

ANNUAL REPORT

2021-2022

**CANDOUR TECHTEX LIMITED
(Formerly CHANDNI TEXTILES
ENGINEERING INDUSTRIES
LIMITED)**

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BOARD AND COMMITTEES AS ON 31ST MARCH, 2021

THE BOARD OF DIRECTORS	COMMITTEES
Jayesh Ramniklal Mehta [Managing Director]	
Amita Jayesh Mehta [Non –Executive Director]	AUDIT COMMITTEE
	Mr. Rameshchand Garg [Chairman]
	Mr. Bharat Sugnomal Bhatia
	Mrs. Mansi Harsh dave
Sharmila Hiralal Amin [Executive Director]	NOMINATION AND REMUNERATION COMMITTEE
	Mr. Bharat Sugnomal Bhatia [Chairman]
Bharat Sugnomal Bhatia [Independent Director]	Mr. Rameshchand Garg
	Mrs. Mansi Harsh Dave
Mansi Harsh Dave (From January 19,2022) [Independent Director]	STAKEHOLDERS RELATIONSHIP COMMITTEE
Rameshchand Garg [Independent Director]	Mr. Bharat Sugnomal Bhatia [Chairman]
	Mrs. Mansi Harsh Dave
Vasant Gaurishankar Joshi (Till October 31,2021) [Independent Director]	Mr. Jayesh Ramniklal Mehta
Chief Financial Officer	Mr. Shailesh Sankav
Company Secretary & Compliance Officer	Mrs. Kirti Pathak Thakre
Registered Office Address	110, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai – 400030
Registrar and Share Transfer Agent	PurvaSharegistry (India) Private Limited
	9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai – 400011
Secretarial Auditor	M/s NL Bhatia & Associates
Statutory Auditor	M/s Ambavat Jain & Associates, LLP, Chartered Accountant
Banks	HDFC Bank
	Bank of India
	Union Bank of India
Website of the Company	www.cteil.com

NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT 36TH ANNUAL GENERAL MEETING OF THE MEMBERS OF CANDOUR TECHTEX LIMITED (FORMERLY KNOWN AS “CHANDNI TEXTILES ENGINEERING INDUSTRIES LIMITED”) WILL BE HELD ON THURSDAY, SEPTEMBER 29, 2022, AT 04:30 P.M. THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM) FOR TRANSACTING THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2022 together with the Reports of the Auditors and Board of Directors thereon.**
- 2. To appoint a Director in place of Mrs. Amita Jayesh Mehta (DIN: 00193075), who retires by rotation and being eligible offers herself for re-appointment.**
- 3. To re-appoint M/s. Ambavat Jain & Associates as Statutory Auditor of the company for second term of Five (5) years.**

To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections - 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (Act) [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, **M/s. Ambavat Jain & Associates, Chartered Accountants (ICAI Firm Registration Number 109684W)**, be and are hereby re-appointed as the Statutory Auditors of the Company for a second term of five consecutive years to hold office commencing **from the conclusion of this (36th) Annual General Meeting (AGM) till the conclusion of the 41st AGM of the Company to be held in the year 2027, to examine and audit the accounts of the Company for the financial years 2022-23 to 2026-27** on such remuneration plus applicable taxes and out-of-pocket expenses incurred in connection with the Audit, as recommended by the Board Audit Committee and as may be mutually agreed upon between the Board of Directors of the Company and the Auditors from time to time.

RESOLVED FURTHER that the Statutory Auditors of the Company be and are hereby authorized to carry out (either themselves or through qualified Associates) the audit of the Company’s accounts maintained at all its offices, plants, works and establishments (whether now existing or as may be established or acquired during the Company’s respective financial years, up to 2026-27) wherever situated in India or abroad.

RESOLVED FURTHER that pursuant to the provisions of Section - 143(8) and other applicable provisions, if any, of the Act, the Board of Directors be and is hereby authorized to re-appoint M/s. Ambavat Jain & Associates, the Company’s Auditors and/or in consultation with them, any other

person or persons who is/ are qualified for appointment as Auditor or Auditors of the Company's Branch offices (whether now existing or as may be established outside India) to examine and audit the accounts for the financial years up to 2026-27, on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4. Appointment of Ms. Mansi Harsh Dave (DIN: 07663806) as the Independent Director (Non-Executive) of the Company.

To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution:**

The Chairman placed before the Board draft resolution to consider appointment of Ms. Mansi Harsh Dave (DIN: 07663806) as the Additional Director (Non-Executive Independent Director) with effect from January 19, 2022. The following resolution was passed:

"RESOLVED THAT pursuant to the provisions of Sections - 149, 152 and any other applicable provisions of the Companies Act, 2013 ("**the Act**") read with Schedule - IV to the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014, including any other Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in accordance with the Article of Association of the Company, **Ms. Mansi Harsh Dave (DIN: 07663806)** who was appointed as an Additional Director (in the capacity of a Non-Executive Independent Director) of the Company by the Board of Directors at its meeting held on January 19, 2022 pursuant to Section - 161 of the Act and as recommended by the Nomination and Remuneration Committee and whose term of office expires at this Annual General Meeting (AGM) and in respect of whom the company has received a notice in writing from a member along with the deposit of the requisite amount under Section - 160 of the Companies Act, 2013 proposing her candidature for the office of Director and who has submitted a declaration that she meets the criteria for independence as provided in Section - 149(6) of the Act, be and is hereby appointed as an Independent Non-Executive Director of the company to hold office for a term of 5 (five) consecutive years commencing from January 19, 2022 till January 18, 2027, whose period of office will not be liable to determination by retirement of Directors by rotation.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. Approval for Sale/Transfer of Plastic Division of the Company.

To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section - 180(1)(a) and other applicable provisions of the Companies Act, 2013 read with the Companies (Management and Administration)

Rules, 2014 and the relevant Rules framed there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other rules and regulations framed by the Securities and Exchange Board of India, and the enabling provisions in the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, sanctions, consents and permissions as may be deemed necessary be obtained from the appropriate authorities to the extent applicable and necessary, approval and consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “**Board**” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer / dispose of the Plastics Division of the Company (**‘Undertaking’**) together with the use of all the licenses, permits, consents and approvals whatsoever, and all related assets (movable and immovable, tangible and intangible) and identified liabilities, contracts and employees, by way ‘of slump sale’ (as defined under Section – 2 (42C) of the Income Tax Act, 1961) to **ABSOLUTE PLASTICS PRIVATE LIMITED**, a related party of the Company, at such consideration as decided by the Board not exceeding **Rs. 6,75,00,000 (Six Crores Seventy five Lakhs Rupees Only)** and on such terms and conditions and with effect from such date and in such manner as the Board may think fit and proper.”

