Trading and SEBI Takeover Code
9. Various policies framed by the company from time to time as required under the statutes applicable to the company.
10. Processes and procedure followed for Compliance Management System for applicable laws to the Company
11. Documents related to payments of dividend made to its shareholders during the period under report.
12. Communications / Letters issued to and acknowledgements received from the Independent directors for their appointment
13. Various policies framed by the company from time to time as required under the Companies Act as well as SEBI LODR Regulations.



Annexure - B

To,
The Members
Vaksons Automobiles Limited
Regd. Off: 105, 1st Floor, Barodia Tower,
Plot No 12, D Block Central Market Prashant Vihar,
New Delhi North West- 110085

Sir,

Sub: Secretarial Audit Report for the Financial Year ended on 31st March, 2022.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
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. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For JNG & Co.,

Sd/-

Jigarkumar Gandhi

FCS: 7569

C.P. No. 8108

Peer Review No: 1972/2022

Place: Mumbai

Date: July 01, 2022

UDIN : F007569D000553609

Peer Review No: 1972/2022



Annexures to Board's Report (Contd).

Annexure – III

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part “A”: Subsidiaries:

(Rs. in Lacs)

| Sr. No. | Name of the subsidiary | Vaksons Metaplast Private Limited (CIN: U37100DL2015PTC278744) |
|---------|---|---|
| 1. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | 01.04.2021 to 31.03.2022 |
| 2. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR |
| 3. | Share capital | 18,370,000 |
| 4. | Other Equity | (85.96) |
| 5. | Total assets | 343.33 |
| 6. | Total Liabilities | 230.02 |
| 7. | Investments | - |
| 8. | Turnover | 79.71 |
| 9. | Profit before taxation | (3.46) |
| 10. | Provision for taxation | - |
| 11. | Profit after taxation | 3.36 |
| 12. | Proposed Dividend | NIL |
| 13. | Extent of shareholding (In percentage) | 100% |

Part “B” : Associates and Joint Ventures: - Not Applicable



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Annexures to Board's Report (Contd).

Annexure – IV

Disclosure pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Sr. No. | Name | Designation/ Nature of Duties | Remuneration For FY 2021-22 | Qualification | Ratio of Remuneration of each Director/KMP to median remuneration of employees | Comparison of remuneration of the KMP against the performance of the company |
|---------|------------------------|-------------------------------------|-----------------------------------|---------------|--|--|
| 1 | Ankit Agarwal* | Company Secretary | 90,000/- | CS. | - | - |
| 2 | Muskan Kachhawaha** | Company Secretary | 22,100/- | CS | - | - |

**Mr. Ankit Agarwal has resigned w.e.f 1st October, 2021.*

***Ms. Muskan Kachhawaha has appointed w.e.f. 14th February, 2022.*

Notes:

- The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendation of the Human Resources, Nomination and Remuneration Committee as per remuneration policy for Directors, Key Managerial Personnel and other employees.
- The ratio of the remuneration of the highest paid director to that of the employees who are not directors and KMPs but receive remuneration in excess of the highest paid director during the year- Not applicable
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees.



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Vakson Auto Mobiles limited is dealer and distributor of auto components and spares parts more particularly involving Light Commercial Vehicles and other products involved in the automobile value chain. Further we are a well recognized dealer of metal and metal related products using our strong network base of trusted counterparties in Delhi and Haryana Area. Earlier our company is authorized dealer of products and parts for Force Motors Ltd. However; due to the Covid-19 pandemic; our company has recently completed revamped our business model and shifted to more profitable distribution model for metal scrap and metal products used by Auto value chain. We have also made the company completely debt free hence ensuring its survival through these tough times. We currently employ 4 persons on our pay roll and slowly re-building the company's new found product and business divisions.

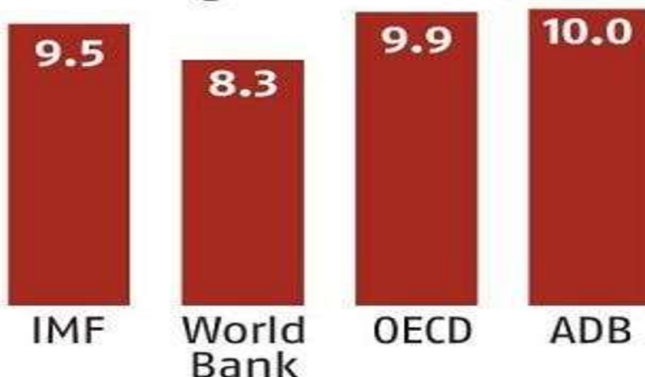
We have further incorporated a subsidiary company in the name and style of Vaksons Metaplast Private Limited (CIN: U37100DL2015PTC278744) in order to undertake trading in auto parts, HDPE and LDPE polymer, aluminum scrap, and other metal and plastic items on a larger scale with good trading margins. We believe that our experience of selling and servicing vehicles would hold us in good stead with this diversification venture undertaken by the company and also provide for increased financial size. We have over the years developed a philosophy for quality and have also obtained ISO Certification for our Quality Management Systems (ISO 9001:2008). We have also been awarded a "Certificate of Appreciation" in February 2015, by Force Motors Ltd. for "Best Dominance in the MUV Market Category".

The Global Economy

The global economy recovered strongly in 2021 after decline in 2020 due to the pandemic. Global real GDP is estimated to have grown at 6.1% in 2021 compared to a decline of -3.1% in 2020. Emerging market GDP growth has overshadowed the growth witnessed before the Covid era and the growth has come roaring back for the advanced economies of the USA and Europe. Despite a recovery in output and trade, there has been few disruptions which have caused economic uncertainties in the short run in 2022. The pandemic is still not over and there is a renewed surge in COVID-19 cases in advanced economies. Moreover, the ongoing geopolitical conflict between Ukraine and Russia is also having a significant impact on global GDP prospects in 2022. Further the supply side disruptions and rising energy prices have resulted in higher inflation across countries.

GROWTH STORY

Revised projection for India's FY22 GDP growth rate (%)



Source: Respective global bodies

IMF's latest projection for other major countries (%)





World Economies: Performance at a Glance

The global economy is predicted to be weaker in 2022 than originally anticipated. The risk of new disruptive COVID variants has the potential to prolong the pandemic while also causing fresh economic impacts. Furthermore, supply chain disruptions, energy price volatility, and localized wage pressures all contribute to a high level of uncertainty about inflation and policy directions. Risks to the financial stability of debt-ridden emerging markets and developing nations' capital flows, currencies, and fiscal positions may emerge as mature economies raise policy rates. As a result of the economic uncertainties the world GDP is expected to grow at a slower rate of 3.6% in 2022 compared to 2021, as per IMF (International Monetary Fund).

The world trade recovered in 2021 with a significant growth of 10.1% in merchandise trade. While supply side issues including port backlogs caused strain in global trade, the major risk in trade comes from the resurgence of the Covid pandemic and disruptions caused by the Russia-Ukraine conflict. Assuming the situation resolves, supply chain constraints are expected to ease, and global trade is expected to grow at moderate level in 2022.

Indian Economy

With Covid-19 largely behind, the Indian economy faces strong inherent growth momentum which is likely to be tempered by inflation, the consequent rise in interest rates and the risk of demand dampening.

Notwithstanding headwinds, globally, the Indian economy is projected to have the strongest growth in GDP in 2022 and also in 2023!

The phased unlocking of the economy with government intervention eased manufacturing and supply chains. Many sectors of the economy re-bounded in FY22. The third wave of the pandemic which lasted between Dec21 through Feb22 did not dent the momentum. The recovery cycle picked up from the second half of FY22 and is expected to grow further in FY23 and FY24. It may moderate from FY25 onwards. The IMF has upwardly revised the growth forecast to 8.2% for FY22 and 6.9% for FY23. This is the highest GDP growth rate in the world!

India's GDP, which shrank from \$2.87 trillion in FY20 to \$2.66 trillion in the FY21, is expected to rise to about \$5 trillion in FY27 or FY28. The latest forecast hints that the target of \$5 trillion may fructify with a minimum delay of four years. FY22 saw an unprecedented rally in domestic steel prices which seemed unstoppable even in the current fiscal FY23. Steel prices have increased by almost 30% year on year. Further increases are expected in FY23. There is also anticipation that the government would take structural measures to cool down the steel market in India.

We have over the years developed a philosophy for quality and have also obtained ISO Certification for our Quality Management Systems (ISO 9001:2008). We have also been awarded a "Certificate of Appreciation" in February 2015, by Force Motors Ltd. for "Best Dominance in the MUV Market Category".

Competition

We face competition from various local and nationwide dealers of commercial vehicles and auto part dealers. Competition emerges from small as well as big players. The organized players in the industry compete with each other by providing high quality, consistent and time bound products and value added services. There are a number of competitors offering products similar to ours. We believe the principal elements of competition in our line of business are easy finance options, consistent & quality products prompt availability and strong relations with suppliers and vehicle manufacturers. We compete against our competitors by establishing ourselves as a trustworthy agency for our products in the State of Haryana which enables us to provide our clients with products and services at appropriate rates to meet their requirements.

Strengths

Being a Authorized Dealer of auto parts and vehicles of Force motors limited the Company Operates in both the upstream sector and downstream sector. This gives it an additional advantage to avert potential interruptions in raw material sourcing and end-products distribution. This strategy is very beneficial in driving margin expansion if the integrated resources are managed efficiently.



Weaknesses

- The portfolio of the Company is not as diversified as compared to other industry units. This will affect on financial position of the company.
- Having fewer mines of metal in India leads to price hike of raw material. Increasing cost will adversely affect profitability.

Opportunities:

With continuous support by the Government towards entrepreneurship (e.g. ease of doing business), India sees an increasing number of startups and small businesses. With the advent of SME exchange, it has become easier for SMEs to get listed. Furthermore, the rising penetration of private equity and venture capital in Indian startups is expected to result in increased M&As and IPOs.

India is one of the fastest growing markets for metals and still has a low per capita consumption, with growth opportunities. Further post covid effect on import export from china in other countries, has open opportunity in local as well as global market.

THREATS:

Despite opportunities, there are significant factors presenting threats to our business viz:

- Uncertainty and low business confidence due to pandemic Covid-19 will adversely impact the business.
- Capital Market gets affected by events such as interest rate hikes, monsoon performance, tax concerns, other global events & domestic political events such as interim & state elections.
- Continuous downward pressure on the fees and commissions caused by heightened competition and willingness of most players to deliver services at very lowfees.
- The effect of any of the adverse events on the capital market would pose a threat for the process of capital formation and resource raising

REVIEW OF OPERATIONS:

The turnover for the year was Rs. 97.78 Lakhs on consolidated basis and Rs. 30.87 Lakhs on standalone basis as compared to Rs. 578.11 Lakhs and Rs. 54.91 Lakhs respectively in the previous year. The Earnings before Interest, Depreciation and Tax was Rs 110.58 Lakhs on consolidated basis as compared to Rs 612.37 Lakhs in previous year and on standalone basis was Rs30.87 Lakhs as compared to Rs. 55.33 Lakhs in previous year.

Further there has been a similar lack of growth in financial performance of the subsidiary; Vaksons Metaplast Private Limited (CIN: U37100DL2015PTC278744) However, considering extremely difficult market conditions it is commendable that these subsidiaries have not incurred any substantial losses.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an Internal Control System, commensurate with the size, scale and complexity of operations. The comprehensive system enables efficient operations, optimal resource utilization, safeguard of assets and compliance with applicable laws and regulations. These control measures strengthen the Company and protect it from loss or unauthorized use of assets by way of adequate checks and balances. The Company authorizes records and reports all transactions.

The scope and authority of the Internal Audit function is well defined, and an independent firm of Chartered Accountants serves as the internal auditor to execute the internal audit function. The management and audit committee of the Board observe and then recommend corrective measures, based on such audits to improve operations.

RISKS MANAGEMENT:

The Company, like any other enterprise, is exposed to business risk which can be internal risks as well as external risks. Any unexpected changes in regulatory framework pertaining to fiscal benefits and other related issues can affect our operations and profitability. A key factor in determining a Company's capacity to the Company to take risks and manage them



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effectively and efficiently. However, the Company is well aware of the above risks and as part of business strategy has put in a mechanism to ensure that they are mitigated with timely action.

