

BOARD'S REPORT

Dear Members,

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company" or "Eastman"), along with the audited financial statements, for the financial year ended March 31, 2023.

FINANCIAL RESULTS:

The financial highlights of your Company during the Financial Year ended March 31, 2023 as compared to the previous Financial Year are as follows:

(Rs. In Millions)

| Particulars | Standalone | |
|-------------------------|------------------------------|-----------|
| | For the year ended March 31, | |
| | 2023 | 2022 |
| Revenue from Operations | 23,454.14 | 15,128.09 |
| Other Income | 65.57 | 97.04 |
| Total Revenue | 23519.71 | 15,225.13 |
| Total Expenses | 22,420.24 | 14813.20 |
| Profit Before Tax | 1099.47 | 411.93 |
| Less: Tax Expenses | 283.51 | 117.41 |
| Less Minority Interest | - | - |
| Profit for the year | 815.96 | 294.52 |
| EPS | 1.52 | 0.55 |

*previous year figures have been regrouped/ rearranged wherever necessary.

The Board of Directors has made conscious efforts for drawing the Financial Statements on the basis of sound, accepted and conservative accounting principles. The revenues generated have to provide for prior period adjustments and provisions also but at the same time it has ensured true and fair Financial Statements of the Company.

Eastman Auto & Power Ltd

Corporate Off : 572, Udyog Vihar, Phase - V, Gurgaon - 122016 (Haryana), India Tel : +91-124-4682600 Fax: +91-124-4627999

Reg. Off. : Flat No-101, Community Centre 1st Floor, Naraina Industrial Area, Phase - I, New Delhi-110028, India. | E-mail : info@eastmanglobal.com

STATE OF COMPANY'S AFFAIRS:

During the Financial Year (FY) 2022-23 under review, your Company's revenue from operations is Rs. 23,454.14 (In Millions) against Rs. 15,128.09 (In Millions) in the previous F.Y. and therefore registered good growth. Profit before tax is Rs. 1099.47 Millions as compared to 411.93 Millions in previous F.Y. 2021-22. Profit after tax was 815.96 Millions as against 294.52 Millions in previous F.Y. 2021- 22.

While the year 2022-23 saw recovery from COVID-19, multiple complex and interconnected challenges such as inflation, slowdown in global economic growth, and geopolitical tensions affected businesses in different ways. We are however pleased to state that Eastman steered through the challenges and remained focused on delivering value to its stakeholders. In this journey, we have also been blessed with continued support from customers who have trusted our brands and value proposition over the decades.

The Company is taking all measures to ensure the safety of the employees and to ensure minimal disturbance to operations. Due to the pandemic, there is a never-before-imagined dependency on technology. The learnings of the last two years will significantly impact how technology shapes up in the current and coming years. Frontier technologies such as artificial intelligence (AI), Chat GPT, machine learning (ML), augmented reality (AR), robotics process automation (RPA), and Industrial internet-of-things (IIoT) are set to be a part of every industry now.

At Eastman, nurturing a digital culture has become a core focus area of the Management. To make your Company more cost-efficient, nimble-footed, cloud-based, and green, we have been able to evolve a digital mindset across the Company. Our digitalization journey began in a focused manner. When we created a dedicated Digital Centre of Excellence, with a team of domain experts. We involved various stakeholder groups such as partners, dealers, employees and customers in our digitalization journey, ensuring their active participation to meet the desired objectives.

Your Directors are continuously looking for avenues for further growth of the Company.

Your Company complies with applicable legal, statutory, regulatory, customer specific and other requirements related to the environmental aspects, occupational health and safety. Your Company has always focused on the sustainability of its upstream partners for business sustainability. Your Company has certification and complying prescribed norms of ISO 9001, Environment Management System 14001 and OSHAS 18001.