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to finalize and execute necessary documents including but not limited to definitive Agreements including the Business Transfer Agreement (**‘BTA’**), deeds of assignment / conveyance and other ancillary documents, with effect from such date and in such manner as is decided by the Board to do all such other acts, deeds, matters and things as they may deem necessary and/or expedient to give effect to the above Resolution including without limitation, to settle any questions, difficulties or doubts that may arise in regard to sale and transfer of the Undertaking as they may in their absolute discretion deem fit.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized and empowered to execute the documents, deeds or writings required to be executed in relation to the resolution mentioned above and other incidental documents, make applications to regulatory and governmental authorities for the purposes of obtaining all approvals, consents, permissions and sanctions required by Company and to do all acts and deeds as may be necessary, proper, desirable and/or expedient to give effect to this resolution.”

6. To alter the Object Clause of the Memorandum of Association of the Company.

To consider and, if thought fit, to give assent or dissent to the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section - 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under and subject to the approval of the concerned Registrar of Companies Ministry of Corporate Affairs, consent of the shareholders by

way of Special Resolution and is hereby accorded for addition of following clause in the Memorandum of Association of Company:

“To carry out weaving of fabrics and the process of coating, lamination and printing on all types of textile fabrics and dyeing and finishing of fabrics.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.

**By the order of the Board
CANDOUR TECHTEX LIMITED**

**Sd/-
Jayesh R Mehta
Chairman & Managing Director
DIN: 00193029**

Date: August 13, 2022

Place: Mumbai

NOTES:

- An Explanatory Statement pursuant to Section - 102 of the Companies Act, 2013 relating to the Special Business set out in item no. 4, 5 and 6 of the accompanying Notice to be transacted at the Annual General Meeting is annexed hereto.
- In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its **Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, General Circular No.02/2021 dated January 13, 2021 and General Circular No. 02/2022 dated May 05, 2022 (collectively referred to as “MCA Circulars”)** and other applicable circulars issued by the Securities and Exchange Board of India (“SEBI”) permitted to hold the Annual General Meeting (“AGM”) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the “Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the 36thAGM of the Company is being held through VC / OAVM. The deemed venue for the 36thAGM shall be deemed to be the Registered Office of the Company situated at 110, T.V.Industrial Estate, 52, S.K.Ahire Marg, Worli, Mumbai -4000030.
- Pursuant to the provisions of the Act, a Member entitled to attend and vote at the 36thAGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this 36thAGM is being held pursuant to the MCA Circulars through VC / OAVM facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 36thAGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Bodies Corporate are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- Pursuant to the provisions of Section - 108 of the Companies Act, 2013 read with Rule - 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation - 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with **Central Depository Services (India) Limited (CDSL)** for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting before AGM as well as the e-voting on the date of the AGM will be provided by CDSL.
- The Board has appointed **M/s S P K G & Co. LLP, Mumbai** as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
- The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice and this mode will be available throughout the proceedings of the Meeting. The Members will be able to

view the proceedings on the NSDL e-voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first serve basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.

- Institutional/Corporate Members intending to appoint their authorised representatives pursuant to Section 113 of the Act, to attend the 68th AGM through VC/OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution (PDF/JPG format) to the Scrutinizer by email at ashutosh.somani@spkg.co.in with a copy marked to compliance@cteil.com
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section - 103 of the Act.
- Pursuant to the provisions of Section - 91 of the Act, the Register of Members and the Share Transfer Books of the Company will **not be closed** for the purpose of 36th AGM of the Company.
- A brief detail of the Director, who is being re-appointed, is annexed hereto as per the requirements of Regulation - 36 (3) of the SEBI Listing Regulations and as per the provisions of the Act.
- In line with the MCA Circulars, the Notice of the AGM along with the Annual Report 2021-22 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories/RTA. The Notice convening the 36th AGM and Annual Report 2021-22 has been uploaded on the website of the Company at www.cteil.com and may also be accessed from the relevant section on the websites of the Stock Exchanges, i.e. BSE Limited and Metropolitan Stock Exchange of India Limited at www.bseindia.com and www.msei.com respectively. The Notice of the AGM is also available on the website of NSDL <https://www.evoting.nsdl.com>
- The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on **Thursday, September 22, 2022 being Cut-off Date**.
- Since the 36th AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
- The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section - 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. **Thursday, September 29, 2022**. Members seeking to inspect such documents can send an email to compliance@cteil.com
- 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 January 24, 2022**.

Further, SEBI vide its circular dated November 03, 2021, read with clarification dated December 14, 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 January 01, 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 service request with RTA from link <https://www.purvashare.com> or contact the Company's RTA 022 - 23016761 ('Registrar') at (email of RTA) support@purvashare.com for assistance in this regard.

- Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, PAN, registration of nomination, Power of Attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
- To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any joint holder / Member as soon as possible. Members are also advised to periodically obtain / request their DP for statement of their shareholding and the same be verified from time to time.
- In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

CDSL e-Voting System – For Remote e-voting and e-voting during Annual General Meeting (“AGM”):

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTINGAND E-VOTINGDURING AGM AND JOINING MEETING THROUGH VC/OAVMARE AS UNDER:

- (i) The voting period **begins on September 26, 2022 at 10.00 A.M. and ends on September 28, 2022 at 5.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **September 22, 2022** may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation - 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

- (iv) In terms of **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to

in Demat mode with CDSL	<p>Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com 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 able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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. CDSL .

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.e-voting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- (1) The shareholders should log on to the e-Voting website www.e-votingindia.com.
- (2) Click on “Shareholders” module.
- (3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (4) Next enter the Image Verification as displayed and Click on Login.
- (5) If you are holding shares in demat form and had logged on to www.e-votingindia.com and voted on an earlier e-Voting of any Company, then your existing password is to be used.
- (6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on “SUBMIT” tab.

- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Facility for Non - Individual Shareholders and Custodians - Remote Voting**
- Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.e-votingindia.com and register themselves in the "Corporate" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.e-voting@cdslindia.com.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk at e-voting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@cteil.com, if they have voted from individual tab & not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compliance@cteil.com (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:

1. For Physical Shareholders- please provide necessary details like 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 Company/RTA email id.
2. For Demat Shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat Shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.e-voting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.e-voting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT PURSUANT SECTION - 102 OF THE COMPANIES ACT, 2013**ITEM NO.3:**

The Board appointed as per Section- 139 of the Companies Act, 2013 **M/s. Ambavat Jain & Associates LLP, Chartered Accountants as Statutory Auditors** of the Company **for a period of 5 years by the Shareholders at the 31st Annual General Meeting held on September 29, 2017 to hold office from the conclusion of 31st Annual General Meeting until the conclusion of the 36th Annual General Meeting.** The Board further noted that as per Section - 139 (2) (b) of the Companies Act 2013 an audit firm can be appointed as Auditors of the Company for two terms of 5 consecutive years.

The Board obtained from M/s. Ambavat Jain & Associates LLP, the Auditors, a Certificate as required under Section - 139 of the Companies Act, 2013 to the effect that they are eligible to continue as Statutory Auditor of the Company in respect of FY 2022-23.

The Board further proposes to re-appoint the Statutory Auditors for a second term for a period of 5 years **commencing from the conclusion of this (36th) Annual General Meeting (AGM) till the conclusion of the 41st AGM of the Company to be held in the year 2027, to examine and audit the accounts of the Company for the financial years 2022-23 to 2026-27** on such remuneration plus applicable taxes and out-of-pocket expenses incurred in connection with the Audit.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway, concerned or interested in the said resolution.

The Board of Directors recommends passing of the Ordinary Resolution as contained in Item No. 3 of the accompanying Notice for the Approval of the Members of the Company.

ITEM NO. 4:

Mrs. Mansi Harsh Dave (DIN: 07663806), on the recommendation of the Nomination and Remuneration Committee was appointed as an Additional Director in the capacity of a Non-Executive Independent Director with effect from January 19, 2022 by the Board of Directors in accordance with Article of the Articles of Association and Sections - 149(6), 161 and Schedule - IV of the Companies Act, 2013 ("the Act").

As per Section - 161 of the Act, Mrs. Mansi Harsh Dave (DIN: 07663806) holds office upto the date of the ensuing AGM on September 29, 2022. The Company has received the requisite notice in writing under Section - 100 of the Act along with a deposit of Rs. 1,00,000 from a member proposing the candidature of Mrs. Mansi Harsh Dave (DIN: 07663806) to be appointed as an Independent Non-Executive Director at the ensuing AGM not liable to retire by rotation. Mrs. Mansi Harsh Dave (DIN: 07663806) has consented to the proposed appointment and declared qualified. Mrs. Mansi Harsh Dave possesses requisite knowledge, experience and skill for the position of Independent Director as per required criteria under the Act and rules & regulations made thereunder.

Based on the recommendation received from the Nomination and Remuneration Committee and in view of her knowledge, skills and invaluable expertise related to the industry of the Company, it is proposed to appoint Mrs. Mansi Harsh Dave (DIN: 07663806) as an Independent Non-Executive Director of the company in terms of Section - 149 read with Section - 152 of the Companies Act, 2013. In terms of Sections - 149 and 152 is not liable to retire by rotation. Mrs. Mansi Harsh Dave (DIN: 07663806) of the Companies Act, 2013, Mrs. Mansi Harsh Dave (DIN: 07663806) if appointed, will hold office for consecutive term of 5 years commencing from January 19, 2022 till January 18, 2027.

The terms and conditions of appointment of Mrs. Mansi Harsh Dave (DIN: 07663806) Independent Non-Executive Director is available for inspection by members at the Registered Office of the Company on any working day during working hours between 9:30 A.M. to 6:30 P.M.

Except Mrs. Mansi Harsh Dave (DIN: 07663806), no other Director, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution.

The Board of Directors recommends passing of the Special Resolution as contained in Item No. 4 of the accompanying Notice for the Approval of the Members of the Company.

ITEM NO. 5:

As a part of long term corporate strategy, the Board of Directors (the "Board") of the Company have proposed to sell and transfer the Company's plastic division (being operated as a separate division/undertaking) engaged in the business of contact manufacture of plastic molds and other plastic to **ABSOLUTE PLASTICS PRIVATE LIMITED**, a related party of the Company ("**Buyer**") as an inseparable whole, as a going concern on slump sale basis, the lump sum consideration for such sale and transfer being **Rs. 6,75,00,000 (Six Crores Seventy Five Lakhs Rupees Only)** subject to customary closing adjustments in accordance with the provisions of the business transfer agreement to be executed between the Company and the Buyer ("**BTA**"), without values being assigned to the individual assets and liabilities in accordance with the provisions of Section 50B read with Section - 2(42C) of the Income-tax Act, 1961, on such terms and conditions and with such modifications as may be required by any of the concerned authorities or as the Board may deem fit and appropriate in the interest of the Company ("**Proposed Transaction**").

In accordance with the provisions of Section - 180(1)(a) of the Act, any sale, lease or otherwise disposal of whole or substantially the whole of the undertaking of a company requires the approval of members of the company by way of a Special Resolution.

The Proposed Transaction was approved by the Board at its meeting held on **August 13, 2022** Pursuant thereto, the BTA is proposed to be executed between the Company and the Buyer. Under the BTA, sale and transfer of the Business Undertaking from the Company to the Buyer is conditional upon satisfactory completion of the condition precedent (including the approval of the Members, lenders and other necessary approvals as may be required for the Proposed Transaction) by the parties.

The Proposed Transaction would be in the nature of a related party transaction under Section - 188(1)(b) of the Act read with rules made thereunder including circular, notification, clarifications thereto, as it involves selling or otherwise disposing of property of any kind to the Buyer, which is a related party of the Company. Members of the Company are further requested to note that Section - 188(1)(b) of the Act read with Rule - 15(3)(a)(ii) of the Companies (Meetings of Board and Its Powers) Rules, 2014, requires that any transaction entered into between related parties for selling or otherwise disposing of, or buying property of any kind, where the amount involved equals to or exceeds 10% (ten percent) of the net worth of the company is to be approved by the members of the company by way of a resolution.