The Company has an elaborate Risk Management Framework, which is designed to enable risks to be identified, assessed and mitigated appropriately. The Board of Directors of the Company has constituted Risk Management committee which has, inter-alia, been entrusted with the responsibility of overseeing implementation/ monitoring of Risk Management Plan and Policy; and continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed. In the opinion of the Board of Directors, none of these risks affect and/or threaten the existence of the Company

HUMAN RESOURCES:

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

FUTURE OUTLOOK:

We have entered 2022-23 with a notable momentum, bolstered by a strong financial position. As we move ahead, we will remain focused on advancing our ambitious plans of capacity expansion. We will also keep expanding our product portfolio with a focus on quality. Among all our business verticals, expanding in the electronics vertical will be one of our major focus areas. Government E-bike policy and promotion for battery vehicles will open new door for your company with allied auto part sector, we are confident about gearing up for our long term growth with the right products and well-defined strategies.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations and based on the fact that the Resolution Plan for the Company has been implemented. These statements have been based on current expectations and projections about future events. Wherever possible, all precautions have been taken to identify such statements by using words such as 'anticipate', 'estimate', 'expect', 'project', 'intend', 'plan', 'believe' and words of similar substance in connection with any discussion of future performance. Such statements, however, involve known and unknown risks, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs and may cause actual results to differ materially. There is no certainty that these forward-looking statements will be realised, although due care has been taken in making these assumptions. There is no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



CORPORATE GOVERNANCE REPORT FOR THE YEAR ENDED ON 31st MARCH 2022

The Directors of Vaksons Automobiles Limited (“the Company”) have pleasure in presenting the Company’s Report on Corporate Governance for the Financial Year 2021-22 in pursuant to Regulation 34(3) read with Schedule V and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulation’)

1. Company Philosophy:

The Company’s philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Corporate Governance is ongoing process and your Company has always focused on good corporate governance, which is a key driver of sustainable corporate growth, long term value creation and trust. Even in fiercely competitive business environment, the management and employees of the Company are committed to uphold the core values of transparency, integrity, honesty and accountability.

Your Company confirms the compliance of various provisions relating to Corporate Governance stipulated in Listing Regulations, the details of which are given below:

2. Board of Directors:

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2022, Board of the Company consisted of Six (6) Members. The Company has Three (3) Executive Directors (including women director), out of which one director is the Chairman & chief Financial officer and Three (3) Non Executive Independent Directors (including Women director).

All the Independent Directors have confirmed that they meet the criteria of independence as laid out under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereto. The Board confirms that in its opinion the independent directors fulfil the conditions specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

It is further confirmed that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as a director of the Company by the Ministry of Corporate Affairs or the Securities and Exchange Board of India or any other Statutory Authority. The said affirmation is confirmed by the Practicing Company Secretary in the compliance certificate which is appended hereto.

| Name of Director | Category | Number of Board Meetings | | No. of Directorship(s) held in Other Indian Public Limited Companies* | Committee(s) position** | | Attendance at the last AGM held on September 30, 2021 |
|-------------------------|---------------------------------|--------------------------|----------|---|-------------------------|----------|---|
| | | Held | Attended | | Member | Chairman | |
| Mr. Atul Kumar Jain | Executive Director and Chairman | 6 | 6 | 6 | 3 | - | Present |
| Mrs. Vandana Jain | Executive Director | 6 | 6 | 2 | - | - | Present |
| Mr. Satender Kumar Jain | Executive Director | 6 | 6 | 2 | - | - | Present |
| Mr. Sumeet | Non | 6 | 6 | 1 | 1 | 2 | Present |



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| | | | | | | | |
|----------------------|------------------------|---|---|---|---|---|---------|
| Alakh | Executive Director | | | | | | |
| Mrs. Darshana Gotad | Non Executive Director | 6 | 6 | 1 | - | - | Present |
| Mr. Mahesh Pandey*** | Non Executive Director | 6 | 6 | 6 | 2 | 1 | NA |

* *Directorship in public and private companies includes Section 8 Companies but excluding Foreign Companies.*

***Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies Only Audit Committee and Stakeholders' Relationship Committee, in other public limited companies, have been considered for the Committee position.*

****Mr. Mahesh pandey resigned from the board w.e.f. 16th june, 2022.*

The Company held Six (6) meetings of its Board of Directors during the year on June 9, 2021, June 29, 2021, September 07, 2021, November 13, 2021, February 14, 2022,, March 5 2022.

Mr. Atul kumar jain and Mrs. Vandana Jain are related to each other.

3. Independent Directors' Meeting:

Pursuant to the provisions of Section 149(8) read with Schedule IV of the Act and Regulations 25(3) & 25(4) of the SEBI Listing Regulations, a meeting of the Independent Directors was held on March 24, 2022 without the presence of Non-Independent Directors and Members of the Management to evaluate the performance of all Directors, the Chairman and the Board as a whole and its Committees.

All the Independent Directors were present at the meeting. The following issues were discussed in detail:

- i. Review the performance of non-independent directors and the Board as a whole;
- ii. Review of chairman performance;
- iii. Assessment of the quality, quantity and timeliness flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

4. No. Of Shares Held By The Non Executive Directors:

None of the Non Executive Directors of the Company held any shares of the Company.

5. Committees of the Board:

(a) Audit Committee

The Audit Committee, as per Section 177 of Companies Act, 2013, continued working under Chairmanship of Mr. Sumeet Alakh. During the year, the committee met Five times with full attendance of all the members. The composition of the Audit Committee as at March 31, 2022 and details of the Members participation at the Meetings of the Committee are as under

| Name of Director | Category | Position in the committee | 9.6.2021 | 29.6.2021 | 28.9.2021 | 13.11.2021 | 14.2.2022 |
|-------------------|------------------------|---------------------------|----------|-----------|-----------|------------|-----------|
| Mr. Sumeet Alakh | Non Executive Director | Chairperson | Yes | Yes | Yes | Yes | Yes |
| Mr. Mahesh Pandey | Non Executive Director | Member | Yes | Yes | Yes | Yes | Yes |
| Mr. Atul | Executive Director | Member | Yes | Yes | Yes | Yes | Yes |



| | | | | | | | |
|------------|--|--|--|--|--|--|--|
| Kumar Jain | | | | | | | |
|------------|--|--|--|--|--|--|--|

The Committee is governed by a Charter, which is in line with the regulatory requirements mandated by the Companies Act, 2013. Some of the important functions performed by the Committee are:

1. Oversight of the Issuer's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - b. Changes, if any, in accounting policies and practices and reasons for the same
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors any significant findings and follow up there on.
15. 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.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism,.
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

All the Members on the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.



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The Auditors, Internal Auditors, Chief Financial Officer are invited to attend the meetings of the Committee. The Company Secretary acts as the Secretary to the Committee. Mr. Sumeet Alakh, the Chairman of the Committee, was present at the last Annual General Meeting (AGM) held on September 30, 2021.

(b) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee, as per Section 178 of Companies Act, 2013, continued working under Chairmanship of Mr. Sumeet Alakh. During the year, the committee met Three times with full attendance of all the members. The composition of the Nomination and Remuneration Committee as at March 31, 2022 and details of the Members participation at the Meetings of the Committee are as under:

| Name of Director | Category | Position in the committee | 29.6.2021 | 14.2.2022 | 5.3.2022 |
|---------------------|------------------------|---------------------------|-----------|-----------|----------|
| Mr. Sumeet Alakh | Non Executive Director | Chairperson | Yes | Yes | Yes |
| Mr. Mahesh Pandey | Non Executive Director | Member | Yes | Yes | Yes |
| Mr. Atul Kumar Jain | Executive Director | Member | Yes | Yes | Yes |

The terms of reference of the Committee inter alia, include the following:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. To devise a policy on Board diversity To develop a succession plan for the Board and to regularly review the plan;

The Company has formulated a Remuneration Policy which is annexed to the Board's Report.

Board Evaluation:

The Board carried out formal annual evaluation of its own performance and that of its Committees viz., the Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee (NRC). The Board also carried out the performance evaluation of all the individual directors including the Chairman of the Company. Additionally, NRC also carried out the evaluation of the performance of all the individual directors and Chairman of the Company. The performance evaluation was carried out by way of obtaining feedback from the Directors through a structured questionnaire prepared in accordance with the policy adopted by the Board and after taking into consideration the Guidance Note on Board Evaluation issued by Securities and Exchange Board of India.

The structured questionnaire prepared to evaluate the performance of individual directors and the Chairman, inter alia, contained parameters such as professional conduct, roles and functions, discharge of duties and their contribution to Board/ Committees/Senior Management. The questionnaire prepared for evaluation of the Board and its Committees, inter alia, covered various aspects such as structure and composition, effectiveness of board process, information and roles, responsibilities and functioning of the Board and its Committees, establishment and determination of responsibilities of Committees, the quality of relationship between the board and the management and professional development.



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The feedback received from the Directors through the above questionnaire was reviewed by the Chairman of the Board and the Chairman of the NRC and then discussed the same at the meetings of the Board and NRC respectively. The performance evaluation of the Chairman, Managing Director and the Board as a whole was carried out by the Independent Directors at their separate meeting, who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

The details of such familiarisation programmes for Independent Directors are put up on the Company's website and can be accessed at <https://vaksonsautomobiles.com/>.

Remuneration of Directors:

Non-Executive Directors:

Non-Executive Director receive remuneration by way of sitting fees only. During the Year, Non Executive directors of Company has voluntary opt to receive any payment of sitting fee in their meeting held on March 24, 2022, letter of same is available with company. Criteria of making payments to non-executive directors are available on <https://vaksonsautomobiles.com/>.

Executive Directors:

During the year under review, company had not paid any remuneration to Executive Directors.

Shareholding of Directors:

As at March 31, 2022, following is the shareholding of directors;

| Sr. No. | Name of Director | No of Shares | % of Total Shares of the Company |
|---------|-------------------|--------------|----------------------------------|
| 1. | Mr. Atul Jain | 27,28,000 | 25.93% |
| 2. | Mrs. Vandana Jain | 15,24,000 | 14.49% |

(c) Stakeholders' Relationship Committee:

The Stakeholders' Relationship Committee, as per Section 178 (5) of Companies Act, 2013, continued working under Chairmanship of Mr. Mahesh Pandey. During the year, the committee met only once in year with full attendance of all the members. The composition of the Stakeholders' Relationship Committee as at March 31, 2022 and details of the Members participation at the Meetings of the Committee are as under:

| Name of Director | Category | Position in the committee | 29.6.2021 |
|---------------------|------------------------|---------------------------|-----------|
| Mr. Mahesh Pandey | Non Executive Director | Chairperson | Yes |
| Mr. Sumeet Alakh | Non Executive Director | Member | Yes |
| Mr. Atul Kumar Jain | Executive Director | Member | Yes |

The terms of reference of the Committee are:

- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- Redressing of shareholders and investor complaints such as non-receipt of declared dividend, annual report, transfer of Equity Shares and issue of duplicate/split/consolidated share certificates;



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- Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of Equity Shares and other securities issued by our Company, including review of cases for refusal of transfer/ transmission of shares and debentures;
- Reference to statutory and regulatory authorities regarding investor grievances;
- To otherwise ensure proper and timely attendance and redressal of investor queries and grievances;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken; monitoring expeditious redressal of investors / stakeholders grievances;
- And to do all such acts, things or deeds as may be necessary or incidental to the exercise of the above powers.

During the year, no Complaint was received from shareholder on SCORES. The Company had no share transfers pending as on March 31, 2022.

Ms. Muskan Kachhawaha, Company Secretary of the Company is Compliance Officer.

6. General Body Meetings:

Annual general meetings:

The date, time and venue of the last three Annual General Meetings are given below:

| AGM | Year ended as on | Venue | Date | Time | Whether any Special Resolution passed or not |
|------------------|------------------|--|------------|-----------|--|
| 16 th | 31.03.2019 | 105, 01st Floor, Barodia Tower, Plot No.12, D Block, Central Market ,Prashant Vihar, New Delhi-110085 | 30.09.2019 | 3.30 P.M. | No |
| 17 th | 31.03.2020 | 105, 01st Floor, Barodia Tower, Plot No.12, D Block, Central Market ,Prashant Vihar, New Delhi-110085 | 30.09.2020 | 3.30 P.M. | Yes |
| 18 th | 31.03.2021 | 105, 01st Floor, Barodia Tower, Plot No.12, D Block, Central Market ,Prashant Vihar, New Delhi-110085 <i>AGM conducted through VC</i> | 30.09.2021 | 3.30 P.M. | No |

Extraordinary General Meeting or Postal Ballot:

The Company did not hold any EGM/Postal Ballot during the F.Y. 2021-22.