SHARE CAPITAL:

Changes in Share Capital, if any:

During the year under review, the Authorized and Paid up Share Capital of the

Company remains same i.e. 60,00,00,000/- (Rupees Sixty Crore only) divided into 60,00,00,000 (Sixty Crore) Equity Shares of 1 (Rupee One only) each and Rs. 53,84,10,000 (Rupees Fifty- Three Crore Eighty- Four Lakhs Ten Thousand only) divided into 53,84,10,000 (Fifty- Three Crore Eighty- Four Lakhs Ten Thousand) Equity Shares of Re. 1 (Rupee One only) each.

Disclosure relating to equity shares with differential rights:

During the year under review, the Company has not issued any equity shares with differential rights and hence no information as per provisions of Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Disclosure relating to sweat equity share:

During the year under review, the Company has not issued any sweat equity shares and hence no information as per provisions of Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Disclosure relating to Employee Stock Option Plan and Scheme:

During the year under review, the Company does not have any Employee Stock Option Scheme or Employee Stock purchase Scheme. Hence, no information as per the provisions of Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

Disclosures in respect of voting rights not directly exercised by employees:

During the year under review, there are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16 (4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

DIVIDEND:

In view of the planned business growth, your Directors deem it proper to preserve the resources of the Company for its activities and therefore, do not propose any dividend for the Financial Year ended March 31, 2023.

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

The Company did not transfer any amount to any reserves during the Financial Year ended March 31, 2023.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

No fund is lying unpaid or unclaimed for a period of seven years. Hence, no transfer

is being made to Investor Education and Protection Fund (IEPF).

CHANGE IN NATURE OF BUSINESS:

During F.Y. 2022-23 there was no change in Company's business. Further, there was no significant change in business carried out by its subsidiaries.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Companies has no Associates and Joint Venture during the Financial Year 2022-23.

The Company is Subsidiary of Eastman Industries Limited as on Financial Year ended 31st March,2023.

Further the Companies has following Subsidiaries/Wholly Owned Subsidiaries as on Financial Year ended 31st March,2023.

| S.No. | Name of the Companies | Status |
|-------|---|----------------------------|
| 1. | AMPS Middle East FZ-LLC | Wholly Owned Subsidiary |
| 2. | Eastman Hong Kong Pvt. Ltd | Subsidiary |
| 3. | Eastman Power Corp. | Wholly Owned Subsidiary |
| 4. | Eastman New Energy Private Limited | Wholly Owned Subsidiary |
| 5. | Eastman Solartech Private Limited | Wholly Owned Subsidiary |
| 6. | Eastman EV Technologies Private Limited | Wholly Owned Subsidiary |
| 7. | Eastman Smart Energy Private Limited | Wholly Owned Subsidiary |
| 8. | Voltsman Power Technologies Private Limited | Subsidiary |
| 9. | Eastman Middle East FZ-CO | Wholly Owned Subsidiary |

A statement containing salient features of the financial statements of Subsidiaries, associates and joint venture companies in Form AOC-1 as per section 129(3) of the Act is provided as an **annexure-1**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section 152 of the Companies Act, 2013, Ms. Vandana Aggarwal (Director) and Mr. Sanjay Singh (Director) of the Company retires by rotation and, being eligible, has offered themselves for re-appointment. The Board recommends their re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting.

Ms. Vandana Aggarwal appointed as an Additional Director. The appointment was effective from January 18, 2023. The appointment is subject to the approval from members of the Company.

Further, Ms. Astha Bansal, was appointed as Whole time Director Company Secretary on 15th July, 2014 respectively has resigned from her position with effect from January, 18, 2023.

Other than the above, there were no changes in the Board of Directors and Key Managerial Person (KMP) during the FY 2022-23.

Declarations from Independent Directors

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149 of the Companies Act, 2013.

In the opinion of the Board, Independent Directors fulfill the conditions specified in the Act, Rules made thereunder and are independent of the management.

DISCLOSURES IN TERMS OF SECTION 197 (14) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

During the year under review, Mr. Shekhar Singal, Managing Director of the Company who is also a Joint Managing Director of the Holding Company i.e. M/s Eastman Industries Limited drew a remuneration of 2,93,66,400/- per annum pursuant to Section 197(14) of the Companies Act, 2013.

