



# MASTER COMPONENTS LIMITED

Formerly Known as MASTER COMPONENTS PRIVATE LIMITED  
AN IATF16949 : 2016 & ISO 9001 : 2015 CERTIFIED COMPANY  
CIN: U28900MH1999PLC123308



Registered Office : Plot No. D-10/A & D-10/B, MIDC Ambad, Nashik- 422010. MH, INDIA  
Website : [www.master-group.in/mastercomponents.html](http://www.master-group.in/mastercomponents.html) TEL.: (0253) 6604938  
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## DIRECTORS' REPORT

To,  
The Members of  
MATER COMPONENTS LIMITED  
(Formerly known as Master Components Private Limited)

Your Directors' have pleasure in presenting their 24<sup>th</sup> Annual Report on the business and operations of the company and the accounts for the financial year ended on 31<sup>st</sup> March, 2023.

A) The web address, where annual return referred to in sub-section (3) of section 92 will be placed:-

On web link - <https://master-group.in/Investor-componentthe> Annual Return as on 31<sup>st</sup> March, 2023 pursuant to Section 92(3) read with Section 134 (3)(a) of the Act, shall be placed.

B) Number of Board Meetings held in year 2022-23: -

The Board of Directors meets at regular intervals to discuss and decide on Company/ business policy and strategy.

During the Financial Year 2022-23 the board has met 13 (Thirteen) times viz., on 06/04/2022, 10/07/2022, 08/09/2022, 01/10/2022, 21/11/2022, 08/12/2022, 10/12/2022, 05/01/2023, 12/01/2023, 13/01/2023, 16/01/2023, 20/01/2023 and 13/02/2023 where in due quorum, was present for the meeting and the notice of Board meeting was given to all the Directors.

C) Directors' Responsibility Statement: -

Pursuant to the requirement Under Section 134 (5) (c) of the Companies Act, 2013, with respect to the Directors Responsibility Statement, the Board of Directors of the Company hereby state that: -

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to the material departures.

- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- The Directors had taken the 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.
- The Directors had prepared the annual accounts on a 'Going Concern Basis'.
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**C.a) Details in respect of frauds reported by the auditors under sub section (12) of Section 143 other than those which are reportable to the central government :-**

There were no frauds occurred in the Company which were to be reported by the Auditors under sub section (12) of Section 143 being other than those which were reportable to the Central Government.

**D) A statement on declaration given by Independent Directors under sub-section (6) of section 149: -**

As the company was converted into the public limited under the name MASTER COMPONENTS LIMITED under CIN: U28900MH1999PLC123308 on the 4<sup>th</sup> January, 2023, the company has appointed the independent directors.

Accordingly as per the provisions of Section 149(6) and (7) of Companies Act, 2013 along with all the applicable provisions, rules and regulations there under, company has received the due declarations from the Independent directors of the company and the same has been presented and approved by the board in their first board meeting held on 12/01/2023.

The Independent Directors meet the criteria of the independence as specified in Section 149 of the Act and Regulation 16(b) of the SEBI (Listing obligations and Disclosures Requirements) Regulations, 2015.

**E) In case of a company covered under sub-section (1) of section 178, company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178: -**

As per the provisions of section 178 of Companies Act, 2013 and applicable rules and regulations thereunder, the Nomination and Remuneration Committee has been constituted by the board, details of which along with the roles and responsibilities of respective members have been placed on the website of the company viz. <https://master-group.in/componentsas> "Committees of Board of Directors"

Accordingly company has also formulated the Audit committee and Stakeholders Relationship committee in accordance with section 177 and 178 (5) of Companies Act, 2013, details of which has been placed on the website of the company viz. <https://master-group.in/componentsas> "Committees of Board of Directors".

**F) Comments by the Board on qualification, reservation or adverse remark or disclaimer made:-**

**(a) By the Auditor in his report: -**

In the Audit report provided by the auditor for F.Y. 2022-23 he has pointed out in point (A) of Annexure-I to the Independent Auditors report given as per the requirements of Companies (Auditor's Report) Order, 2020 that;

**Remark:** The Company has not maintained proper records related to full particulars including quantitative details and situation of Property, Plant and Equipment.