7. Means of Communication:

The Quarterly / Annual financial results sent to the Stock Exchanges and published in The Financial Express (English) and Jansatta (Hindi) in accordance with the Listing Regulations. The Quarterly / Annual results are also uploaded on the website of the Company <https://vaksonsautomobiles.com/investor-relations.php> Communication to Shareholders via Newspaper is published in The Financial Express (English) and Jansatta (Hindi).

8. General shareholder information:

| | |
|---------------------|---------------------------------------|
| AGM – Date and Time | Monday, August 1, 2022 at 01.00 P.M., |
|---------------------|---------------------------------------|



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| | | | | | |
|--|---|----------------------------|--------------------------|-----------------------------|--------------------------|
| Financial Year: | 1 st April to 31 st March of following year | | | | |
| Book Closure Date: | Tuesday 26, July, 2022 to Monday 1 st August, 2022 | | | | |
| ISIN: | INE256S01012 | | | | |
| Listing of Equity Shares on stock exchanges: | BSE Limited, P. J. Towers, Fort, Mumbai – 400 001 | | | | |
| Listing fees payment status: | The Company has paid the listing fees, to the Stock Exchanges for the financial year 2022-23 | | | | |
| Stock code: | 539402 | | | | |
| Share Transfer System: | The Company's shares are compulsorily traded in Demat mode on the BSE Limited. The transfer of Physical shares, if any, are processed and returned to the shareholders within a period of 15 days by the Registrar & Share Transfer Agent. | | | | |
| Registrar & transfer agents: | Cameo Corporate Services Ltd Subramanian Building, No. 1 Club House Road, Chennai, Tamil Nadu- 600002, Tel. No. : 044 – 28460390 Fax No.: 044 – 28460129 E-Mail id: investor@cameoindia.com | | | | |
| Market Price Data (Monthly): | Month | High Price | Low Price | No. of Shares Traded | |
| | Apr-21 | 25.35 | 25.25 | 185600 | |
| | May-21 | 25.50 | 25.00 | 153600 | |
| | Jun-21 | - | - | - | |
| | Jul-21 | - | - | - | |
| | Aug-21 | 27.00 | 21.60 | 51200 | |
| | Sep-21 | 35.00 | 25.00 | 614400 | |
| | Oct-21 | 67.95 | 33.00 | 362008 | |
| | Nov-21 | 57.60 | 40.15 | 37897 | |
| | Dec-21 | 50.00 | 38.60 | 53091 | |
| | Jan-22 | 45.45 | 28.25 | 3006451 | |
| | Feb-22 | 62.05 | 33.20 | 1823793 | |
| | Mar-22 | 55.70 | 31.80 | 197860 | |
| Distribution of Shareholding: | Shareholding of Nominal Value of ₹10/- each | No. of shareholders | % of shareholders | Share Amount | % of shareholding |
| | Up to 5000 | 432 | 78.8321 | 311980 | 0.2965 |
| | 5001 to 10000 | 28 | 5.1094 | 237650 | 0.2258 |
| | 10001 to 20,000 | 13 | 2.3722 | 187070 | 0.1778 |
| | 20,001 to 30,000 | 7 | 1.2773 | 186360 | 0.1771 |
| | 30,001 to 40,000 | 9 | 1.6423 | 317610 | 0.3018 |
| | 40,001 to 50,000 | 0 | 0.0000 | 0 | 0.0000 |
| | 50,001 to 1,00,000 | 17 | 3.1021 | 1238590 | 1.1773 |
| | 1,00,001 & above | 42 | 7.6642 | 102725540 | 97.6433 |
| | Total | 548 | 100.0000 | 105204800 | 100.0000 |
| Dematerialization of Shares and Liquidity: | Particulars | | No. of Shares | Percentage | |
| | Demat Segment | | | | |
| | NSDL | | 6,26,538 | 5.95 | |



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| | | | | |
|--|--|--|----------------------------|----------------------|
| | CDSL | 98,93,942 | 94.05 | |
| | Total | 105204800 | 100.00 | |
| Shareholding Pattern as March 31, 2022: | Particulars | No. of shares held | % | |
| | Promoters | | | |
| | Individual | 57,95,680 | 55.09 | |
| | Body Corporate(s) | 0 | 0 | |
| | Non Promoters | | | |
| | Individual / HUF | 32,26,260 | 30.66 | |
| | Body Corporate(s) | 1177600 | 11.20 | |
| | Bank / Financial Institutions | 0 | 0 | |
| | NRIs/Foreign Nationals | 10 | 0 | |
| | Clearing Member | 7832 | .07 | |
| | Total | 10520480 | 100.00 | |
| Details of shares lying in the suspense account: | Sr. No. | Particulars | No. of Shareholders | No. of Shares |
| | 1. | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | Nil | Nil |
| | 2. | Number of shareholders who approached the Company for transfer of shares from the suspense account during the year | Nil | Nil |
| | 3. | Number of shareholders to whom shares were transferred from the suspense account during the year | Nil | Nil |
| | 4. | Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year | Nil | Nil |
| Address for correspondence: | Vaksons Automobiles Limited Ms. MUSKAN KACHHAWAHA (Company Secretary) 105, 1 st Floor, Barodia Tower, Plot No 12, D Block Central Market Prashant Vihar, New Delhi – 110085. North West Delhi Tel No. 91 – 130 – 2218572 Email id: info@vaksonsautomobiles.com Website: https://vaksonsautomobiles.com/ | | | |

9. Chart of Matrix core Skill of Directors

| Sr. No. | Skill area | Atul Kumar Jain | Vandana Jain | Satender Kumar Jain | Ashok Kumar | Sumeet Alakh | Darshana Gotad |
|---------|---|-----------------|--------------|---------------------|-------------|--------------|----------------|
| 1. | Strategy Planning | ✓ | ✓ | - | - | - | ✓ |
| 2. | Risk Management | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| 3. | Governance and Compliance | ✓ | - | ✓ | ✓ | ✓ | ✓ |
| 4. | Expertise/Experience in Finance & Accounts /Audit | ✓ | ✓ | ✓ | ✓ | - | - |
| 5. | Member and stakeholder engagement | ✓ | - | - | ✓ | ✓ | - |
| 6. | Industry Knowledge & Experience | ✓ | ✓ | ✓ | - | ✓ | ✓ |



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| | | | | | | | |
|-----|---------------------------|---|---|---|---|---|---|
| 7. | Policy Development | - | ✓ | - | ✓ | ✓ | - |
| 8. | Corporate Leadership | ✓ | - | ✓ | - | - | ✓ |
| 9. | Legal & Regulatory | - | ✓ | ✓ | ✓ | ✓ | - |
| 10. | Human Resource Management | - | ✓ | - | - | - | - |

10. Disclosures:

- i. The Company did not have any material significant related party transactions having a potential conflict with the interest of the Company at large. Transactions with the related parties are disclosed in the audited financial statements.
- ii. The financial statements have been prepared in accordance with the Indian Accounting Standards (IND-AS).
- iii. There were no instances of non-compliance by the Company on any matter related to the capital markets, resulting in disciplinary action against the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any other statutory authority, during the last three years.
- iv. The Company has a vigil mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct and confirms that no personnel have been denied access to the Audit Committee
- v. The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances.
- vi. Policy for determining ‘material’ subsidiaries and Policy on dealing with related party transactions is available on <https://vaksonsautomobiles.com/>.
- vii. The Company has complied with mandatory requirements specified from Regulations 17 to 27 and clauses (b) to (i) of sub –regulation (2) of Regulation 46 of the SEBI (LODR) Regulations, 2015.
- viii. The CFO have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (LODR) Regulations, 2015 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company’s affairs. The said certificate is annexed and forms part of the Annual Report.
- ix. Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a certificate from JNG & Co., Company Secretaries, certifying the compliance by the Company with the provisions of the Corporate Governance of the Listing Regulations forms part of this Report.
- x. Pursuant to SEBI (LODR) Regulations, 2015, that none of the Directors on the Board of the Company have been debarred or disqualified as Directors of Companies by SEBI or Ministry of Corporate Affairs or any such other Authority is issued by M/s JNG and Co., Practicing Company Secretaries, annexed to this report and forms part of this Report.

Declaration as required under Regulation 26 of SEBI (LODR) Regulations, 2015

In accordance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, I hereby confirm that for the financial year ended March 31, 2022, the Directors and Senior Management Personnel of the Company have affirmed compliance with the “VAL - Code Of Conduct” for Directors and Senior Management Personnel.

For, Vaksons Automobiles Limited

SD/-
Mr. Atul Kumar Jain
(Chairman & Managing Director)
DIN: 00004339

Date: 1st July, 2022
Place: New Delhi



CERTIFICATION BY CFO UNDER REGULATION 17(8) OF THE LISTING REGULATION

**To
The Board of Directors,
Vaksons Automobiles Limited**

- a) We have reviewed the financial statements and the cash flow statement of Vaksons Automobiles Limited. for the year ended March 31, 2022 and to the best of our knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or 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 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 for rectifying these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee:
- (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For, Vaksons Automobiles Limited

**Sd/-
Mr. Atul Kumar Jain
(Chief Financial Officer)**

**Date: 1st July, 2022
Place: New Delhi**



COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE
[Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI]
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Vaksons Automobiles Limited
Regd. Off: 105, 1st Floor, Barodia Tower,
Plot No 12, D Block Central Market Prashant Vihar,
New Delhi North West- 110085

I have examined all the relevant records of Vaksons Automobiles Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2022. I have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, mentioned hereinabove and there is adequate compliance management system for the purpose of other applicable laws mentioned as sector specific laws hereinabove. I further report my observation as follows that:

The Company has submitted its voting results in pdf scan copies only under the regulation 44(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our 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 above mentioned SEBI (LODR) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

For JNG & Co.,

Place: Mumbai
Date: 01st July, 2022

UDIN : F007569D000553521

Jigarkumar Gandhi
FCS: 7569
C.P. No. 8108
Peer Review No: 1972/2022



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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of,
VAKSONS AUTOMOBILES LIMITED
105, 1st Floor, Barodia Tower,
Plot No 12, D Block,
Central Market Prashant Vihar,
New Delhi, North West, 110085

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Vaksons Automobiles Limited** having CIN: L51502DL2003PLC119052 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 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 March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

| Sr. No. | Name of Director | DIN | Date of appointment in the Company |
|----------------|-------------------------|------------|---|
| 1. | Atul Kumar Jain | 00004339 | 20/02/2003 |
| 2. | Vandana Jain | 00004347 | 05/03/2013 |
| 3. | Mahesh Pandey | 02444591 | 17/02/2015 |
| 4. | Satender Kumar Jain | 02734794 | 10/12/2014 |
| 5. | Sumeet Alakh | 07042374 | 20/12/2014 |
| 6. | Darshana Rajan Gotad | 08651375 | 10/02/2021 |

I further report that Mr. Mahesh Pandey (Director) has been deactivated due to non-filing of DIR-3 KYC.

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

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

Date: 01st July, 2022

UDIN:F007569D000553389

Name of Practicing CS: Jigarkumar Gandhi,

Proprietor at JNG & Co.,

Company Secretaries

FCS No: F7569

CPNo: 8108

Peer Review No: 1972/2022



Independent Auditors' Report

To the members of Vaksons Automobiles Limited

Report on the financial statements and quarterly financial results

We have audited the accompanying financial statements of **Vaksons Automobiles Limited (the "Company")**, which comprise the Balance sheet as at March 31, 2022, and the Statement of Profit and Loss for the period then ended, the Cash flow Statement for the year ended March 31, 2022 and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditors' responsibility

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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



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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the Accounting and Auditing Standards and matters which are required to be included in the Audit Report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view of in conformity with the:

- (a) In the case of Balance sheet, of the State of Affairs of the Company as at March 31, 2022; and
- (b) In the case of Statement of profit and loss, of the Profit for the Year ended on March 31, 2022; and
- (c) Its cash flow statement for the year ended March 31, 2022.
- (d) Statement of changes in the equity for the year ended March 31, 2022.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

Key Audit Matters

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

Emphasis of Matters

NIL



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Information Other than the Financials Statements and Auditor's Report thereon (Other Information)

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Corporate Overview, Board's Report, Management Discussion and Analysis Report and Report on Corporate Governance in the Annual Report of the Company for the financial year 2021-22, but does not include the financial statements and our auditor's report thereon. The reports containing the other information as above are expected to be made available to us after the date of this auditor's report.