AUDITORS AND AUDITORS REPORT:

Statutory Auditors

M/s MSTs Co. & LLP, Chartered Accountants, New Delhi, (Firm Registration Number: 007441 N) were re-appointed as the Statutory Auditors of the Company to hold office until the conclusion of the 25th Annual General Meeting of the Company to be held in the year 2024-25.

The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer. The Notes on financial statement are self-explanatory and do not call for any further comments.

Secretarial Auditors

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 appointed M/s Mritunjay Shekhar & Associates, Company Secretaries to undertake the Secretarial Audit of the Company.

The Company has annexed to this Board Report as 'Annexure-2', a Secretarial Audit Report given by the Secretarial Auditor. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

Cost Auditors

The Board of Directors on recommendation of the Audit Committee had appointed M/s Shaili Deswal & Associates, Cost Accountants (Firm Registration Number: 103560) as the Cost Auditor of the Company to conduct audit of the cost records maintained by the Company for the Financial Year 2023-24. M/s Shaili Deswal & Associates have confirmed that the appointment is within the limits of Section 141 (3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualification specified under Section 141 (3) and proviso to Section 148 (3) read with Section 141(4) of the Companies Act, 2013.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Shareholders in a General Meeting for their ratification. Accordingly, a resolution seeking Shareholders ratification for the remuneration payable to M/s Shaili Deswal & Associates, Cost Accountants is included in the Notice convening the Annual General Meeting.

MAINTENANCE OF COST RECORDS:

The Company has made and duly maintained cost records as required under Section 148 (1) of the Companies Act, 2013.

INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:

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

AUDIT COMMITTEE:

The details of the composition of the Audit Committee of Board of Directors as on 31st March, 2023 are as under:

| S.No | Name | Chairman/Member |
|------|------------------|-----------------|
| 1 | Vandana Aggarwal | Chairman |
| 2 | Vineet Jain | Member |
| 3 | Sanjeev Gupta | Member |

During the year all the recommendations made by the Audit Committee were accepted by the Board.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In accordance with Section 177 of the Act, the Vigil Mechanism is implemented through the Company's Whistle Blower Policy to enable the directors and employees to report genuine concerns. It provides for adequate safeguards against victimization of persons who uses such mechanism and make provision for direct access to the Chairperson of the Audit Committee. The Whistleblower Policy of the Company is available on the website of the Company and can be accessed at <https://www.eaplworld.com/vigil-mechanism-policy>.

NOMINATION AND REMUNERATION COMMITTEE:

The Board constitute the NR Committee in terms of Companies Act, 2013 with the following composition mentioned below:-

| S.No. | Name of Member | Chairman/Member |
|-------|------------------------|-----------------|
| 1. | Mr. Jagdish Rai Singal | Chairman |
| 2. | Mr. Sanjeev Gupta | Member |
| 3. | Mr. Vineet Jain | Member |

NOMINATION AND REMUNERATION POLICY:

In compliance with the requirements of Section 178 of the Companies Act, 2013, the Company has laid down a Nomination and Remuneration policy which has been uploaded on the Company's website.

The salient features of the NRC Policy are as under:

- 1) Setting out the objectives of the Policy.
- 2) Definitions for the purposes of the Policy.
- 3) Interpretation
- 4) Membership

- 5) Chairperson
- 6) Frequency of Meetings
- 7) Appointment and Removal of Director, KMP and Senior Management and other Matters which includes:
 - a) Appointment criteria and qualifications.
 - b) Term/Tenure.
 - c) Guidelines for:
 - i) Evaluation;
 - ii) Removal;
 - iii) Retirement.
- 8) Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel & other employees.
- 9) Implementation and Compliance
- 10) Amendments to the Policy

RELATED PARTY TRANSACTIONS:

There were no materially significant Related Party Transactions entered by the company with the promoters, directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company relevant to the section 188(1) (a)-(e) and (g) of the Companies Act, 2013 and the rules made thereunder.