**Comments by the board of directors:** The Company will take necessary steps to maintain the detailed records of the particulars of the fixed assets with full particulars including quantitative details and situation of Property, Plant and Equipment of the company in the format as per applicable statutes.

The statutory auditor has not made any further remark, adverse comment or disclaimer in his report.

**(b) By the company secretary in his/her audit report:-**

In pursuance with the section 204 of Companies act, 2013 and rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 secretarial audit is not applicable to the company as the share capital, turnover or the outstanding borrowings of the company does not exceed the given limits.

**G) Particulars of loans, guarantees or investments under section 186:-**

During the year company has not entered into any transaction under section 186, whereas the company had given a Corporate Guarantee of Rs.6,50,00,000/- for Master Nidavellir Aeromed Private Limited which was closed by the company during the year and as on 31<sup>st</sup>

March, 2023 there is no outstanding balance for the guarantee given, details of which are mentioned in the notes to accounts of financials for period ending on 31/03/2023.

**H) Particulars of contracts or arrangements with related parties referred to in Sub-section (1) of section 188: -**

Transactions entered by the Company with Related Parties were in the Ordinary Course of the Business and at Arm's Length basis. Copy of Form AOC-2 is enclosed as Annexure I to this report.

**I) A Summary of the Company's affairs and Financial Performance in FY 2022-2023:**

Particulars	Year Ended on 31st March 2023 (Figures in Rs.)	Year Ended on 31st March 2022 (Figures in Rs.)
Revenue from Operations	20,70,26,043	18,23,78,327
Other Income	20,26,805	18,23,254
<b>Total Income</b>	<b>20,90,52,848</b>	<b>18,42,01,581</b>
Total Expenditure	18,48,43,071	17,12,19,936
<b>Net Profit/Loss before Tax</b>	<b>2,42,39,777</b>	<b>1,29,81,644</b>
<b>Provision for Taxation</b>		
Current Tax	68,00,000	37,12,000
Deferred Tax Expenses/ (Income)	3,06,248	(61,994)
Short Provision of last year	217	6,757
<b>Net Profit / (Loss) - After Tax</b>	<b>1,71,03,312</b>	<b>93,24,881</b>
<b>J) Amount Transferred to Reserves, if any</b>	<b>Nil</b>	<b>Nil</b>

In connection with the financial performance of the company during the year, company has carried out the following transactions during the year:

**i. Increase in Authorized Capital of Company:**

During the period under review, the authorized capital of the company has been increased from Rs. 50,00,000/- to Rs. 4,50,00,000/- with the approval of members by ordinary resolution in the Extraordinary general meeting held on 21<sup>st</sup> November, 2022;

**ii. Bonus issue:**

During the period under review, company issued bonus shares to the existing shareholders out of securities Premium account and surplus in statement of profit and loss in the proportion of 10 New Equity shares for every 1 Equity share held as fully paid up shares of the company ranking paripassu with the existing equity shares with the approval of members by special resolution in the Extraordinary general meeting held on 21<sup>st</sup> November, 2022 and allotted in the board meeting held on 8<sup>th</sup> December, 2022;

**iii. Conversion of Company from Private Limited company to Public Limited Company:**

During the period under review, board had applied for the conversion of company from private Limited to Public Limited with due approval of members by special resolution in Extraordinary General meeting held on 26<sup>th</sup> December, 2022 through form INC-27 and received approval from the Ministry of Corporate Affairs for the same dated 4<sup>th</sup> January, 2023 with CIN: U28900MH1999PLC123308 and Name: MASTER COMPONENTS LIMITED;

**iv. Authority to issue shares through Public Offer:**

Further members passed and approved the issue of up to 11,04,000 equity shares as Initial Public Issue i.e. Fresh Issue and an offer for sale by existing shareholder of the Company i.e. Offer for Sale", through fixed price issue in consultation with Lead Managers, vide by passing the special resolution in in the Extraordinary General Meeting of the company held on 13<sup>th</sup> January, 2023;

**v. Approval of Draft Prospectus:**

Board in the meeting held on 20<sup>th</sup> January, 2023 approved the draft prospectus for the initial public issue and offer for sale and submitted the same with NSE, and approval of which was then received by the company on 24<sup>th</sup> February, 2023.