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

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

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

Report on other Legal and Regulatory Requirements

(1) As required by the Companies (Auditor's Report) Order, 2016 ("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 1**, statement on the matters specified in paragraphs 3 and 4 of the order to the extent applicable.

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

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books of account;
- c) The Balance Sheet and Statement of Profit and Loss and Cash Flow statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the balance sheet and statement of profit and loss and Cash Flow Statement dealt with by this report comply with the Indian Accounting Standards referred to in section 133 of the Act read with rules issued thereunder;
- e) On the basis of written representations received from the directors as at 31st March 2022, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at 31st March 2022, from being appointed as a director in terms of subsection (2) of section 164 of the Companies Act, 2013.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in "**Annexure 2**" to this report.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us: the remuneration paid/ provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed impact of pending litigations on its financial position in its financial statements - .



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- ii. The Company has not entered into any long-term contracts including derivative contracts, requiring provision under applicable laws or accounting standards, for material foreseeable losses.
- iii. There are no amounts which required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : 26th May 2022
Place : Jamnagar

FOR D G M S & Co.
(Chartered Accountants)
F. R. No. :112187W

CA Shashank Doshi
Partner
M. No. : 108456
UDIN: 22108456AJQEHH7918



Annexure 1 to the Independent Auditor's Report of even date on financial statements of Vaksons Automobiles Limited

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.

(c) The title deed of immovable property is held in the name of the company.
- ii. The Company has no inventory as on 31st March 2022.
- iii. According to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. According to the information and explanations given to us, the company has not granted any loans, investments, guarantees, and security covered under the provisions of section 185 and 186 of the Companies Act, 2013 and hence this clause is not applicable to the company.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed there under apply
- vi. To the best of our knowledge and according to the information and explanations given to us, the Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any services rendered by the company.
- vii. (a) According to the information and explanations given to us, the Company has been regular in depositing undisputed statutory dues.

(b) According to the information and explanations given to us, there are no dues outstanding of income tax, sales tax, customs duty, service tax, excise duty, cess and goods and service tax on account of any dispute.
- viii. The Company has not defaulted in repayment of loans or borrowing to a financial institutions or banks.

Annexure 1 to the Independent Auditor's Report of even date on financial statements of Vaksons Automobiles Limited (Cont.)

- ix. Managerial Remuneration had been paid by the company during the year in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to Companies Act.
- x. According to the information and explanations given to us and the records of the Company examined by us, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in financial statements, as required by the applicable accounting standards.



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- xi. The company has not entered into any non cash transactions with Directors or persons connected with them.

Date : 26th May 2022
Place : Jamnagar

FORD G M S & Co.
(Chartered Accountants)
F. R. No. :112187W

CA Shashank Doshi
Partner
M. No. : 108456
UDIN: 22108456AJQEHH7918



Annexure 2 to The Independent Auditor's Report Of Even Date On The Financial Statements Of Vaksons Automobiles Limited

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

We have audited the internal financial controls over financial reporting of Vaksons Automobiles limited ("the company") as of 31st March 2022 in conjunction with our Audit of the standalone financial statements of the company for the period 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, safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the standards on Auditing ,issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India Those Standards and the Guidance Note require that we comply with the 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 assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external Purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company,(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with 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.



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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 controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the company, has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal financial 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 Institute of Chartered Accountants of India.

FORD G M S & Co.
(Chartered Accountants)
F. R. No. :112187W

Date : 26th May 2022
Place : Jamnagar

CA Shashank Doshi
Partner
M. No. : 108456
UDIN: 22108456AJQEHH7918



M/s VAKSONS AUTOMOBILES LIMITED, DELHI

(CIN NO. L51502DL2003PLC119052)

(Amount in Lakhs)

Statement of Balance Sheet as at 31st March, 2022

| Particulars | Note | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------|---------------------------|---------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 3 | 502.97 | 509.32 |
| (b) Capital work-in-progress | 3A | 40.31 | 40.31 |
| (c) Financial assets | | - | - |
| (i) Investments | 4 | 183.70 | 183.70 |
| (d) Other non-current asset | 5 | 0.25 | 0.25 |
| | | - | - |
| Total non-current assets | | 727.23 | 733.58 |
| Current assets | | | |
| (a) Inventories | 6 | - | - |
| (b) Financial assets | | - | - |
| (i) Trade receivables | 7 | 0.98 | 14.80 |
| (ii) Cash and cash equivalents | 8 | 21.13 | 13.97 |
| (iii) Other financial asset | 9 | - | - |
| (c) Other current assets | 10 | 285.81 | 319.74 |
| Total current assets | | 307.92 | 348.51 |
| | | - | - |
| TOTAL ASSETS | | 1,035.16 | 1,082.09 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 11 | 1,052.05 | 1,052.05 |
| (b) Other equity | 12 | (457.56) | (461.56) |
| Total equity | | 594.49 | 590.49 |
| Non-current liabilities | | | |
| (a) Financial liabilities | | - | - |
| (i) Borrowings | 13 | - | 4.21 |
| (b) Deferred tax liability (net) | 14 | 9.86 | 9.60 |
| Total non current liabilities | | 9.86 | 13.81 |
| Current liabilities | | | |
| (a) Financial liabilities | | - | - |
| (i) Borrowings | 15 | 100.00 | 74.96 |
| (ii) Trade payable | 16 | - | - |
| 1. Dues of micro enterprises and small enterprises | | - | - |
| 2. Dues of creditor other than micro enterprises and small enterprises | | 184.60 | 402.82 |
| (iii) Other financial liabilities | 17 | - | - |
| (b) Other current liabilities | 18 | 146.21 | - |
| Total current liabilities | | 430.81 | 477.78 |
| | | - | - |
| TOTAL EQUITY AND LIABILITIES | | 1,035.16 | 1,082.09 |

(0) 0

Statement of significant accounting policies

2

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date

For D G M S & CO.

Chartered Accountants

Firm Registration No. 0112187W

For and on behalf of the board of

Satender Kumar Jain

Director

DIN : 02734794

Atul Jain

Managing Director

DIN : 00004339

(CA Shashank Doshi)

Partner

Membership No. 108456

Place: Jamnagar

Date: 26th May 2022

Muskan Kachhawaha

Company Secretary



VAKSONS AUTOMOBILES LIMITED

(Amount in Lakhs)

Statement of Profit and loss for the year ended 31st March, 2022

| Particulars | Notes | Year ended 31st March 2022 | Year ended 31st March 2021 |
|--|-------|-------------------------------|-------------------------------|
| Income | | | |
| Revenue from operations | 19 | 30.87 | 54.91 |
| Other income | 20 | - | 0.42 |
| TOTAL INCOME | | 30.87 | 55.33 |
| Expenses | | | |
| Purchase of Stock in Trade | 21 | - | 54.37 |
| Changes in inventories of finished goods | 22 | - | - |
| Employee benefit expenses | 23 | 4.39 | 1.87 |
| Finance costs | 24 | 1.12 | 0.82 |
| Depreciation and amortisation expense | 25 | 6.34 | 7.65 |
| Other expenses | 26 | 13.97 | 24.18 |
| TOTAL EXPENSES | | 25.83 | 88.88 |
| PROFIT BEFORE TAX | | 5.04 | (33.54) |
| Tax expense: | | | |
| -Current tax/MAT | | 0.79 | - |
| -Deferred tax charge/(credit) | 14 | 0.26 | 0.20 |
| TOTAL TAX EXPENSE | | 1.05 | 0.20 |
| PROFIT FOR THE YEAR | | 3.99 | (33.74) |
| | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 3.99 | (33.74) |
| Earning per equity share of face value of ` 10 each | 27 | | |
| Basic & Diluted (₹) | | 0 | (0) |

Statement of significant accounting policies

2

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date

For D G M S & CO.
Chartered Accountants
Firm Registration No. 0112187W

For and on behalf of the board of
M/s Vaksos Automobiles Limited

(CA Shashank Doshi)
Partner
Membership No. 108456
Place
Date: 26th May 2022
UDIN: 22108456AJQEH7918

Satender Kumar Jain
Director
DIN : 02734794

Atul Jain
Managing Director
DIN : 00004339

Muskan Kachhawaha
Company Secretary
M.No. A64551



VAKSONS AUTOMOBILES LIMITED

Cash Flow Statement for the year ended 31st March 2022

| S.No. | Particulars | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|-----------|---|--------------------------------|--------------------------------|
| A) | Cash flow from operating activities | | |
| | Profit before taxation | 5.04 | (33.54) |
| | Adjustment for : | - | - |
| | Depreciation and amortisation | 6.34 | 7.65 |
| | Finance cost | 1.12 | 0.82 |
| | Interest income | - | - |
| | Operating profit/(loss) before working capital changes | 12.51 | (25.08) |
| | Adjustment for : | - | - |
| | Increase/ (Decrease) in trade payables and other liabilities | (72.01) | (8.09) |
| | Decrease/ (Increase) in inventories | - | - |
| | Decrease/ (Increase) in trade receivables and other assets | 47.75 | 38.76 |
| | Cash Generated from operations | (11.75) | 5.60 |
| | Taxes paid (net) | (0.79) | 0.20 |
| | Net cash flow from/(used in) operating activities (A) | (12.54) | 5.80 |
| B) | Cash from investing activities | | |
| | Purchase of property, plant and equipment | - | - |
| | Realization from advance against property | - | - |
| | Interest income | - | - |
| | Net cash used in investing activities (B) | - | - |
| C) | Cash flow from financing activities | | |
| | Proceeds from long-term borrowings | (4.21) | (3.95) |
| | Proceeds from short-term borrowings | 25.04 | 2.05 |
| | Finance cost paid | (1.12) | (0.82) |
| | Net cash flow from financing activities (C) | 19.70 | (2.71) |
| D) | Net increase/ (decrease) in cash and cash equivalents (A+B+C) | 7.16 | 3.08 |
| E) | Cash and cash equivalents as at the beginning of the year | 13.97 | 10.89 |
| F) | Cash and cash equivalents as at the end of the year | 21.13 | 13.97 |
| | Balance with banks | 21.13 | 1.54 |
| | Cash in hand | - | 12.43 |
| | Total | 21.13 | 13.97 |

The cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Ind AS 7 on 'Cash Flow Statements', as specified in the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

As per our report of even date

For D G M S & CO.

Chartered Accountants

Firm Registration No. 0112187W

**For and on behalf of the board of
M/s Vaksons Automobiles Limited**

Satender Kumar Jain Atul Jain

Director

DIN : 02734794

Managing Director

DIN : 00004339

(CA Shashank Doshi)

Partner

Membership No. 108456

Place: Jamnagar

Date: 26th May 2022

UDIN: 22108456AJQEHH7918

Muskan Kachhawaha

Company Secretary

M.No. A64551



VAKSONS AUTOMOBILES LIMITED

Statement of changes in Equity for the year ended 31st March, 2022

a) Equity Share Capital

(Amount in Lakhs)

| | |
|--|-----------------|
| Balance at the end of the reporting period 31st March, 2020 | 657.53 |
| Changes in equity share capital during the year 2020-21 | 394.52 |
| Balance at the end of the reporting period 31st March, 2021 | 1,052.05 |
| Changes in equity share capital during the year 2021-22 | 394.52 |
| Balance at the end of the reporting period 31st March, 2022 | 1,446.57 |

b) Other equity

| Particulars | Other equity | | Total |
|---------------------------------------|----------------------------|---------------------------------------|-----------------|
| | Securities premium account | Surplus in statement of Profit & loss | |
| Balance as 1st April, 2020 | 594.41 | (627.70) | (33.29) |
| Profit for the year | Nil | (33.74) | (33.74) |
| Total | 594.41 | (661.45) | (67.04) |
| Less : Appropriations | - | - | - |
| Use for Bonus Issue | (394.52) | - | (394.52) |
| Dividend distribution tax on dividend | Nil | - | - |
| Balance as at 31st March, 2021 | 199.89 | (661.45) | (461.56) |
| Balance as 1st April, 2021 | 199.89 | (661.45) | (461.56) |
| Profit for the year | Nil | 3.99 | 3.99 |
| Total | 199.89 | (657.45) | (457.56) |
| Less : Appropriations | - | - | - |
| Use for Bonus Issue | - | - | - |
| Dividend distribution tax on dividend | Nil | - | - |
| Balance as at 31st March, 2022 | 199.89 | (657.45) | (457.56) |

This is the Balance Sheet referred to in our report of even date

Also refer note 31 for related parties details.