The details of all the related party transactions have been disclosed in the notes to the accounts of the Company for the Financial year ending on March 31st, 2023 attached to the Annual Report of the Company.

CORPORATE SOCIAL RESPONSIBILITY:

Your Company has adopted Corporate Social Responsibility (CSR) Policy, as formulated, and recommended by the Corporate Social Responsibility Committee, in accordance with the provisions of the Companies Act, 2013. The CSR policy lays down CSR activities to be undertaken by your Company. The CSR activities undertaken by your Company are based on the approved CSR policy.

As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company has contributed funds for the schemes of making available safe drinking water, eradicating hunger and poverty, promotion of education, promotion of sports etc.

The Annual Report on the CSR activities of the Company for Financial Year 2022-23 is annexed herewith in '**Annexure-3**' and forms part of the Board.

CSR COMMITTEE:

The Board constitute the CSR Committee in terms of Companies Act, 2013 with the following composition mentioned below:-

The details of the composition of the Corporate Social Responsibility Committee of Board of Directors as on 31st March 2023 are as under:

| S.No. | Name | Chairman/Member |
|-------|------------------|-----------------|
| 1 | Shekhar Singal | Chairman |
| 2 | Vineet Jain | Member |
| 3 | Vandana Aggarwal | Member |

CONSERVATION OF ENERGY:

The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved. The main focus of the Company during the year was:

- i. Close monitoring of consumption of electricity, LPG, Diesel and water.
- ii. Close monitoring of electricity consumption based on 'KWH/ MT of Lead Consumed'.
- iii. Optimization of electricity, LPG, diesel and water by reducing process cycle time, process modification and also by equipment modification/replacement/ retrofitting.

TECHNOLOGY ABSORPTION:

The Company has its focus during the previous year on Technology Absorption and Innovation remarkably on product research.

FOREIGN EXCHANGE - EARNINGS AND OUTGOINGS:

Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and export plans:

Your Company continued with its initiatives for developing the export market for automotive products, automotive and inverter batteries.

RISK MANAGEMENT:

Your Company has formulated Risk Management Policy including therein the elements of risk which in the opinion of the Board may threaten the existence of the Company. Implementation of the Risk Management Policy is expected to be helpful in managing the risk associated with the business of the Company.

NUMBER OF BOARD MEETINGS:

The Board of Directors of the Company met Six times during the year.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

During the year under review, the reporting of Business Responsibility &

Sustainability Reporting (BRSR) not applicable to the company.

PERFORMANCE EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, and that of its committees, and individual Directors pursuant to the provisions of the Companies Act, 2013. In evaluating the performance of individual Directors, criteria such as knowledge, participation and attendance at meetings, maintenance of high standard of ethics, integrity and confidentiality and decision-making ability were taken into consideration.

Performance evaluation of Independent Director was done by the entire Board, excluding the Independent Director being evaluated. In a separate meeting, the Independent Directors evaluated the performance of Non-Independent Directors and performance of the Board as a whole. They also evaluated the performance of the Chairman.

ANNUAL RETURN:

As required under Section 134(3)(a) of the Act, the Annual Return is put up on the Company's website and can be accessed at <https://www.eaplworld.com/annual-return> and <https://www.eaplworld.com/extract-of-annual-return>.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

DEPOSITS:

During the year under review, your Company has not accepted any deposits within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 (including any statutory amendment(s), modification(s) or re-enactment(s) thereof for the time being in force.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position, have occurred between the end

of the Financial Year (i.e. March 31, 2023) of the Company and the date of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS:

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and its future operations.

INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL CONTROL:

The Company has adequate systems of internal financial controls to safeguard and protect the Company from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statement.

The internal financial controls have been embedded in the business processes. Assurance on the effectiveness of internal financial controls is obtained through management reviews, continuous monitoring by functional leaders as well as testing of the internal financial control systems by the Internal Auditors during the course of their audits.

The Audit Committee reviews adequacy and effectiveness of Company's Internal Controls and monitors the implementation of audit recommendations.

COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2:

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2 relating to "Meetings of the Board of Directors" and "General Meetings" respectively, have been duly complied by the Company.

PARTICULARS OF EMPLOYEES:

Being an unlisted company, the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

Your Company has in place a policy on Prevention of Sexual Harassment at

workplace. This policy is in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the year 2021-22, no complaints were received by the Company related to sexual harassment.

DETAILS OF APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE 2016

During the year under review, there were no application made or proceeding pending in the name the company under IBC, 2016.

DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT OF ONE TIME SETTLEMENT AND VALUATION WHILE AVALING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS

During the year under review, there has been no one time settlement of loan taken from Banks and financial institutions.

DIRECTORS RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

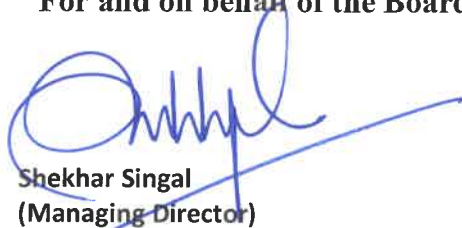
- a) in the preparation of the Annual Accounts for the Financial Year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b) they have selected such accounting policies and applied them consistently and made judgments 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 and loss of the Company for the year under review;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) they have prepared the Annual Accounts on a going concern basis.
- e) they have devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

APPRECIATION:

The Board of Directors place on record their appreciation for the Central Government, State Governments, other statutory authorities, clients, vendors, bankers, shareholders, investors, advisers of the Company for their continued support.

The Board of Directors places on record their appreciation for employees at all levels, who have contributed to the growth of the Company.

For and on behalf of the Board of Directors



Shekhar Singal
(Managing Director)

DIN: 00564384

1508 B, Beverly Park-2, Mg Road,
Near Mg Road, Metro Station,
DLF Phase-2, Chakarpur, Gurgaon



Sanjay Singh
(Director)

DIN: 03487312

Flat No.-239 LIG, 1st Floor,
Phase 1, Nasirpur, Pocket-9
Dwarka, New Delhi-110045

Date: 31/07/2023

Place: Gurugram

(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

(Information in respect of each subsidiary to be presented with amounts in Rs.)

| S. NO. | PARTICULARS | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|--------|---|-------------------------|---------------------------|---------------------|------------------------------------|-----------------------------------|---|--|--|---------------------------|
| 1 | Name of the subsidiary | AMPS Middle East FZ-LLC | Eastman Hong Kong Pvt Ltd | Eastman Power Corp. | Eastman New Energy Private Limited | Eastman Solartech Private Limited | Eastman EV Technologies Private Limited | Eastman Smart Energy Private Limited (Formerly Kauters Pvt. Limited) | Voltman Power Technologies Private Limited | Eastman Middle East FZ CO |
| 2 | The date since when subsidiary was acquired | 02-02-2016 | 03-12-2018 | 07-09-2018 | 14-03-2022 | 12-11-2021 | 12-11-2021 | 24-11-2021 | 25-09-2021 | 27-10-2022 |
| 3 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | April-March | April-March | April-March | April-March | April-March | April-March | April-March | April-March | April-March |
| 4 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | USD | USD | USD | Rupees | Rupees | Rupees | Rupees | Rupees | USD |
| 5 | Share capital | 4,54,795 | 24,04,500 | 1,500 | 18,50,00,000 | 1,00,000 | 1,00,000 | 1,00,000 | 9,90,00,000 | Nil |
| 6 | Reserves & surplus | 1,440 | 62,56,262 | -7,797 | -6,33,15,140 | -56,055 | -151,1965 | -46,287 | -9,33,93,276 | Nil |
| 7 | Total assets | 1,03,83,678 | 1,14,77,207 | 2,671 | 26,06,49,473 | 26,1645 | 18,76,637 | 2,71,413 | 86,82,42,156 | Nil |
| 8 | Total Liabilities | 99,27,443 | 28,16,445 | 8,968 | 13,89,64,613 | 21,7700 | 32,88,601 | 2,17,700 | 86,26,35,432 | Nil |
| 9 | Investments | 94,857 | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 10 | Turnover | 32,16,53,76 | 23,83,96,56 | Nil | 17,91,47,528 | Nil | 44,02,845 | Nil | 91,50,44,606 | Nil |
| 11 | Profit before taxation | -25,25,90 | 18,27,654 | -2,164 | -8,09,78,667 | -24,723 | -45,90,999 | -18,919 | -11,56,02,414 | Nil |
| 12 | Provision for taxation | Nil | Nil | Nil | -2,26,45,630 | 520 | Nil | -520 | -2,53,23,348 | Nil |
| 13 | Profit after taxation | -25,25,90 | 18,27,654 | -2,164 | -5,83,33,037 | -25,243 | -45,90,999 | 19,439 | -9,02,79,067 | Nil |
| 14 | Proposed Dividend | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| 15 | % of shareholding | 100% | 51.45% | 100% | 100% | 100% | 100% | 100% | 90% | 100% |