**K) Dividend:**

In view of the future prospects of the Company, the Board of Directors has decided to retain the profits and not declare dividend for the financial year ended on 31<sup>st</sup> March 2023. .

**L) Material changes and commitments, if any, affecting financial position of the Company which have occurred between ends of the financial year to which the financial statements relate and date of report.**

There was no material changes affecting financial position of the Company which have occurred between ends of the financial year to which the financial statements relate and date of report.

**M) The conservation of energy, technology absorption, foreign exchange earnings and outgo, in such manner as may be prescribed**

**a) Conservation of energy:**

Your Company is using various low power devices, which help in conservation of energy.

(iii) The details of directors or key managerial personnel who were appointed or have resigned during the year:-

During the year, following changes were made in the board of directors of the company:

Name	DIN	Previous position in board	Current Position in board	Date of such change
Mr. Mudduraj Chandrashekhar Kulkarni	01190978	Executive Director	Managing Director	12/01/2023
Mr. Shrikant Hanamant Joshi	01190986	Executive Director	Whole Time Director	12/01/2023
Mrs. Rajeshwari Mudduraj Kulkarni	01190990	Executive Director	Non-executive Director	12/01/2023
Mrs. Anagha Shrikant Joshi	01190993	Executive Director	Non-executive Director	12/01/2023

Following appointments were made during the year:

Name	DIN	Position on Board	Date of Appointment
Mr. Ganapathi Joshy	02763942	Non-executive Independent Director	12/01/2023
Mr. Keshav Rathi	07288145	Non-executive Independent Director	12/01/2023
Mr. Shrikant Hanamant Joshi	ABWPJ6665M	Chief Financial Officer	12/01/2023
Ms. Akshada Sanjay Bhase	CIEPB9484R	Company Secretary and Compliance Officer	12/01/2023

Following are the details of Resignations for the reporting period:

Name	DIN	Position on Board	Date of Appointment
Mr. Keshav Rathi	07288145	Non-executive Independent Director	27/03/2023

Mr. Vishal Jayantibhai Patel (DIN: 10040145) was appointed on the board of the company as an Additional Non-executive Independent Director of the company with effect from 12/04/2023 to fill the intermittent vacancy caused due to the cessation of Mr. Keshav Rathi and whose appointment is proposed to be regularized by the members in the ensuing Annual General Meeting as Non-executive Independent Director of the company for period of 5 years from the date of original appointment i.e. 12/04/2023.

**b) Technology absorption:**

The Company is using latest technology and indigenization, which keeps on absorbing latest technology for the betterment of society at large.

**c) Foreign exchange earnings and Outgo-**

Foreign Exchange Earnings during the year: Rs. 1,36,14,279/-

Foreign Outgo during the year: Rs. 1,26,54,411/-

**N) A Statement indicating development and implementation of a risk management policy including identification therein of elements of risk, if any, which in opinion of Board may threaten an existence of the Company**

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is in place published on the website of the company.

**O) The details about policy developed and implemented by the Company on corporate social responsibility initiatives taken during the year: -**

As the Company does not fulfil criteria for class or classes of companies, as prescribed under Section 135 (1) of Companies Act 2013; hence no CSR policy was designed and implemented by the company during the year ended on 31/03/2023.

**P) In case of a listed company and every other public company having a paid up share capital of twenty five crore rupees or more, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its committees and individual directors: -**

This clause is **Not Applicable** to the Company as it is not listed on any stock exchange yet and has paid up share capital of Rs. 3,30,00,000/- only, which does not exceed the limit stated above.