In terms of Regulation - 23(3) of LODR Regulation, Audit Committee approval is required for Related Party Transactions; The Audit Committee approved the proposed transaction in their meeting held on August 13, 2022.

In terms of Regulation - 23(4) of the LODR Regulations, all material related party transactions (including transfer of resources, services or obligations between a listed entity and a related party, regardless of whether a price is charged) shall require approval of the shareholders through resolution. As per Regulation - 23(4) no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not. Therefore, related parties will be abstained from voting. A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, with a related party exceeds 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity. Further, Regulation - 23(2) of the LODR Regulations inter-alia provides that the requirement of obtaining approval of members under Regulation - 23(4) of the LODR Regulations shall be applicable for a material transaction and proviso to Regulation - 23(1) defines material transaction if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds Rupees One Thousand Crores or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower. As per latest audited financial statements company is not fulfilling the abovementioned conditions. Therefore, the requirement of obtaining the approval of members under Regulation - 23(4) of the LODR Regulations shall not apply to the Proposed Transaction.

Except for Mr. Jayesh Ramniklal Mehta and Mrs. Amita Jayesh Mehta who are also the Directors and shareholders on the Board of the Buyer, and their respective relatives, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution.

The Board of Directors recommends passing of the Special Resolution as contained in Item No. 5 of the accompanying Notice for the Approval of the Members of the Company.

ITEM NO. 6:

In order to make the Main Object Clause of the Memorandum of Association comprehensive and concise and to carry on the business of technical textile, it is proposed to amend the Main Object Clause of the Memorandum of Association of the Company by addition of following:

“To carry out weaving of fabrics and the process of coating, lamination and printing on all types of textile fabrics and dyeing and finishing of fabrics.”

The Board at its meeting held on **Saturday, August 13, 2022** has approved alteration of the Memorandum of Association of the Company and the Board now seeks Members' Approval for the same.

The proposed change of Object Clause requires the Approval of Shareholders through Special Resolution pursuant to the provisions of Section - 13 of the Companies Act, 2013.

A copy of the proposed MOA of the Company would be available for inspection for the Members at the Registered Office/Corporate Office of the Company during the office hours on any working day, except Saturdays, Sundays and public holidays, between 11.00 A.M. to 5.00 P.M. till the date of AGM. The aforesaid documents are also available for inspection at the AGM.

None of the Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, shall be considered to be concerned or interested in the proposed Special Resolutions.

The Board of Directors recommends passing of the Special Resolution as contained in Item No. 6 of the accompanying Notice for the Approval of the Members of the Company.

ANNEXURE – I

Details of Directors seeking re-appointment at the Annual General Meeting (Pursuant to Regulation - 36(3) of the Listing Regulations) and SS-2 Secretarial Standard on General Meetings seeking re-appointment at ensuing 36th Annual General Meeting.

Name of Director	Mrs. Amita Jayesh Mehta
Date of Birth	1.11.1963
Qualification	Commerce Graduate
Nationality	Indian
Date of First Appointment	17.06.1986
Designation	Non-Executive Director
Director Identification Number	00193075
Brief Profile including expertise in specific Functional Area	Mrs. Amita J Mehta deals with the sourcing of Materials. She is also active in corporate governance issues.
No. of Board Meetings attended during the Financial Year 2021-2022	Mrs. Mehta attended all the 7 Board Meetings conducted during the year.
Directorships in other Listed Companies	Chandni Machines Limited
Membership /Chairmanship of Committees of other Board as on 31st March, 2022	Nil
Total shares held by her in the Company with other Directors	27,59,626 (16.29%) equity shares of Rs. 10/- each. Mrs. Amita Jayesh Mehta is the spouse of Mr. Jayesh Ramniklal Mehta.

Name of Director	Mrs. Mansi Harsh Dave
Date of Birth	22/02/1989
Qualification	L.LB, University of Mumbai, Mumbai
Nationality	Indian
Date of First Appointment	19.01.2022
Designation	Non-Executive – Independent Director
Director Identification Number	07663806
Brief Profile including expertise in specific Functional Area	Mrs. Mansi Harsh Dave active in corporate governance issues.
No. of Board Meetings attended during the Financial Year 2021- 2022	Mrs. Dave attended all the Meetings conducted during the year.
Directorships in other Listed Companies	CHOTHANI FOODS LIMITED GETALONG ENTERPRISE LIMITED
Membership /Chairmanship of Committees of other Board as on 31stMarch, 2022	<u>CHOTHANI FOODS LIMITED</u> Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee - Member. <u>GETALONG ENTERPRISE LIMITED</u>

	Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee - Chairman.
Total shares held by her in the Company with other Directors	NIL

**By the order of the Board
CANDOUR TECHTEX LIMITED**

**Sd/-
Jayesh R Mehta
Chairman & Managing Director
DIN: 00193029**

**Date: August 13, 2022
Place: Mumbai**

**Registered Office:
110, T. V. Industrial Estate,
52, S. K. Ahire Marg,
Worli, Mumbai-400030**

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the **36th Annual Report** together with Audited Financial Statements for the year ended 31st March, 2022 of **CANDOUR TECHTEX LIMITED (Formerly known as CHANDNI TEXTILES ENGINEERING INDUSTRIES LIMITED)**. The Financial Results of the Company have been summarized and given below:

1. FINANCIAL HIGHLIGHTS OF THE COMPANY

(In Rupees)

	2021-2022	2020-2021
Revenue from operations	1,74,18,97,137	69,52,13,947
Other Income	1,59,39,483	1,27,41,709
Total Revenue	1,75,78,36,620	70,79,55,656
Profit before depreciation, finance costs & tax	1,71,24,50,121	68,60,93,603
Less: Depreciation and Amortisation	1,62,65,775	1,50,00,880
Finance Costs	47,22,265	58,05,454
Profit before exceptional items and tax	2,43,98,459	10,55,720
Less: Exceptional Items	-	1,08,47,566
Profit before tax	2,43,98,459	1,19,03,286
Tax Expense		
Current tax	41,76,310	4,95,120
Deferred tax	27,22,761	3,73,128
Profit after tax	68,99,071	1,10,35,037
Other Comprehensive Income	99,858	8,622
Total Comprehensive Income for the Year	1,75,99,245	1,10,43,659
Balance brought forward from previous year	2,61,04,655	1,50,86,613
Less: Effect of Adoption of IND AS (net of taxes)	-	-
Add: Profit for the year	1,74,99,387	1,10,35,037
Balance carried to balance sheet	4,36,04,041	2,61,21,650

2. OPERATIONS OF THE COMPANY

Turnover of the company has increased to **INR 1,74,18,97,137/-** in the current year as compared to **INR 69,52,13,947 /-** in the previous year.