- Names of subsidiaries which are yet to commence operations : Eastman Middle East FZ
- Names of subsidiaries which have been liquidated or sold during the year : Nil

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

| S. NO. | Name of associates / Joint Ventures | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|--------|--|---|---|---|---|---|---|---|
| 1 | Latest audited Balance Sheet Date | | | | | | | |
| 2 | Date on which the Associate or Joint Venture was associated or acquired | | | | | | | |
| 3 | Shares of Associate / Joint Ventures held by the company on the year end No. | | | | | | | |
| | Amount of Investment in Associates / Joint Venture | | | | | | | |
| | Extend of Holding % | | | | | | | |
| 4 | Description of how there is significant influence | | | | | | | |
| 5 | Reason why the associate / joint venture is not consolidated | | | | | | | |
| 6 | Net worth attributable to shareholding as per latest audited Balance Sheet | | | | | | | |
| 7 | Profit / Loss for the year | | | | | | | |
| | i. Considered in Consolidation | | | | | | | |
| | ii. Not Considered in Consolidation | | | | | | | |

- Names of associates or joint ventures which are yet to commence operations : NA
- Names of associates or joint ventures which have been liquidated or sold during the year : NA

For and on behalf of the Board of Directors
EASTMAN AUTO & POWER LIMITED.

(Shekhar Singal)
Director
DIN: 00564384
Add: 1508 B, Beverly Park II,
DLF Phase II, Gurgaon,
Haryana-122002

(Sanjay Singh)
Director
DIN : 03487312
Add: Flat No.-239 LIG, 1st Floor,
Phase 1, Nasirpur, Pocket-9,
Dwarka, New Delhi-110045

Hemant Nagpal
(CFO)

Kapil
(CS)

Date: 31/07/2023
Place: Gurugram



MRITUNJAY SHEKHAR & ASSOCIATES
Company Secretaries
Email – shekharmritunjay3@gmail.com
MNo.9540043975/8076567045

311B , Vikas Surya Galaxy, Plot No. 09,
Sector-4, Dwarka, New Delhi 110078
Website: <https://www.msaprofessional.com/>
FRN-S2018DE619000
P R -2919/2023

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

The Members,

**EASTMAN AUTO & POWER LIMITED
FLAT NO-101, 1st FLOOR,
NARAINA INDUSTRIAL AREA,
PHASE -I, NEW DELHI-110028**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by M/s Eastman Auto & Power Limited, having CIN U51505DL2000PTC256047, (hereinafter called the company). A Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon I report that:

- a. Maintenance of Secretarial records is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
- b. I have followed the Audit Practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- c. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- d. Wherever required, I have obtained the management representation about the compliance of law, rules and regulations and happening of events etc.
- e. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. My examination was limited to verification of procedures on test basis.
- f. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.