For D G M S & CO.

Chartered Accountants

Firm Registration No. 0112187W

**For and on behalf of the board of
M/s Vaksons Automobiles Limited**

Satender Kumar Jain
Director
DIN : 02734794

Atul Jain
Managing Director
DIN : 00004339

(CA Shashank Doshi)

Partner

Membership No. 108456

Place: Jamnagar

Date: 26th May 2022

Muskan Kachhawaha
Company Secretary
M.No. A64551



SONS AUTOMOBILES LIMITED

as to standalone financial statements for the year ended 31st March, 2022

Property, plant and equipment

| Particulars | Tangible Assets | | | | | | | | | | Total tangible Assets |
|--|-----------------|-----------------|--------------|-------------|-------------|-------------|-------------|--------------|-------------|----------------|-----------------------|
| | Land | Air Conditioner | Car | Computer | EPABX | Furniture | Generator | Machinery | Motor Cycle | Service Center | |
| Gross Block | | | | | | | | | | | |
| Balance as at 1st April 2018 | 460.00 | 1.50 | 46.47 | 5.77 | 0.17 | 5.68 | 2.32 | 28.75 | 1.73 | 81.83 | 634.22 |
| Additions | - | - | - | - | - | - | - | 4.93 | - | - | 4.93 |
| Disposals | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2019 | 460.00 | 1.50 | 46.47 | 5.77 | 0.17 | 5.68 | 2.32 | 33.68 | 1.73 | 81.83 | 639.15 |
| Balance as at 1 April 2019 | 460.00 | 1.50 | 46.47 | 5.77 | 0.17 | 5.68 | 2.32 | 33.68 | 1.73 | 81.83 | 639.15 |
| Additions during the year | - | - | - | - | - | - | - | - | - | - | - |
| Disposals during the year | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2020 | 460.00 | 1.50 | 46.47 | 5.77 | 0.17 | 5.68 | 2.32 | 33.68 | 1.73 | 81.83 | 639.15 |
| Balance as at 1 April 2020 | 460.00 | 1.50 | 46.47 | 5.77 | 0.17 | 5.68 | 2.32 | 33.68 | 1.73 | 81.83 | 639.15 |
| Additions during the year | - | - | - | - | - | - | - | - | - | - | - |
| Disposals during the year | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2021 | 460.00 | 1.50 | 46.47 | 5.77 | 0.17 | 5.68 | 2.32 | 33.68 | 1.73 | 81.83 | 639.15 |
| Balance as at 1 April 2021 | 460.00 | 1.50 | 46.47 | 5.77 | 0.17 | 5.68 | 2.32 | 33.68 | 1.73 | 81.83 | 639.15 |
| Additions during the year | - | - | - | - | - | - | - | - | - | - | - |
| Disposals during the year | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2022 | 460.00 | 1.50 | 46.47 | 5.77 | 0.17 | 5.68 | 2.32 | 33.68 | 1.73 | 81.83 | 639.15 |
| Accumulated depreciation | | | | | | | | | | | |
| Balance as at 1st April 2018 | - | 1.34 | 34.57 | 5.65 | 0.16 | 4.30 | 1.74 | 19.28 | 1.33 | 32.64 | 101.02 |
| Depreciation/Amortisation during the year | - | 0.07 | 3.72 | 0.07 | 0.00 | 0.36 | 0.11 | 2.65 | 0.10 | 4.67 | 11.76 |
| Deductions during the year | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2019 | - | 1.41 | 38.29 | 5.73 | 0.17 | 4.66 | 1.84 | 21.93 | 1.43 | 37.31 | 112.78 |
| Balance as at 1st April 2019 | - | 1.41 | 38.29 | 5.73 | 0.17 | 4.66 | 1.84 | 21.93 | 1.43 | 37.31 | 112.78 |
| Depreciation/Amortisation during the year | - | 0.04 | 2.55 | 0.03 | 0.00 | 0.26 | 0.09 | 2.13 | 0.08 | 4.23 | 9.41 |
| Deductions during the year | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2020 | - | 1.45 | 40.84 | 5.75 | 0.17 | 4.92 | 1.93 | 24.06 | 1.51 | 41.54 | 122.18 |
| Balance as at 1st April 2020 | - | 1.45 | 40.84 | 5.75 | 0.17 | 4.92 | 1.93 | 24.06 | 1.51 | 41.54 | 122.18 |
| Depreciation/Amortisation during the year | - | - | 1.76 | - | - | 0.20 | 0.07 | 1.74 | 0.06 | 3.83 | 7.65 |
| Deductions during the year | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2021 | - | 1.45 | 42.60 | 5.75 | 0.17 | 5.12 | 2.00 | 25.80 | 1.56 | 45.37 | 129.83 |
| Balance as at 1st April 2021 | - | 1.45 | 42.60 | 5.75 | 0.17 | 5.12 | 2.00 | 25.80 | 1.56 | 45.37 | 129.83 |
| Depreciation/Amortisation during the year | - | - | 1.21 | - | - | 0.15 | 0.06 | 1.43 | 0.04 | 3.46 | 6.34 |
| Deductions during the year | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2022 | - | 1.45 | 43.81 | 5.75 | 0.17 | 5.27 | 2.06 | 27.23 | 1.61 | 48.83 | 136.17 |
| Net Block | - | - | - | - | - | - | - | - | - | - | - |
| Balance as at 31st March 2019/1st April 2019 | 460.00 | 0.09 | 8.18 | 0.04 | 0.01 | 1.02 | 0.48 | 11.74 | 0.29 | 44.52 | 526.37 |
| Balance as at 31st March 2020 | 460.00 | 0.05 | 5.63 | 0.02 | 0.00 | 0.76 | 0.39 | 9.62 | 0.22 | 40.29 | 516.96 |
| Balance as at 31st March 2021 | 460.00 | 0.05 | 3.87 | 0.02 | 0.00 | 0.56 | 0.32 | 7.88 | 0.16 | 36.46 | 509.32 |
| Balance as at 31st March 2022 | 460.00 | 0.05 | 2.66 | 0.02 | 0.00 | 0.42 | 0.26 | 6.45 | 0.12 | 33.00 | 502.97 |

Note to financial statements for the year ended 31st March, 2022

| 4 | Investments (non-current) | As at 31st March, 2022 | As at 31st March, 2021 |
|---|--|---------------------------|---------------------------|
| | Unquoted investments in equity instruments of Vaksons Metaplast Pvt Ltd. at Amortised Cost: (1836999 Equity Share face Value Rs 10/- each) | 183.70 | 183.70 |
| | Total | 183.70 | 183.70 |



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| 5 | Other non-current asset | As at 31st March, 2022 | As at 31st March, 2021 |
|----------|---|-----------------------------------|-----------------------------------|
| | Unsecured- considered good unless otherwise Security deposit | 0.25 | 0.25 |
| | Total | 0.25 | 0.25 |

| 6 | Inventories | As at 31st March, 2022 | As at 31st March, 2021 |
|----------|--------------------|-----------------------------------|-----------------------------------|
| | Finished goods | - | - |
| | Total | | |

| 7 | Trade receivables | As at31st March, 2022 | As at31st March, 2021 |
|----------|----------------------------|------------------------------|----------------------------------|
| | Unsecured, Considered Good | 0.98 | 14.80 |
| | Total | 0.98 | 14.80 |

| 8 | Cash and cash equivalents | As at31st March, 2022 | As at31st March, 2021 |
|----------|----------------------------------|------------------------------|----------------------------------|
| | Bank Balances | | |
| | -on current accounts | 21.13 | 1.54 |
| | Cash/ cheques in hand | - | 12.43 |
| | Total | 21.13 | 13.97 |

| 9 | Other financial asset (current) | As at31st March, 2022 | As at31st March, 2021 |
|----------|--|------------------------------|----------------------------------|
| | Other Receivable | - | - |
| | -Others | - | - |
| | Total | - | - |

| 10 | Other current assets | As at31st March, 2022 | As at31st March, 2021 |
|-----------|---|------------------------------|----------------------------------|
| | Considered good | | |
| | Advances to suppliers | | |
| | Prepaid expenses | | |
| | Balance with statutory / government authorities | 73.94 | 75.83 |
| | Other advance | 211.87 | 243.91 |
| | | - | - |
| | Total | 285.81 | 319.74 |



VAKSONS AUTOMOBILES LIMITED

Note to financial statements for the year ended 31st March, 2022

| 11 | Share capital | As at 31st March, 2022 | | As at 31st March, 2021 | |
|----|---|------------------------|---------------------|------------------------|---------------------|
| | | No. of Shares | Amount | No. of Shares | Amount |
| | Authorised share capital | | | | |
| | Equity shares of Rs.10 each | 1,10,00,000 | 11,00,00,000 | 1,10,00,000 | 11,00,00,000 |
| | Total | 1,10,00,000 | 11,00,00,000 | 1,10,00,000 | 11,00,00,000 |
| | Issued, subscribed and fully paid-up | | | | |
| | Equity shares of Rs.10 each fully paid (out of above equity shares, 39,45,180 share are issued as bonus of face value Rs. 10 each fully paid up during the year) | 1,05,20,480 | 10,52,04,800 | 1,05,20,480 | 10,52,04,800 |
| | Total | 1,05,20,480 | 10,52,04,800 | 1,05,20,480 | 10,52,04,800 |

a) Reconciliation of the number of shares outstanding is set out below:

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|-------------------------------------|------------------------|---------------------|------------------------|---------------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Equity Shares | | | | |
| Shares at the beginning of the year | 1,05,20,480 | 10,52,04,800 | 65,75,300 | 6,57,53,000 |
| Add: further issued during the year | - | - | 39,45,180 | 3,94,51,800 |
| Total | 1,05,20,480 | 10,52,04,800 | 1,05,20,480 | 10,52,04,800 |

b) Terms/rights attached to equity shares

The Company has only one class of equity shares, having a par value of `10 per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential

c) Details of Equity shareholders holding more than 5% shares

| Equity shares of Rs.10 each, fully paid up held by | No. of Shares | % of shares held | No. of Shares | % of shares held |
|--|---------------|------------------|---------------|------------------|
| Atul Jain | 17,05,000 | 25.93% | 17,05,000 | 25.93% |
| Vandana Jain | 9,52,500 | 14.49% | 9,52,500 | 14.49% |
| Shanta Jain | 9,22,000 | 14.02% | 9,22,000 | 14.02% |

| 12 | Other Equity | As at 31st March, 2022 | As at 31st March, 2021 |
|----|---|------------------------|------------------------|
| | Securities Premium | 199.89 | 199.89 |
| | Surplus in Statement of Profit and Loss | - | - |
| | Balance as at the beginning of the year | (661.45) | (627.70) |
| | Profit for the year | 3.99 | (33.74) |
| | Last year excess provision reversed | - | - |
| | Total comprehensive income | (457.56) | (461.56) |
| | Total | (457.56) | (461.56) |

Nature and purpose of reserves :

Securities Premium - Securities Premium Reserve was created consequent to issue of shares at a premium. The reserves can be utilised in accordance with section 52 of Companies Act, 2013



| 13 | Long Term Borrowings | As at31st March, 2022 | As at31st March, 2021 |
|----|----------------------|-----------------------|-----------------------|
| | Secured Loan | | |
| | Term Loan from bank | - | 4.21 |
| | Total | - | 4.21 |

| 15 | Borrowings (current) | As at31st March, 2022 | As at31st March, 2021 |
|----|---|-----------------------|-----------------------|
| | Loans repayable on demand (unsecured): | | |
| | Loans from related parties | - | 74.96 |
| | Munny Entertainments Private Limited | 100.00 | - |
| | Total | 100.00 | 74.96 |

| 16 | Trade payables | As at31st March, 2022 | As at31st March, 2021 |
|----|--|-----------------------|-----------------------|
| | Dues of Micro enterprises and Small enterprises* | | |
| | Dues of creditors other than Micro enterprises and | 184.60 | 402.82 |
| | Total | 184.60 | 402.82 |