The **Profit before tax** has increased to **INR 2,43,98,459 /-** in the current year as compared to **INR 1,19,03,286/-** in the previous year.

The **Net Profit after tax** has increased to **INR 1,74,99,387 /-** in the current year as compared to **INR 1,10,35,037 /-** in the previous year.

3. DIVIDEND:

The Board of Directors (“Board”) after assessing the performance, capital position, solvency and liquidity levels of the Company and in order to conserve the resources of Company, your Directors do not recommend any dividend.

The Company has formulated a Dividend Distribution Policy which has been approved by the Board. In terms of Regulation – 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) the Dividend Distribution Policy is hosted on the website of the Company at www.cteil.com

4. TRANSFER TO RESERVES:

The Company had profits **INR 1,74,99,387/-** as at 31st March, 2022. An amount of **INR 1,74,99,387 /-** is proposed to be retained in the Profit & Loss Account.

5. CHANGE IN NATURE OF BUSINESS, IF ANY:

During the financial year, there has been no change in the business of the Company or in the nature of business carried by the Company during the financial year under review. The Company is exploring the possibility to enter into the technical textile business.

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

No material changes and commitments, if any, affecting the financial position of the Company which have occurred between end of the financial year of the Company to which the Financial Statements relate and the date of the Report.

7. CHANGE OF NAME:

In the Annual General Meeting held on 20th September, 2021 the Shareholders approved by way of Special Resolution the name of the Company had been changed from “Chandni Textiles Engineering Industries Limited” to “**Candour Techtex Limited**”. The approval has been received from Ministry of Corporate Affairs (MCA) and BSE Limited & Metropolitan Stock Exchange of India Limited.

8. PREFERENTIAL ALLOTMENT:

In the Extra Ordinary General Meeting held on 11th February, 2022 the Shareholders approved by way of Special Resolution the issuance of 8,00,000 Equity Shares having face value of Rs. 10/- each at an issue price of Rs.50/- to the allottees on preferential basis. Further, the paid – up capital of the Company stands increased from Rs. 16,13,72,630/- (1,61,37,263 Equity Shares of Rs. 10/- each) to Rs. 16,93,72,630/- (1,69,37,263 Equity Shares of Rs. 10/- each) pursuant I said preferential allotment.

9. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on 31st March, 2022 your Company does not have any Subsidiary, Associate or Joint Venture Companies.

10. SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS/ COURTS:

There are no significant and material orders passed by the Regulators/ Courts that would impact the going concern status and the Company’s operation in future.

11. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the provisions of Section – 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Amita Jayesh Mehta, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board of Directors recommends her re-appointment which has been annexed to this report as **Annexure – I**.

None of the Directors is disqualified for appointment/ re-appointment under Section – 164 of the Companies Act, 2013. As required by law, this position is also reflected in the Auditor's Report.

The Composition of the Board, Meetings of the Board held during the year and the attendance of the Directors thereat have been mentioned in the Report on Corporate Governance in the Annual Report.

All Independent Directors have given Declaration of compliance of Rule – 6(1) & (2) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended along with the declaration that they meet the Criteria of Independence as laid down under Section- 149(6) of the Companies Act, 2013.

During the Financial Year 2021-2022,

- Mr. Vasant Gaurishankar Joshi as an Independent Director of the Company resigned with effect from 01st November, 2021.
- Mr. Richie Amin appointed as an Additional Director with effect from 12th November, 2021 and resigned with effect from 19th January, 2022.
- Mrs. Mansi Harsh Dave appointed as an Additional Independent Director of the Company with effect from 19th January, 2022.
- Mrs. Khushboo Soumik Shah resigned from the post of the Company Secretary & Compliance Officer with effect from 30th November, 2021.
- Mrs. Kirti Pathak appointed as a Company Secretary & Compliance Officer with effect from 10th December, 2021.

As required under Section – 203 of the Companies Act, 2013, the Company has noted that **Mr. Jayesh Ramniklal Mehta, Managing Director, Mr. Shailesh Pandurang Sankav, Chief Financial Officer and Mrs. Kirti Pathak, Company Secretary and Compliance Officer** are the **Key Managerial Personnel** of the Company during the year.

12. NUMBER OF MEETINGS OF THE BOARD:

During the year under review, **Seven Board Meetings** were conducted. The Composition of the Board and other details relating to the Board Meetings has been provided in the Corporate Governance Report. The gap between two Board Meetings did not exceed 120 days as per Section – 173 of the Companies Act, 2013.

13. COMMITTEE:

The Company has duly constituted the following mandatory Committees in terms of the provisions of the Companies Act, 2013 read with rules framed thereunder viz.,

- (i) Audit Committee.**
- (ii) Nomination and Remuneration Committee.**
- (iii) Stakeholders Relationship Committee.**

The Composition of all such Committees, Number of Meetings held during the year under review, brief terms of reference and other details have been provided in the Corporate Governance Report which forms part of this Annual Report. All the recommendations made by the Committees were accepted by the Board.

AUDIT COMMITTEE:

As on 31st March, 2022 the Audit Committee of the Board of Directors of the Company comprises of **3 (three) Members** namely:

- Mr. Rameshchand Garg- Chairman.
- Mr. Bharat Sugnomal Bhatia- Member.
- Mrs. Mansi Harsh Dave- Member.

The Board accepted the recommendations of the Audit Committee whenever made by the Committee during the year.

NOMINATION AND REMUNERATION COMMITTEE:

As on 31st March, 2022 the Nomination & Remuneration Committee of the Board of Directors of the Company comprises of **3 (three) Members** namely:

- Mr. Bharat Sugnomal Bhatia- Chairman.
- Mr. Rameshchand Garg - Member
- Mrs. Mansi Harsh Dave- Member.