MRITUNJAY SHEKHAR & ASSOCIATES

Company Secretaries

Email – shekharmritunjay3@gmail.com

MNo.9540043975/8076567045

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Website: <https://www.msaprofessional.com/>

FRN-S2018DE619000

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Based on my verification of the M/s Eastman Auto & Power Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering for the financial year ended on March 31, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined all the documents and books, papers, minutes books, forms and returns filed and other records maintained by M/s Eastman Auto & Power Limited, ("the Company") for the Financial Year ended on 31.03.2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under (Not Applicable to the Company during the Review Period);
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable since the company is unlisted company);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Not applicable since the company is unlisted company);
 - (c) The Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2018 (Not Applicable as the Company has not issued any new shares during the review period as disclosed by the management of the company);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the review period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable as the Company has not issued and listed any debt securities during the review period);





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(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable as the company is not registered as Registrar to issue and Share Transfer Agent during the review period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the review period);

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable as the company has not bought back / proposed to buy-back any securities of the company during the review period);

(i) The company was not required to comply with the requirements under the Equity Listing Agreements and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (The Company is unlisted company).

(j) The Memorandum and Articles of Association.

(vi) I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company.

The list of major head/ groups of Acts, Laws and Regulations as applicable to the Company is given under.

1. Income Tax Act 1961 & Rules 1962.
2. Goods and Service Tax Act, 2017
3. Companies (Auditor's Report) Order, 2016
4. Applicable Accounting Standards
5. The Employees Provident Fund and Miscellaneous Provisions Act, 1952 and rules made thereunder
6. The Employees' State Insurance Act, 1948 and rules made thereunder
7. The Payment of wages Act, 1936 and rules made thereunder
8. The Minimum Wages Act, 1948 and rules made thereunder
9. The Factories Act, 1948
10. The Payment of Bonus Act, 1965 and rules made thereunder
11. Payment of Gratuity Act, 1972 and rules made thereunder
12. The Contract Labour (Regulation and Abolition) Act, 1970
13. Environment Protection Act, 1986 & Environment Protection Rules 1986
14. The Batteries (Management and Handling) Rules, 2001
15. The Sexual harassment of Women at Work Place (Prevention, Prohibition &





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Redressal) Act, 2013

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with the Stock Exchange, and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if applicable (Not Applicable to the Company during the Review Period being unlisted Company).

I have not examined compliance by the Company with applicable financial figures and laws, including direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above subject to the following observation:

- a. The company had filed certain E forms – on MCA Portal with delayed submission and with additional fees.

I further report that:

- The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices were given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda items were sent generally at least seven days in advance, or in compliance with shorter notice provisions of the Act, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions of the Board and committees thereof were carried out with requisite majority.

As informed by the Management, the Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated and no fines or penalties were imposed during the period under review under the Act and Rules and Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-





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• As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the audit period, there were following specific events/actions having a major bearing on Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc.:

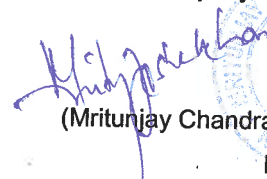
1. The Members of the Company at the Extra-ordinary General Meeting held during the Audit Period has passed the following items by way of Special Resolutions:

- a. Approval for increase in the Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013 upto Rs. 1,000 Crores.
- b. Approval for creation of securities under Section 180(1)(a) of the Companies Act, 2013.

Date: 31/07/2023

Place: New Delhi

For Mritunjay Shekhar & Associates
Company Secretaries


(Mritunjay Chandra Shekhar)

FCS12594

COP 20871

UDIN : F012594E000713503

Annexure -3 to the Directors' Report

ANNUAL REPORT ON CSR ACTIVITIES

EASTMAN AUTO & POWER LIMITED (EAPL) is a Subsidiary of Eastman Industries Ltd. It was incorporated under the Companies Act, 1956 on 25th February 2000.

Eastman's journey from a humble bicycle brake shoe manufacturing plant, to being an international, multi-award-winning business gave us important insights into some pressing social issues. It enabled to identify some of our major stakeholders, their main concerns and the impact our organization has had on their lives and environments. These concerns and issues are at the core of our Corporate Responsibility strategy and form the backbone of our business values.