* There is no amount over due during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

| 17 | Other current financial liabilities | As at31st March, 2022 | As at31st March, 2021 |
|----|-------------------------------------|-----------------------|-----------------------|
| | Book Overdrafts | | - |
| | Total | - | - |

| 18 | Other current liabilities | As at31st March, 2022 | As at31st March, 2021 |
|----|----------------------------|-----------------------|-----------------------|
| | Advance from customer | - | - |
| | Statutory dues payable | - | - |
| | Other Deposit Received | 141.50 | - |
| | Other Payables: | - | - |
| | Statutory audit fee | 1.00 | - |
| | Employees Benefits payable | - | - |
| | Other | 2.92 | - |
| | Provision for income tax | 0.79 | - |
| | Total | 146.21 | - |



VAKSONS AUTMOBILES LIMITED

Note to financial statements for the year ended 31st March, 2022

| 19 | Revenue from operations | As at 31st March, 2022 | Year ended 31st March, 2021 |
|---------------------------|---|-------------------------------|------------------------------------|
| | Income from agency business | - | 54.91 |
| | Commission Income | 30.10 | - |
| | Interest on delayed payment | 0.77 | - |
| | Total | 30.87 | 54.91 |
| 20 | Other income | As at 31st March, 2022 | Year ended 31st March, 2021 |
| | Interest income | - | - |
| | Other Income | - | 0.42 |
| | Total | - | 0.42 |
| 21 | Purchase of Stock in Trade | As at 31st March, 2022 | Year ended 31st March, 2021 |
| | Purchases | - | 54.37 |
| | Total | - | 54.37 |
| 22 | Changes in inventory of finished goods & Traded Goods | As at 31st March, 2022 | Year ended 31st March, 2021 |
| | Closing stock | | |
| | -vehicle | - | - |
| | -spare parts | - | - |
| | Opening stock | | |
| | -vehicle | - | - |
| | -spare parts | - | - |
| | (Increase) / Decrease in stocks | - | - |
| 23 | Employee benefit expenses | As at 31st March, 2022 | Year ended 31st March, 2021 |
| | Salaries, wages and bonus | 4.39 | 1.87 |
| | Contribution to provident and other funds | - | - |
| | Total | 4.39 | 1.87 |
| 24 | Finance costs | As at 31st March, 2022 | Year ended 31st March, 2021 |
| | Interest On | | |
| | term loan | 0.42 | 0.54 |
| | working capital limits | - | - |
| | other loans | - | - |
| | Others | 0.51 | 0.18 |
| | Other borrowing cost | 0.19 | 0.09 |
| | Total | 1.12 | 0.82 |
| 25 | Depreciation and amortisation | As at 31st March, 2022 | Year ended 31st March, 2021 |
| | Depreciation on Property, plant and equipment | 6.34 | 7.65 |
| | Total | 6.34 | 7.65 |
| 26 | Other expenses | As at 31st March, 2022 | Year ended 31st March, 2021 |
| | Advertisement Expenses | 0.29 | 0.27 |
| | Audit Fees | 1.00 | 0.80 |
| | Business Promotion | - | - |
| | Bad Debt & Balance Written Off | - | 4.77 |
| | Conveyance Expense | - | - |
| | Domain Expenses | 0.08 | - |
| | Donation | - | - |
| | Electricity & Water Expenses | - | - |
| | Interest Paid on Statutory Dues | 1.01 | - |
| | GST Late Fees | - | 0.02 |
| | GST Expenses | 1.27 | 1.21 |
| | General Expenses | - | 9.04 |
| | Insurance | - | 0.29 |
| | Misc. Expenses | - | - |
| | Office Expense | 0.02 | - |
| | Postage & Couriers Expenses | - | - |
| | Printing & Stationery | - | - |
| | Professional Expenses | 10.23 | 4.35 |
| | Rent | - | - |
| | Repair & Maint. | - | 0.05 |
| | Telephone Expenses | - | - |
| | Vehicle Running & Maintenance Expense | - | - |
| | ROC expenses | 0.08 | 3.29 |
| | Bulk Incentive | - | 0.09 |
| | Rebate and discount | - | (0.00) |
| | Total | 13.97 | 24.18 |
| Payment to auditor | | | |
| Particulars | | | |
| | | As at 31st March, 2022 | Year ended 31st March, 2021 |
| As auditor: | | | |
| | Audit Fee | - | - |
| | Tax Audit Fee | - | - |
| | Other matters (Certificates, Tax etc.) | - | - |
| | Total | - | - |
| 27 | Earnings per share | As at 31st March, 2022 | Year ended 31st March, 2021 |
| (i) | Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹) | 3.99 | (33.74) |
| (ii) | Weighted average number of equity shares used as denominator for | 105.20 | 1,052.05 |
| (iii) | Basic and diluted earnings per share (₹) | 0.04 | (0.03) |
| (iv) | Nominal value per share (₹) | 10 | 10 |
| 28 | There is no amount over due during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. | | |



VAKSONS AUTMOBILES LIMITED

Note to financial statements for the year ended 31st March, 2022

| 19 | Revenue from operations | As at31st March, 2022 | Year ended 31st March, 2021 |
|-----------|--------------------------------|------------------------------|------------------------------------|
| | Income from agency business | - | 54.91 |
| | Commission Income | 30.10 | - |
| | Interest on delayed payment | 0.77 | - |
| | Total | 30.87 | 54.91 |

| 20 | Other income | As at31st March, 2022 | Year ended 31st March, 2021 |
|-----------|---------------------|------------------------------|------------------------------------|
| | Interest income | - | - |
| | Other Income | - | 0.42 |
| | Total | - | 0.42 |

| 21 | Purchase of Stock in Trade | As at31st March, 2022 | Year ended 31st March, 2021 |
|-----------|-----------------------------------|------------------------------|------------------------------------|
| | Purchases | - | 54.37 |
| | Total | - | 54.37 |

| 22 | Changes in inventory of finished goods & Traded Goods | As at31st March, 2022 | Year ended 31st March, 2021 |
|-----------|--|------------------------------|------------------------------------|
| | Closing stock | | |
| | -vehicle | - | - |
| | -spare parts | - | - |
| | Opening stock | | |
| | -vehicle | - | - |
| | -spare parts | - | - |
| | (Increase) / Decrease in stocks | - | - |

| 23 | Employee benefit expenses | As at31st March, 2022 | Year ended 31st March, 2021 |
|-----------|---|------------------------------|------------------------------------|
| | Salaries, wages and bonus | 4.39 | 1.87 |
| | Contribution to provident and other funds | - | - |
| | Total | 4.39 | 1.87 |

| 24 | Finance costs | As at31st March, 2022 | Year ended 31st March, 2021 |
|-----------|------------------------|------------------------------|------------------------------------|
| | Interest On | | |
| | term loan | 0.42 | 0.54 |
| | working capital limits | - | - |
| | other loans | - | - |
| | Others | 0.51 | 0.18 |
| | Other borrowing cost | 0.19 | 0.09 |
| | Total | 1.12 | 0.82 |

| 25 | Depreciation and amortisation | As at31st March, 2022 | Year ended 31st March, 2021 |
|-----------|---|------------------------------|------------------------------------|
| | Depreciation on Property, plant and equipment | 6.34 | 7.65 |
| | Total | 6.34 | 7.65 |



| 26 | Other expenses | As at 31st March, 2022 | Year ended 31st March, 2021 |
|----|---------------------------------------|------------------------|-----------------------------|
| | Advertisement Expenses | 0.29 | 0.27 |
| | Audit Fees | 1.00 | 0.80 |
| | Business Promotion | - | - |
| | Bad Debt & Balance Written Off | - | 4.77 |
| | Conveyance Expense | - | - |
| | Domain Expenses | 0.08 | - |
| | Donation | - | - |
| | Electricity & Water Expenses | - | - |
| | Interest Paid on Statutory Dues | 1.01 | - |
| | GST Late Fees | - | 0.02 |
| | GST Expenses | 1.27 | 1.21 |
| | General Expenses | - | 9.04 |
| | Insurance | - | 0.29 |
| | Misc. Expenses | - | - |
| | Office Expense | 0.02 | - |
| | Postage & Couriers Expenses | - | - |
| | Printing & Stationery | - | - |
| | Professional Expenses | 10.23 | 4.35 |
| | Rent | - | - |
| | Repair & Maint. | - | 0.05 |
| | Telephone Expenses | - | - |
| | Vehicle Running & Maintenance Expense | - | - |
| | ROC expenses | 0.08 | 3.29 |
| | Bulk Incentive | - | 0.09 |
| | Rebate and discount | - | (0.00) |
| | Total | 13.97 | 24.18 |



| 27 | Earnings per share | As at 31st March, 2022 | Year ended 31st March, 2021 |
|-------|---|------------------------|-----------------------------|
| (i) | Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹) | 3.99 | (33.74) |
| (ii) | Weighted average number of equity shares used as denominator for | 105.20 | 1,052.05 |
| (iii) | Basic and diluted earnings per share (₹) | 0.04 | (0.03) |
| (iv) | Nominal value per share (₹) | 10 | 10 |
| 28 | There is no amount over due during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. | | |

Notes to the Standalone financial statements

1-35

For D G M S & CO.
Chartered Accountants
Firm Registration No. 0112187W

For and on behalf of the VAKSONS AUTOMOBILES LIMITED

(CA Shashank Doshi)
Partner
Membership No. 108456
Place: New Delhi
Date: 26th May, 2022
UDIN: 22108456AJQEHH7918

Sd/-
Atul Kumar Jain
(Executive Director)
DIN: 00004339

Sd/-
Vandana Jain
(Executive Director)
DIN: 00004347

Sd/-
Muskan Kachhawaha
(Company Secretary)
PAN: IJUPK4908L

Place : New Delhi
Date: 26th May, 2022



Audit Report To Members Of
VAKSONS AUTOMOBILES LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **Vaksons Automobiles Limited** (hereinafter referred to as “the Holding Company”), and its subsidiaries Vaksons Metaplast Private Limited (Holding Company and its subsidiaries together referred to as “the Group”), which comprise the Consolidated Balance Sheet as at **31st March, 2022**, and the Consolidated Statement of Profit and Loss (Including Other Comprehensive Income) and Consolidated Cash Flow Statement and the Consolidated statement of Changes in Equity for the period ended, and a summary of significant accounting policies and other explanatory information. (hereinafter referred to as the “Consolidated Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“IND AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity 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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated 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 Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

There are no Key Audit Matters Reportable as per SA 701 issued by ICAI.

Information Other than the Consolidated Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including Annexures to



Board's Report, but does not include the Consolidated Financial Statements and our auditor's report thereon. These reports are expected to be made available to us after the date of our auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations.

Management's Responsibility for the Consolidated Financial Statements

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

In preparing the Consolidated 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.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements, or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements.

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

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

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



Report on Other Legal and Regulatory Requirements

1. As required under provisions of section 143(3) of the Companies Act, 2013, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief where necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d. In our opinion, the aforesaid consolidated financial statements comply with the AS specified under Section 133 of the Act.
 - e. On the basis of written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and operating effectiveness of such controls, referred to our separate report in “**Annexure A**”.
 - g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- h. With respect to other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - (a) The Company with its subsidiary/associates has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its Consolidated Financial Statements as below;
 - (b) The Company with its subsidiary/associates did not have any long-term and derivative contracts as at March 31, 2022.
 - (c) There has been no delay in transferring amounts, required to be transferred, the Investor Education and Protection Fund by the Company during the year ended March 31, 2022.
 - (d) The management has;
 - (i) 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



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- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) 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 subclause (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.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**FOR D.G.M.S. & Co.,
Chartered Accountants**

Shashank P. Doshi

Place: Mumbai Partner

Date: 26th May 2022

**M. No. 108456
FRN: 0112187W
UDIN: 22108456AJQFKP7685**



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 **Vaksons Automobiles Limited** ('the Company') as of 31st March, 2022 in conjunction with our audit of the IND AS Consolidated Financial Statements of the Company for the period 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 (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the '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 and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 Consolidated 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 Consolidated 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:



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- (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 Consolidated 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 Consolidated 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting 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 ICAI.