The Board accepted the recommendations of the Nomination & Remuneration Committee whenever made by the Committee during the year.

STAKEHOLDER RELATIONSHIP COMMITTEE:

As on 31st March, 2022 the Stakeholder Relationship Committee of the Board of Directors of the Company comprises of **3 (three) Members** namely:

- Mr. Bharat Sugnomal Bhatia- Chairman.
- Mr. Jayesh R. Mehta - Member
- Mrs. Mansi Harsh Dave- Member.

The Board accepted the recommendations of the Stakeholder Relationship Committee whenever made by the Committee during the year.

14. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section – 134(5) of the Companies Act, 2013 the Directors to the best of their knowledge hereby state and confirm that:

- (a) In the preparation of the Annual Accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed and there are no material departures.
- (b) The Directors 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 31st March, 2022 and of its profit for the year.
- (c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) The Directors have prepared the annual accounts on a going concern basis.
- (e) The Directors have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and were operating effectively, and
- (f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. DECLARATION BY INDEPENDENT DIRECTORS:

All Independent Directors have given declaration of compliance of Rule – 6(1) & (2) of Companies (Appointment and Qualifications of Directors) Rules, 2014 as amended along with the declaration

that they meet the Criteria of Independence as laid down under Section - 149(6) of the Companies Act, 2013.

The Company convened Independent Director's Separate Meeting in terms of Schedule – IV to the Companies Act, 2013 on **14th February, 2022.**

16. PUBLIC DEPOSITS:

The Company has not accepted any Public Deposits within the meaning of Section – 73 to 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review and there are no outstanding deposits which are pending for repayment.

17. COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Company has been following a policy with respect to appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The appointment of Directors on the Board is subject to the recommendation of the Nomination and Remuneration Committee (NRC). Based on the recommendation of the NRC, the remuneration of Executive Director is fixed in accordance with the provisions of the Company's Act, 2013 which comprises of Basic Salary, Perquisites, Allowances and Commission. The Remuneration of Non-Executive Directors comprises of sitting fees in accordance with the provisions Companies Act, 2013.

The criteria for appointment of Board of Directors and Remuneration Policy of your Company are placed on the website of the Company www.cteil.com.

18. EVALUATION OF BOARD OF DIRECTORS:

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee formulated the criteria for evaluation of the performance of the Board of Directors, its various Committees constituted as per the provisions of the Companies Act, 2013 and Individual Directors. Based on that, the Board of Directors carried out an Annual Evaluation of its own performance and of its various Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and expressed their satisfaction with its performance and performance of its Committees. The Board of Directors also evaluated the performance of individual Director on the basis of self-appraisal and expressed their satisfactory

performance. The Board of Directors also carried out an annual performance evaluation of its Independent Directors and expressed their satisfaction with their functioning / performance.

19. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section – 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company appointed **M/s. N L Bhatia & Associates, Practicing Company Secretaries** to conduct the Secretarial Audit of the Company for the financial year **2021-2022**. The Report is attached herewith as **Annexure – II** to the Board’s Report.

M/s. N L Bhatia & Associates,, Practicing Company Secretaries, in their Secretarial Audit Report have **not made** any qualifications.

20. ANNUAL RETURN:

The Annual Return for F.Y. 2021-2022 is available on the website of the Company at www.cteil.com.

21. AUDITORS:

STATUTORY AUDITORS:

M/s Ambavat Jain & Associates, LLP Chartered Accountants (**Firm Registration No.: 109681W**) were appointed as Statutory Auditors of the Company for a period of Five (5) years till the conclusion of Thirty Sixth Annual General Meeting of the Company.

The Audit Committee and the Board of Directors of the Company (“Board”) at its respective meeting held on 13th August, 2022 recommended, subject to approval of the members of the Company at the forthcoming 6th Annual General Meeting, the re-appointment of M/s. Ambavat Jain & Associates LLP, Chartered Accountants (Firm Registration Number 109681W) as the Statutory Auditors of the Company for a second term of five (5) years i.e., from conclusion of the 36th Annual General Meeting till the conclusion of 42nd Annual General Meeting to be held in the year 2027. The necessary resolution seeking your approval for their re-appointment as statutory auditors is included in the notice of the ensuing Annual General Meeting.

The Auditors' Report on Standalone Financial Statements for the financial year 2021-2022, issued by M/s. Ambavat Jain & Associates LLP, Chartered Accountants, does not contain any qualification, observation, disclaimer, reservation or adverse remark.

During the year under review, no instances of fraud were reported by the Statutory Auditors of the Company as per Section 142(12) of the Companies Act, 2013.

22. STATUTORY AUDITORS REPORT:

The Auditors Report on Standalone Financial Statements for the financial year 2021-2022 issued by M/s. Ambavat Jain & Associates, LLP Chartered Accountants, does not contain any qualification, observation, disclaimer, reservation or adverse remark.

23. PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN AND SECURITIES PROVIDED UNDER SECTION - 186 OF THE ACT:

The details of investments covered under the provisions of Section – 186 of the Companies Act, 2013 are disclosed in **Note No. 4** to the Financial Statements. The Company has not given any loans and guarantees under Section- 186 of the Act during the Financial Year 2021-2022.

24. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of Contracts or Arrangements entered into by the Company with Related Parties referred to in Sub-Section (1) of Section – 188 of the Companies Act, 2013 are disclosed in Form AOC-2 pursuant to Section – 134(3) (h) of the Companies Act, 2013 read with Rule – 8(2) of the Companies (Accounts) Rules, 2014 is set out as **Annexure-III** to this report. All Related Party Transactions are presented to the Audit Committee and the Board. The Company has framed a Policy on Related Party Transactions. The Policy on Related Party Transaction can be accessed on the website of the Company www.cteil.com

25. RISK MANAGEMENT:

The Company has a Risk Management framework for identification, assessment and mitigation of risks. This framework essentially creates transparency and minimizes the risk and adverse impact on the business objectives and enhances the Company's competitive edge. This frame work consists of various risk models helping in indentifying risk, risk trends, exposure and potential influence analysis is separately for various business segments and at various levels of the Company.

Based on the operations of the Company new risks, if any, are identified, appropriate steps are taken to mitigate them. Our internal control encompasses various management system, structures of organisation, standard and code of conduct which all put together help in managing the risks associated with the Company.

26. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has a proper and adequate system of Internal Controls. This ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly. An extensive programme of Internal Audits and Management reviews supplements the process of internal control. Properly documented policies, guidelines and procedures are laid down for this purpose. The Internal Control System has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. The Company has in placed adequate Internal Financial Controls with reference to Financial Statements.

In accordance with Rule – 8(5) (viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the Financial Statements.

27. ESTABLISHMENT OF VIGIL MECHANISM:

In pursuant to 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 / Whistle Blower Policy is available on the website of the Company www.cteil.com.

28. CORPORATE GOVERNANCE :

A Report on Corporate Governance along with a Certificate from Practicing Company Secretary of the Company confirming of Corporate Governance requirements as stipulated under Regulation – 27 of SEBI (LODR) Regulations forms part of this Annual Report.

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

The Company has in place Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has provided a safe and dignified work environment for employee which is free of

discrimination. The objective of this Policy is to provide Protection against Sexual Harassment of Women at Workplace and for Redressal of any such complaints of harassment.

Pursuant to requirements of Section – 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 read with Rules thereunder, it is hereby declared that the Company has not received any complaint of sexual harassment during the year under review.

30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO AS STIPULATED UNDER SECTION – 134(3) (M) OF THE COMPANIES ACT, 2013 READ WITH RULE – 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014:

(a) Conservation of Energy :

Technology up gradation, modernization, and the introduction of control instrumentation are practiced realizing the full potential of energy conservation in our organization. The Company does a continual improvement for optimum utilization of resources to ensure minimize consumption of energy, water, natural resources while maximizing production volumes in eco friendly manner.

(b) Technology Absorption:

Your Company has not imported any technology for manufacture of textiles yarn or plastic crates.

(c) Foreign Exchange Earnings and Outgo:

	FY 2021-2022	FY 2020-2021
Total Foreign Exchange Outgo	13,39,002	6,63,780
Total Foreign Exchange earned (FOB)	NIL	NIL

31. PARTICULARS OF EMPLOYEES:

Information as required under the provisions of Section – 197 of the Act, read with Rules -5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **Annexure - IV** to the Director's Report. There are no employees employed throughout the financial year that was in receipt of remuneration of INR 1.02 Crores or more, or employed for part of the year and in receipt of INR 8.5 Lakhs or more a month, as mentioned under Rule – 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation – 34 of SEBI (LODR) Regulations is presented in a separate section forming part of this Annual Report attached as **Annexure – V**.

33. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING IN SECURITIES:

During the year, Company has amended the Code of Conduct for Prevention of Insider Trading in Securities (“Code”) in accordance with SEBI (Prohibition of Insider Trading) Amendment Regulations, 2018, which is effective from 01st April, 2019. The amended Code is uploaded on the website of the Company. The objective of the Code is to protect the interest of shareholders at large, to prevent misuse of any Unpublished Price Sensitive Information (UPSI) and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Persons and Employees.

34. REPORTING OF FRAUD BY THE AUDITORS:

Pursuant to the provisions of Section – 143 (12) of the Companies Act, 2013, no instance of fraud has been reported by the Auditors against the Company.

35. INSIDER TRADING CODE:

In compliance with the SEBI Regulations on Prevention of Insider Trading, the Company has instituted a comprehensive Code of Conduct for regulating, monitoring and reporting of trading by Insiders. The said Code laid down guidelines which advised them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioned them on consequences of non-compliance. Further, the Company has put in place a Code of Practices and Procedures of Fair Disclosures of Unpublished Price Sensitive Information (UPSI). Both the aforesaid Codes are in lines with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Code of Conduct of the Company for Prevention of Insider Trading is placed at the website of the Company.

36. COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARDS:

The Company has complied the applicable provisions of Secretarial Standards i.e. SS-1 and SS-2, issued by Institute of Company Secretaries of India and approved by the Central Government under Section – 118 (10) of the Act during the year under Report.

37. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid Annual Listing Fees for the year 2022-2023 to both the Stock Exchanges i.e. **The BSE Limited and The Metropolitan Stock Exchange of India Limited** where the Company's shares are listed.

38. CAUTIONARY STATEMENT:

Statements in Annual Report, including those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable Laws and Regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

39. ACKNOWLEDGEMENTS:

The Directors wish to convey their appreciation to all employees for their enormous efforts at the individual level as well as their collective contribution to the Company's performance. The Directors would also like to thank the Shareholders, Customers, Dealers, Suppliers, Bankers, Government and all the Other Business Associates for the continuous support given by them to the Company and their confidence in Management.

For and on behalf of Board of Directors

Sd/-

Jayesh Ramniklal Mehta

Managing Director

DIN: 00193029

Date: 13th August,2022

Place: Mumbai

ANNEXURE-I

Details of Directors seeking Re-Appointment at the Annual General Meeting (Pursuant to Regulation – 36(3) of the Listing Regulations) and SS-2 Secretarial Standard on General Meetings seeking Re-Appointment at ensuing 36th Annual General Meeting.

Name of Director	Mrs. Amita Jayesh Mehta
Date of Birth	01/11/1963
Qualification	Commerce Graduate
Nationality	Indian
Date of First Appointment	17/06/1986
Designation	Non-Executive Director
Director Identification Number	00193075
Brief Profile including expertise in Specific Functional Area.	Mrs. Amita Jayesh Mehta deals with the sourcing of Materials. She is also active in Corporate governance issues.
No. of Board Meetings attended during the Financial Year 2021-2022.	Mrs. Mehta attended all the 7 Board Meetings conducted during the year.
Directorships in other Listed Companies	Chandni Machines Limited
Membership /Chairmanship of Committees of other Board as on 31 st March, 2022.	Nil
Total shares held by her in the Company with other Directors	27, 59, 626 (17.10%) Equity Shares of Rs. 10/- each. Mrs. Amita Jayesh Mehta is the spouse of Mr. Jayesh Ramniklal Mehta.