**Q) Other matters as per Rule 8(5) of Companies (Accounts) Rules, 2015: -**

**(i) The financial summary or highlights:** As mentioned in Point No. (I)-A above.

**(a) As on 31<sup>st</sup> March 2023 and as on the date of this report the company is unlisted public company accordingly all the disclosures are made in the board report under the Companies act 2013 as applicable for Unlisted Public company.**

**(ii) The change in the nature of business, if any: -**

There is no change in the nature of business of the Company.

Following details for retirement by rotation:- Being public limited company retirement by rotation is applicable for the company hence following director is proposed to be retired by rotation in the ensuing annual general meeting -

Mr. Shrikant Hanamant Joshi (DIN: 01190978), Whole Time Director and Chief Financial Officer of the company, whose period of office is liable to determination by retirement of directors by rotation at ensuing annual general meeting.

**(iiia) Statement regarding opinion of board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year:**

Directors state that during the period under review, the independent directors i.e. Mr. Ganapathi Joshy (DIN: 02763942) and Mr. Kehav Rathi (DIN: 07288145) appointed on the board are duly registered under the Independent director's databank maintained with the MCA.

Whereas Mr. Keshav Rathi (DIN: 07288145) has resigned from the board with effective date 27/03/2023 and Mr. Vishal Jayatibhai Patel who has been appointed in his place to fill the intermittent vacancy after the end of financial year has also been duly registered in the Independent Directors databank.

**(iv) The names of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year;vigil**

No company has become or ceased to be subsidiary, joint venture or associate of the Company during the year.

**(v) The details relating to deposits, covered under Chapter V of the Act:-**

The Company has not accepted any deposits from the public during the year hence Chapter V is Not Applicable to the Company.

Particulars	Amount in Rs.
(a) accepted during the year	N.A.
(b) remained unpaid or unclaimed as at the end of the year	N.A.
(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year	N.A.



**(vi) The details of deposits which are not in compliance with the requirements of Chapter V of the Act: -**

The Company has not accepted any deposits which are not in compliance with the requirements of Chapter V of the Act during the year.

**(vii) The details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:**

No significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future during the year.

**(viii) The details in respect of adequacy of internal financial controls with reference to the Financial Statements: -**

The Board of Directors confirms that there are internal controls in place with reference to the Financial Statements and that such controls are operating effectively.

**(ix) A disclosure for maintenance of cost record as specified under sub-section 148 of the Companies Act 2013.**

The provisions for maintenance of cost accounts and cost records as specified by Central Government under sub-section (1) of Section 148 of the Companies Act 2013 are not applicable to the Company during the year.

**(x) Disclosure under the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013:**

Pursuant to Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Rules issued there under the Company has complied with the provisions relating to the constitution of internal compliant Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and no complaint (s) / case (s) has been filed / pending with the Company during the year.

**(xi) The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year and the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof:-**

No application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year. No instance of one time settlement occurred during the year.

#### **R) Details of Appointment of Auditor:**

The Company's Auditor **M/s MILIND MODAK & CO., Chartered Accountants, Nashik with (FRN: 114101W)** was appointed as statutory auditor in the Annual General Meeting held on 30<sup>th</sup> September, 2022 pertaining to financial year 2021-22 to hold the office till the conclusion of Annual General Meeting to be held for the financial year ending on 31<sup>st</sup> March, 2027.

Whereas due to operation of law the Company being a proposed Listed Company, provisions of Section 139 (2) of the companies act 2013 are applicable w.r.t. appointment of Statutory Auditor and hence **M/s MILIND MODAK & CO., Chartered Accountants, Nashik with (FRN: 114101W)** the existing auditors shall vacate as Statutory Auditor of the Company due to provisions of rotation applicable to the company. Hence, the Management of the Company has proposed to appoint **M/s Bhalchandra D. Karve & Associates, Chartered Accountants, Nashik with (FRN: 135281W)** as Statutory Auditors of the Company for a period of FY 2023-2024 to FY 2027-2028.