**FOR D.G.M.S. & Co.,
Chartered Accountants**

Shashank P. Doshi

Place: Mumbai Partner

Date: 26th May 2022

**M. No. 108456
FRN: 0112187W
UDIN: 22108456AJQFKP7685**



ANNEXURE- A TO THE AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31st March 2021, we have audited the internal financial controls over financial reporting of **VAKSONS AUTOMOBILES LIMITED** (hereinafter referred to as "Holding Company") along with its subsidiaries, as of that date.

Management's Responsibility for the Internal Financial Controls

The respective management of the Company, its subsidiaries, are 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 controls stated in the Guidance Note on Audit of Internal Financial Control 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control 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 risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences 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 the receipt and expenditures of the Company are being 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 could not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial controls 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 and its subsidiaries company, have, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on "the internal financial controls over financial reporting criteria 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, D G M S & CO.
Chartered Accountants
Firm Registration No. 0112187W

(CA Shashank Doshi)
Partner
Membership No. 108456

Place: New Delhi
Date: 26th May, 2022

UDIN: 22108456AJQEHH7918



M/s VAKSONS AUTOMOBILES LIMITED, DELHI

(CIN NO. L51502DL2003PLC119052)

(Amount in Lakhs)

Consolidated Balance Sheet as at 31st March, 2022

| Particulars | Note | As at 31st March, 2022 | As at 31st March, 2021 |
|--|------|---------------------------|---------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| (a) Property, plant and equipment | 3 | 512.76 | 523.47 |
| (b) Capital work-in-progress | 3A | 40.31 | 40.31 |
| (c) Financial assets | | - | - |
| (i) Investments | 4 | - | - |
| (c) Other non-current asset | 5 | 0.25 | 0.25 |
| (d) Deferred Tax Assets | 19 | - | - |
| | | - | - |
| Total non-current assets | | 553.32 | 564.03 |
| Current assets | | | |
| (a) Inventories | 6 | - | - |
| (b) Financial assets | | - | - |
| (i) Trade receivables | 7 | 200.56 | 360.72 |
| (ii) Cash and cash equivalents | 8 | 27.63 | 25.26 |
| (iii) Other financial asset | 9 | - | - |
| (c) Other current assets | 10 | 410.06 | 415.44 |
| Total current assets | | 638.26 | 801.43 |
| | | - | - |
| TOTAL ASSETS | | 1,191.58 | 1,365.46 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity share capital | 11 | 1,052.05 | 657.53 |
| (b) Other equity | 12 | (543.52) | (149.63) |
| Total equity | | 508.53 | 507.90 |
| Non-current liabilities | | | |
| (a) Financial liabilities | | - | - |
| (i) Borrowings | 13 | 15.57 | 23.42 |
| (b) Deferred tax liability | 14 | 6.65 | 6.49 |
| Total non current liabilities | | 22.23 | 29.91 |
| Current liabilities | | | |
| (a) Financial liabilities | | - | - |
| (i) Borrowings | 15 | 254.83 | 222.06 |
| (ii) Trade payable | 16 | - | - |
| 1. Dues of micro enterprises and small enterprises | | - | - |
| 2. Dues of creditor other than micro enterprises and small enterprises | | 256.81 | 573.89 |
| (iii) Other financial liabilities | 17 | - | - |
| (b) Other current liabilities | 18 | 149.19 | 31.69 |
| Total current liabilities | | 660.83 | 827.64 |
| | | - | - |
| TOTAL EQUITY AND LIABILITIES | | 1,191.58 | 1,365.46 |

Statement of significant accounting policies

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The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date

For and on behalf of the board of
M/s Vaksons Automobiles Limited

For D G M S & CO.

Chartered Accountants

Satender Kumar Jain

Atul Jain

Firm Registration No. 0112187W

Director

Managing Director

DIN : 02734794

DIN : 00004339



VAKSONS AUTOMOBILES LIMITED

(Amount in Lakhs)

Consolidated Statement of Profit and loss for the year ended 31st March, 2022

| Particulars | Notes | Year ended 31st March 2022 | Year ended 31st March 2021 |
|--|-------|-------------------------------|-------------------------------|
| Income | | | |
| Revenue from operations | 18 | 97.78 | 578.11 |
| Other income | 19 | 12.81 | 34.27 |
| TOTAL INCOME | | 110.58 | 612.38 |
| Expenses | | | |
| Purchase of Stock in Trade | 20 | 62.24 | 496.18 |
| Changes in inventories of finished goods | 21 | - | 89.63 |
| Employee benefit expenses | 22 | 5.19 | 1.87 |
| Finance costs | 23 | 1.48 | 44.24 |
| Depreciation and amortisation expense | 24 | 10.70 | 13.97 |
| Other expenses | 25 | 29.38 | 26.15 |
| TOTAL EXPENSES | | 109.00 | 672.04 |
| PROFIT BEFORE TAX | | 1.58 | (59.66) |
| Tax expense: | | | |
| -Current tax | | 0.79 | - |
| -Deferred tax charge/(credit) | 13 | 0.16 | (0.23) |
| TOTAL TAX EXPENSE | | 0.95 | (0.23) |
| PROFIT FOR THE YEAR | | 0.63 | (59.43) |
| | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 0.63 | (59.43) |
| Earning per equity share of face value of ` 10 each | | | |
| Basic & Diluted (₹) | 26 | 0.00 | (0.09) |

Statement of significant accounting policies

2

The accompanying summary of significant accounting policies and other explanatory notes are an integral part of the financial statements.

This is the Balance Sheet referred to in our report of even date

For and on behalf of the board of
M/s Vaksos Automobiles Limited

For D G M S & CO.

Chartered Accountants
Firm Registration No. 0112187W

Satender Kumar Jain
Director
DIN : 02734794

Atul Jain
Managing Director
DIN : 00004339

(CA Shashank Doshi)

Partner
Membership No. 108456
Place: Jamnagar
Date: 26th May 2022
UDIN : 22108456AJQFKP7685

Muskan Kachhawaha
Company Secretary
M.No. A64551



VAKSONS AUTOMOBILES LIMITED

Consolidated Cash Flow Statement for the year ended 31st March 2022

| S.No. | Particulars | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|-----------|---|--------------------------------|--------------------------------|
| A) | Cash flow from operating activities | | |
| | Profit before taxation | 1.58 | (59.66) |
| | Adjustment for : | - | - |
| | Depreciation and amortisation | 10.70 | 13.97 |
| | Finance cost | 1.48 | 44.24 |
| | Interest income | - | - |
| | Operating profit/(loss) before working capital changes | 13.77 | (1.45) |
| | Adjustment for : | - | - |
| | Increase/ (Decrease) in trade payables and other liabilities | (199.58) | (51.23) |
| | Decrease/ (Increase) in inventories | - | 89.63 |
| | Decrease/ (Increase) in trade receivables and other assets | 165.53 | 248.08 |
| | Cash Generated from operations | (20.28) | 285.02 |
| | Taxes paid (net) | (0.79) | 0.16 |
| | Net cash flow from/(used in) operating activities (A) | (21.06) | 285.19 |
| B) | Cash from investing activities | | |
| | Purchase/Sale of property, plant and equipment | - | - |
| | Realization from advance against property | - | - |
| | Interest income | - | - |
| | Net cash used in investing activities (B) | - | - |
| C) | Cash flow from financing activities | | |
| | Proceeds from long-term borrowings | (7.85) | (11.21) |
| | Proceeds from short-term borrowings | 32.77 | (221.44) |
| | Finance cost paid | (1.48) | (44.24) |
| | Net cash flow from financing activities (C) | 23.43 | (276.89) |
| D) | Net increase/ (decrease) in cash and cash equivalents (A+B+C) | 2.37 | 8.30 |
| E) | Cash and cash equivalents as at the beginning of the year | 25.26 | 16.97 |
| F) | Cash and cash equivalents as at the end of the year | 27.63 | 25.26 |
| | Component of cash and cash equivalents | | |
| | Balance with banks | 21.40 | 4.34 |
| | Cash in hand | 6.24 | 20.93 |
| | Total | 27.63 | 25.26 |

The cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Ind AS 7 on 'Cash Flow Statements', as specified in the Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014.

As per our report of even date

For D G M S & CO.

Chartered Accountants

Firm Registration No. 0112187W

(CA Shashank Doshi)

Partner

Membership No. 108456

Place: Jamnagar

Date: 26th May 2022

UDIN : 22108456AJQFKP7685

For and on behalf of the board of
M/s Vaksons Automobiles Limited

Satender Kumar Jain

Director

DIN : 02734794

Atul Jain

Managing Director

DIN : 00004339

Muskan Kachhawaha

Company Secretary

M.No. A64551



VAKSONS AUTOMOBILES LIMITED

Statement of changes in Equity for the year ended 31st March, 2022

a) Equity Share Capital

(Amount in Lakhs)

| | |
|--|--------|
| Balance at the beginning of the reporting period i.e 1st April, 2019 | - |
| Changes in equity share capital during the year 2019-20 | NIL |
| Balance at the end of the reporting period 31st March, 2020 | - |
| Changes in equity share capital during the year 2020-21 | 394.52 |
| Balance at the end of the reporting period 31st March, 2021 | - |

b) Other equity

| Particulars | Other equity | | Total |
|--|----------------------------|---------------------------------------|-----------------|
| | Securities premium account | Surplus in statement of Profit & loss | |
| Balance as at the 1st April, 2019 | 594.41 | 17.14 | 611.55 |
| Profit for the year | Nil | (701.75) | (701.75) |
| Total | 594.41 | (684.61) | (90.20) |
| Add: Last year excess provision reversed | - | - | - |
| Balance as at 31st March, 2020 | 594.41 | (684.61) | (90.20) |
| Balance as at 1st April, 2020 | 594.41 | (684.61) | (90.20) |
| Utilisation for bonus issue | (394.52) | - | - |
| Profit for the year | - | (59.43) | (59.43) |
| Total | 199.89 | (744.04) | (149.63) |
| Balance as at 31st March, 2021 | 199.89 | (744.04) | (149.63) |

This is the Balance Sheet referred to in our report of even date

For and on behalf of the board of
M/s Vaksons Automobiles Limited

For D G M S & CO.