The EAPL further resolves to contribute towards sustainable development by discharging Corporate Social Responsibility (CSR) that would positively impact its customer, employees, stakeholders, communities, and the environment in various aspects of its operations.

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

The CSR-POLICY of EAPL has been duly approved by its Board and Corporate Social Responsibility is a company's commitment to operate in an economically, socially, and environmentally sustainable manner, while recognizing the interests of its stakeholders.

The Concept regarding CSR of EAPL is to improve the quality of life of the people as a whole and its Scope to contribute to sustainable development including sanitation & public health, education, infrastructural development, skill development and the welfare of society. It is based on the Objectives that integrate social goals, closely linked with the practice of sustainable development in conformity with the corporate and business plan of the EAPL.

The EAPL has undertaken the programs in the periphery of its operating sites that are mostly related to promoting education, promoting health care including preventive health care, making available safe drinking water and other CSR activities on need basis.

- 2. The Composition of the CSR Committee as on March 31, 2023:**

| Sl. No. | Name of Director | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|----------------------|--------------------------------------|--|--|
| 1. | Mr. Shekhar Singal | Chairman | 2 | 2 |
| 2. | Mr. Vineet Jain | Member | 2 | 2 |
| 3. | Ms. Vandana Aggarwal | Member | 2 | 2 |

| | | |
|-----------|--|--|
| 3. | Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. | Web-link: http://www.eaplworld.com/csr-intatives |
|-----------|--|--|

| | | |
|----|--|---------------------|
| 4. | Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). | Not Applicable (NA) |
| 5. | Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any. | Nil |
| 6. | Average net profit of the Company as per section 135 (5). | ₹29,16,57,678.00 |
| 7. | (a) Two percent of average net profit of the company as per section 135 (5). | ₹58,33,154.00 |
| | (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. | Nil |
| | (c) Amount required to be set off for the financial year, if any. | ₹54,492.00 |
| | (d) Total CSR obligation for the financial year (7a+7b-7c). | ₹57,78,662.00 |

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

The total CSR amount spent for Financial Year 2022-23 is of ₹79,28,004/-.

| Total Amount Spent for the Financial Year 2022-23 (in ₹) | Amount Unspent (in ₹) | | | | |
|--|---|------------------|---|----------------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135 (6). | | Schedule VII as per amount transferred to any fund specified under second proviso to section 135 (5). | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of transfer |
| ₹79,28,004/- | Nil | Not Applicable | Not Applicable | Not Applicable | Not Applicable |

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

© Details of CSR amount spent against other than ongoing projects for the financial year:

| (1) | (2) | (3) | (4) | (5) | | (6) | (7) | (8) | |
|--------------|---|---|------------------------|--|------------|-------------------------------------|---|--|-------------------------|
| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes / No.) | Location of the project | | Amount spent for the project (in ₹) | Mode of implementation – Direct (Yes / No.) | Mode of implementation – Through implementing agency | |
| | | | | State | District | | | Name | CSR registration number |
| 1. | Conducting Poverty alleviation Programs, helping economically backward Groups | Eradicating Hunger, Poverty and Malnutrition | Yes | Delhi | South-West | 75,60,000/- | No | Darshana Singhal Foundation | CSR0008960 |
| 2. | Providing safe drinking water to general public | Making available safe drinking water | Yes | CSR initiatives during the Financial Year 2022-2023 have been taken up on PAN INDIA basis around EAPL sites offices primarily in states as mentioned below: Haryana, Himachal Pradesh. | | 3,68,004/- | Yes | N.A. | N.A. |
| TOTAL | | | | | | ₹79,28,004/- | | | |

(d) Amount spent in Administrative Overheads: ₹ NIL

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹79,28,004/-.

(g) Excess amount for set off, if any: ₹54492/-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

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

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

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



12 This is to state that the implementation and monitoring of CSR policy is in compliance with CSR Objectives and policy of the Company.



(Chief Financial Officer)



(Chairman CSR Committee)

Date: 31/07/2023

Place: Gurugram