Accordingly **M/s Bhalchandra D. Karve & Associates, Chartered Accountants, Nashik with (FRN: 135281W)** has confirmed his willingness to act as the statutory auditor of the company for the term of Next 5 (Five) consecutive years' i.e. from the conclusion of ensuing 24<sup>th</sup> Annual General meeting until the conclusion of 29<sup>th</sup> Annual General Meeting of the Company to be held for the financial year to be ended on 31<sup>st</sup> March 2028. Members are requested to approve the appointment of new statutory auditor in place of retiring auditor due to application of provisions of rotations to the company u/s 139 of the Act.

#### **S) Vigil Mechanism/ Whistle Blower Policy:**

The board believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior. Therefore the company has adopted a Code of Conduct for Directors and Senior Management Personnel ("the Code"), which lays down the principles and standards that should govern the actions of the Directors and Senior Management Personnel, details of which along with the procedure to be followed by the employees have been placed on the website of the company viz. <https://master-group.in/componentsas> "Whistle blower or Vigil Mechanism Policy".

#### **T) Observance of the Secretarial Standards**

The Directors state that proper systems have been devised to ensure compliance with the applicable laws. Your Company adheres and complies with the applicable Secretarial Standards issued by the Institute of Companies Secretaries of India (ICSI).

## U) Acknowledgement

Your Directors wish to place on record their appreciation and acknowledge with the gratitude, the support and co-operation extended to the Company by the employees at all levels, bankers, financial Institutions, Central and State Governments.

For and on behalf of Board of Directors of,  
**MASTER COMPONENTS LIMITED**  
Formerly known as Master Components Private Limited



**Mr. Mudduraj Chandrashekhar  
Kulkarni**  
(Managing Director, DIN: 01190978)

**Address: Flat No.03, Suraj Enclave,  
Near Abb Circle, Mahatma Nagar  
Nashik 422007 Maharashtra India.**



**Mr. Shrikant Hanamant Joshi**

(Whole Time Director & CFO,  
DIN: 01190986)

**Address: 04, Indraprastha, B Wing,  
Behind Housefull, Mahatma Nagar  
Nashik 422007, Maharashtra, India.**

**Date: 18/08/2023**

**Place: Nashik**

Annexure-I

Form No. AOC-2

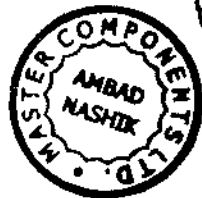
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis - Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis: -

Sr. no.	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date (s) of approval by the Board	Amount paid as advances
1.	Mr. Mudduraj Chandrashekhar Kulkarni	Managing Director of company	Vehicle hire charges	F.Y. 2022-23	2,28,000/-	06/04/2022	Nil
2.	Mr. Shrikant Hanamant Joshi	Whole Time Director and CFO of Company	Vehicle hire charges	F.Y. 2022-23	2,28,000/-	06/04/2022	Nil
3.	Master Moulds Private Limited	Associate Concern	Purchase of Goods/ Services	F.Y. 2022-23	1,28,52,980/-	06/04/2022	Nil
4.	Master Moulds Private Limited	Associate Concern	Sales	F.Y. 2022-23	10,10,173/-	06/04/2022	Nil
5.	Master Nidavellir Aeromed Private Limited	Associate Concern	Administrative charges recovered	F.Y. 2022-23	3,30,400/-	06/04/2022	Nil



*[Handwritten signature]*

6.	Master Nidavellir Aeromed Private Limited	Associate Concern	Purchases	F.Y. 2022-23	14,948/-	06/04/2022	Nil
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For and on behalf of Board of Directors of,  
**MASTER COMPONENTS LIMITED**  
Formerly known as Master Components Private Limited



**Mr. Mudduraj Chandrashekhar  
Kulkarni**  
(Managing Director, DIN: 01190978)

Address: Flat No.03, Suraj Enclave,  
Near Abb Circle, Mahatma Nagar  
Nashik 422007 Maharashtra India.



**Mr. Shrikant Hanamant Joshi**

(Whole Time Director & CFO,  
DIN: 01190986)

Address: 04, Indraprastha, B Wing,  
Behind Housefull, Mahatma Nagar  
Nashik 422007, Maharashtra, India.

Date: 18/08/2023

Place: Nashik