Chartered Accountants
Firm Registration No. 0112187W

Satender Kumar Jain
Director
DIN : 02734794

Atul Jain
Managing Director
DIN : 00004339

(CA Shashank Doshi)

Partner
Membership No. 108456
Place: Jamnagar
Date: 26th May 2022

Muskan Kachhawa
Company Secretary
M.No. A64551



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| | | | |
|-----------|---|-----------------------------------|-----------------------------------|
| 4 | Investments (non-current) | As at 31st March, 2022 | As at 31st March, 2021 |
| | Unquoted investments in equity instruments of Vaksons Metaplast Pvt Ltd. at Amortised Cost: (1836999 Equity Share face Value Rs 10/- each) | - | - |
| | Total | - | - |
| 5 | Other non-current asset | As at 31st March, 2022 | As at 31st March, 2021 |
| | Unsecured- considered good unless otherwise stated Security deposit | 0.25 | 0.25 |
| | Total | 0.25 | 0.25 |
| 6 | Inventories | As at 31st March, 2022 | As at 31st March, 2021 |
| | Finished goods | - | - |
| | Total | - | - |
| 7 | Trade receivables* | As at 31st March, 2022 | As at 31st March, 2021 |
| | Unsecured, Considered Good | 200.56 | 360.72 |
| | Total | 200.56 | 360.72 |
| 8 | Cash and cash equivalents | As at 31st March, 2022 | As at 31st March, 2021 |
| | Bank Balances -on current accounts | 21.40 | 4.34 |
| | Cash/ cheques in hand | 6.24 | 20.93 |
| | Total | 27.63 | 25.26 |
| 9 | Other financial asset (current) | As at 31st March, 2022 | As at 31st March, 2021 |
| | Other Receivable -Others | - | - |
| | Total | - | - |
| 10 | Other current assets | As at 31st March, 2022 | As at 31st March, 2021 |
| | Considered good | 0.00 | 0.00 |
| | Advances to suppliers | 0.00 | 60.19 |
| | Prepaid expenses | 0.00 | 0.00 |
| | Balance with statutory / government authorities | 74.11 | 77.31 |
| | Other advance | 335.96 | 277.95 |
| | Total | 410.06 | 415.44 |



VAKSONS AUTOMOBILES LIMITED

(Amount in Lakhs)

Notes to consolidated financial statements for the year ended 31st March, 2022

| 10 | Share capital | As at 31st March, 2022 | | As at 31st March, 2021 | |
|----|--|---------------------------|---------------------|---------------------------|---------------------|
| | | No. of Shares | Amount | No. of Shares | Amount |
| | Authorised share capital | | | | |
| | Equity shares of Rs.10 each | 1,10,00,000 | 11,00,00,000 | 1,10,00,000 | 11,00,00,000 |
| | Total | 1,10,00,000 | 11,00,00,000 | 1,10,00,000 | 11,00,00,000 |
| | Issued, subscribed and fully paid-up | | | | |
| | Equity shares of Rs.10 each fully paid (out of above equity shares, 39,45,180 share are issued as bonus shares of Rs. 10 each fully paid up during the year | 1,05,20,480 | 10,52,04,800 | 1,05,20,480 | 10,52,04,800 |
| | Total | 1,05,20,480 | 10,52,04,800 | 1,05,20,480 | 10,52,04,800 |

a) Reconciliation of the number of shares outstanding is set out below:

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|-------------------------------------|---------------------------|---------------------|---------------------------|--------------------|
| | Equity Shares | | | |
| Shares at the beginning of the year | 1,05,20,480 | 10,52,04,810 | 65,75,310 | 6,57,53,100 |
| Add: further issued during the year | | - | 39,45,180 | 3,94,51,800 |
| Total | 1,05,20,480 | 10,52,04,810 | 1,05,20,490 | 6,57,53,100 |

b) Terms/rights attached to equity shares

The Company has only one class of equity shares, having a par value of `10 per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

c) Details of Equity shareholders holding more than 5% shares

| Particulars | As at 31st March, 2022 | | As at 31st March, 2021 | |
|---|---------------------------|------------------|---------------------------|------------------|
| | No. of Shares | % of shares held | No. of Shares | % of shares held |
| Equity shares of Rs.10 each, fully paid up held by | | | | |
| Atul Jain | 17,05,000 | 25.93% | 17,05,000 | 25.93% |
| Vandana Jain | 9,52,500 | 14.49% | 9,52,500 | 14.49% |
| Shanta Jain | 9,22,000 | 14.02% | 9,22,000 | 14.02% |

| 12 | Other Equity | As at 31st March, 2022 | As at 31st March, 2021 |
|----|---|---------------------------|---------------------------|
| | Securities Premium | 199.89 | 594.41 |
| | Surplus in Statement of Profit and Loss | - | - |
| | Balance as at the beginning of the year | (744.04) | (684.61) |
| | Profit for the year | 0.63 | (59.43) |
| | Last year excess provision reversed | - | - |
| | Total comprehensive income | (543.52) | (149.63) |
| | Total | (543.52) | (149.63) |



Nature and purpose of reserves :

Securities Premium - Securities Premium Reserve was created consequent to issue of shares at a premium. The reserves can be utilised in accordance with section 52 of Companies Act, 2013

| 13 | Long Term Borrowings | As at 31st March, 2022 | As at 31st March, 2021 |
|----|----------------------|---------------------------|---------------------------|
| | Secured Loan | | |
| | Term Loan from bank* | 15.57 | 23.42 |
| | Total | 15.57 | 23.42 |

* Term Loan from bank includes-

(i) The term loan is due for repayment from the monthly ending 7th December, 2014 to Month ending 7th November 2021, along with interest at the rate of 10% p.a. The loan is secured by a first charge over Company's Mercedes Car.

| 15 | Borrowings (current)* | As at 31st March, 2022 | As at 31st March, 2021 |
|----|---|---------------------------|---------------------------|
| | Loans repayable on demand (secured): | | |
| | Working capital limit from bank | | |
| | Loans repayable on demand (unsecured): | | |
| | Loans from related parties^ | 254.83 | 222.06 |
| | | - | - |
| | Total | 254.83 | 222.06 |

^Refer

| 16 | Trade payables | As at 31st March, 2022 | As at 31st March, 2021 |
|----|--|---------------------------|---------------------------|
| | Dues of Micro enterprises and Small enterprises* | | |
| | Dues of creditors other than Micro enterprises and Small enterprises | 256.81 | 573.89 |
| | Total | 256.81 | 573.89 |

There is no amount over due during the year for which disclosure requirements under Micro, Small and Medium

* Enterprises Development Act, 2006 are applicable. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

| 17 | Other current financial liabilities | As at 31st March, 2022 | As at 31st March, 2021 |
|----|-------------------------------------|---------------------------|---------------------------|
| | Book Overdrafts | - | - |
| | Other payables | - | - |
| | Total | - | - |

| 18 | Other current liabilities | As at 31st March, 2022 | As at 31st March, 2021 |
|----|----------------------------|---------------------------|---------------------------|
| | Advance from customer | - | 26.48 |
| | Statutory dues payable | - | - |
| | Other Deposit Received | 141.50 | - |
| | Other Payables: | - | - |
| | Statutory audit fee | 1.00 | 2.96 |
| | Employees Benefits payable | - | - |
| | Other | 2.92 | 2.25 |
| | Provision for income tax | 3.77 | - |
| | Total | 149.19 | 31.69 |



VAKSONS AUTMOBILES LIMITED

(Amount in Lakhs)

Notes to consolidated financial statements for the year ended 31st March, 2022

| 18 | Revenue from operations | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|----|-----------------------------|--------------------------------|--------------------------------|
| | Income from agency business | - | 54.91 |
| | Commission Income | 30.10 | - |
| | Interest on delayed payment | 0.77 | - |
| | Sale of goods | 66.90 | 523.20 |
| | Total | 97.78 | 578.11 |

| 19 | Other income | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|----|---------------------|--------------------------------|--------------------------------|
| | Interest income | - | - |
| | Exchange difference | 12.11 | 33.79 |
| | SAD Refund | - | - |
| | Other Income | 0.69 | 0.47 |
| | Total | 12.81 | 34.27 |

| 20 | Purchase of Stock in Trade | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|----|----------------------------|--------------------------------|--------------------------------|
| | Purchases | 62.24 | 496.18 |
| | Total | 62.24 | 496.18 |

| 21 | Changes in inventory of finished goods & Traded Goods | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|----|---|--------------------------------|--------------------------------|
| | Closing stock | | |
| | -vehicle | - | - |
| | -spare parts | - | - |
| | -Others | - | - |
| | Opening stock | | |
| | -vehicle | - | - |
| | -spare parts | - | - |
| | -Others | - | 89.63 |
| | (Increase) / Decrease in stocks | - | 89.63 |

| 22 | Employee benefit expenses | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|----|---|--------------------------------|--------------------------------|
| | Salaries, wages and bonus | 5.19 | 1.87 |
| | Contribution to provident and other funds | - | - |
| | Total | 5.19 | 1.87 |

| 23 | Finance costs | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|----|------------------------|--------------------------------|--------------------------------|
| | Interest On | 0.36 | - |
| | term loan | 0.42 | 2.10 |
| | working capital limits | - | 41.26 |
| | other loans | - | - |
| | Others | 0.51 | 0.79 |
| | Other borrowing cost | 0.19 | 0.09 |
| | Total | 1.48 | 44.24 |



| 24 | Depreciation and amortisation | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|----|---|--------------------------------|--------------------------------|
| | Depreciation on Property, plant and equipment | 10.70 | 13.97 |
| | Total | 10.70 | 13.97 |

| 25 | Other expenses | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|----|--|--------------------------------|--------------------------------|
| | Advertisement Expenses | 0.29 | 0.27 |
| | Audit Fees | 1.00 | 1.25 |
| | Accounting Charges | - | - |
| | Bank Charges | 0.24 | 0.03 |
| | Bad Debt & Balance Writen Off | 14.82 | 4.77 |
| | Domain Expenses | 0.08 | - |
| | Computer Expenses | - | 0.05 |
| | Conveyance Expense | - | - |
| | Claim Bulk Incentive | - | - |
| | Courier Expenses | - | - |
| | Drawing Expenses | - | 0.03 |
| | Festival expense | - | - |
| | GST Expenses | - | 2.34 |
| | GST Late Fees | 1.27 | 0.02 |
| | Donation | - | - |
| | Electricity & Water Expenses | - | - |
| | Fees & Taxes | - | 0.01 |
| | Generator Expense | - | - |
| | General Expenses | - | 9.04 |
| | Insurance | - | 0.29 |
| | IPO Expense | - | - |
| | Legal Fee | - | 0.08 |
| | Misc. Expenses | - | - |
| | Office Expense | 0.02 | - |
| | Interest paid on statuory Dues | 1.01 | - |
| | Printing & Stationery | - | - |
| | Professional Expenses | 10.43 | 4.42 |
| | Rent | - | - |
| | Repair & Maint. | - | 0.05 |
| | Telephone Expenses | - | - |
| | Rounding Off | 0.01 | - |
| | Vehicle Running & Maintanance Expenses | 0.13 | 0.13 |
| | ROC expenses | 0.08 | 3.29 |
| | Bulk Incentive | - | 0.09 |
| | Rebate and discount | - | (0.00) |
| | Total | 29.38 | 26.15 |



| 26 | Earnings per share | Year ended 31st March, 2022 | Year ended 31st March, 2021 |
|-----------|--|--|--|
| (i) | Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹) | | |
| (ii) | Weighted average number of equity shares used as denominator for calculationg EPS (₹) | | |
| (iii) | Basic and diluted earnings per share (₹) | | |
| (iv) | Nominal value per share (₹) | | |

| | |
|-----------|--|
| 27 | There is no amount over due during the year for which disclosure requirements under Micro, Small and Medium Enterprises Development Act, 2006 are applicable. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. |
|-----------|--|



PROXY FORM

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

19th Annual General Meeting – Monday, August 01, 2022

Table with 2 columns: Member details (Name, Registered Address, Email-Id, Folio No./Client ID, DP ID) and empty space for input.

I/we, being the member (s) ofshares of the above named company, hereby appoint
1. Name.....Email:.....Address:.....
Signature:.....

Or failing him/her

2. Name.....Email:.....Address:.....
Signature:..... or

Or failing him/her

3. Name.....Email:.....Address:.....
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 19th Annual General Meeting of the Company, to be held on Monday, August 01, 2022 at 01.00 P.M. at Registered Office of the Company at 105, 1st Floor, Barodia Tower, Plot No.12, D Block, Central Market, Prashant Vihar, New Delhi-110085 and at any adjournment thereof in respect such resolutions as are indicated below:

Table with 5 columns: Resolution No., Resolution, and Vote (Optional see Note 2) with sub-columns For, Against, Abstain. Contains 6 rows of resolutions.



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Signed this..... day of.....2022

.....
Signature of shareholder(s)

.....
Signature of Proxy holder(s)

Please Affix
₹.1
Revenue
Stamp

.....
Signature of Proxy holder(s)

.....
Signature of Proxy holder(s)

Notes:

1. *This form of proxy in order to be effective should be duly completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.*
2. *It is optional to indicate your preference. If you leave for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.*
3. *The proxy need not be a member of the company. Appointing proxy does not prevent a member from attending in person if he so wishes.*
4. *In case of Joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.*



ATTENDANCE SLIP

| | |
|--|--|
| Registered Folio No./DP ID no./Client ID no.: | |
| DP ID - Client ID | |
| No. of Shares Held | |

I hereby record my presence at the 19th Annual General Meeting of the Company on Monday, August 01, 2021 at 01.00 P.M. at 105, 1st Floor, Barodia Tower, Plot No.12, D Block, Central Market, Prashant Vihar, New Delhi-110085

| | |
|--------------------------|-------------------------------|
| | |
| Name of the member/proxy | Signature of the member/proxy |
| (in BLOCK Letters) | |

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Notice for reference to the AGM.