Name of Director	Mrs. Mansi Harsh Dave
Date of Birth	22/02/1989
Qualification	L.LB, University of Mumbai, Mumbai
Nationality	Indian
Date of First Appointment	19.01.2022
Designation	Non-Executive – Independent Director

Director Identification Number	07663806
Brief Profile including expertise in specific Functional Area	Mrs. Mansi Harsh Dave active in corporate governance issues.
No. of Board Meetings attended during the Financial Year 2021- 2022	Mrs. Dave attended all the Meetings conducted during the year.
Directorships in other Listed Companies	CHOTHANI FOODS LIMITED GETALONG ENTERPRISE LIMITED
Membership/Chairmanship of Committees of other Board as on 31stMarch, 2022	<u>CHOTHANI FOODS LIMITED</u> Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee – Member. <u>GETALONG ENTERPRISE LIMITED</u> Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee – Chairman.
Total shares held by her in the Company with other Directors	NIL

**For and on behalf of
Candour Techtex Limited**

**Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029**

Date: 13th August,2022

Place: Mumbai

ANNEXURE – II

FORM NO. MR 3
SECRETARIAL AUDIT REPORT

**To,
The Members,
Candour Techtex Limited**

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) We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- (3) We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
- (4) Wherever required we 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, Standard 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 the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**FOR M/S. N.L. BHATIA & ASSOCIATES
PRACTICING COMPANY SECRETARIES
UIN: P1996MH055800
UDIN: A065355D000794677**

**SD/-
MITRA RAMESH RATNANI
PARTNER
ACS: 65355
CP. NO.: 25354
PR NO.: 700/2020.**

**DATE: AUGUST 13, 2022.
PLACE: MUMBAI.**

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 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,
Candour Techtex Limited
(Formerly known as Chandni Textiles Engineering Industries Limited)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate practices adopted by “Candour Techtex Limited” (Formerly known as “Chandni Textiles Engineering Industries Limited”) having Corporate Identification Number (CIN) L25209MH1986PLC040119 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns files 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 the Secretarial Audit, we hereby report that in our Opinion, the Company has, during the Audit period covering the **Financial Year ended on March 31, 2022**, generally 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.

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the **Financial Year ended on March 31, 2022** according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the Rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force.
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulation 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 to the extent applicable.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”): -
- a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
 - b. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
 - c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
 - d. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
 - e. Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996/Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time.
 - f. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, as amended from time to time.
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 as amended from time to time, to the extent applicable.
 - h. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 – **Not Applicable during the Financial Year.**
 - i. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – **Not Applicable during the Financial Year.**
 - j. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – **Not Applicable during the Financial Year.**

k. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 – **Not Applicable during the Financial Year; and**

(vi) Other Applicable Laws as per **Annexure-A**.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);
- (ii) Circulars / Notifications issued by Ministry of Corporate Affairs (MCA) for holding Meetings through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

During the period under review, the following Changes took place in the Board of Directors & Key Managerial Personnel of the Company:

- (a) **Mr. Vasant Gaurishankar Joshi (DIN No.: 00193105) ceased to be an Independent Director of the Company w.e.f. November 01, 2021.**
- (b) **Appointment of Mrs. Mansi Harsh Dave (DIN No.: 07663806) as an Additional Non – Executive Independent Director of the Company w.e.f. January 19, 2022.**
- (c) **Appointment of Mr. Richie Amin (DIN No.: 02253316) as an Additional Non – Executive Independent Director of the Company w.e.f. November 12, 2021 and cessation as an Additional Independent Director w.e.f. January 19, 2022.**
- (d) **Cessation of Ms. Khushboo Shah as the Company Secretary & Compliance Officer of the Company w.e.f. November 30, 2021.**
- (e) **Appointment of Ms. Kirti Pathak as Company Secretary & Compliance Officer of the Company w.e.f. December 01, 2021.**

Adequate notice was given to all the Directors to schedule the Board and Committee 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.

All the Decisions at the Board Meetings and Committee Meetings were passed unanimously and with requisite majority at General Meetings.

We 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.

We further report that, the Shareholders of the Company at the Annual General Meeting held on September 20, 2021 approved the Change in name of the Company from “**Chandni Textiles Engineering Industries Limited**” to “**Candour Techtex Limited**”.

We further report that, the shareholders of the Company at the Extra Ordinary General Meeting held on February 11, 2022 had approved issue and allotment of 8,00,000 Equity Shares having face value of Rs. 10/- each at an issue price of Rs. 50/- each on Preferential Basis to the investors.

**FOR M/S. N.L. BHATIA & ASSOCIATES
PRACTICING COMPANY SECRETARIES**

UIN: P1996MH055800

UDIN: A065355D000794677

SD/-

MITRA RAMESH RATNANI

PARTNER

ACS: 65355

CP. NO.: 25354

PR NO.: 700/2020.

DATE: AUGUST 13, 2022.

PLACE: MUMBAI.

Annexure –A**LIST OF APPLICABLE LAWS****1. Tax Laws:**

- GST Act, 2017.
- Income Tax Act, 1961.

2. Employee Laws:

- Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972.
 - The Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.
 - The Payment of Wages Act, 1936.
 - The Minimum Wages Act 1948.
 - The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and Scheme framed thereunder.
 - The Employees' State Insurance Act 1948.
 - The Maternity Benefit Act, 1961.
 - The Contract Labour (Abolition and Regulation) Act, 1970 & Rules.
 - Equal Remuneration Act, 1976.
 - Workmen's Compensation Act, 1923.
 - Employment Standing Orders Act, 1946.
 - Child Labour (Prohibition and Regulation) Act, 1986.
 - Factories Act, 1948 and rules made thereunder
 - Industrial Disputes Act, 1947
 - The Employment Exchanges (Compulsory Notification of Vacancies) Act, 1959.
 - The Apprentices Act, 1961 and Apprenticeship Rules, 1991 under the above Rules.
 - Labour Welfare Fund Act.
3. Environment (Protection) Act, 1986
 4. Water (Prevention & Control of Pollution) Act, 1974
 5. Air (Prevention & Control of Pollution) Act, 1981
 6. The Standards of Weight & Measures Act, 1976
 7. Water (Prevention and Control of Pollution) Cess Rules, 1977 & 2003
 8. The Hazardous Wastes (Management and Handling) Rules, 1989 (as amended, May, 2003) Rules, 2008
 9. Indian Stamp Act, 1899 and the State Stamp Acts.
 10. The Labour Welfare Fund, Act, 1953.

11. Indian Contract Act, 1872.
12. Negotiable Instruments Act, 1881.
13. Information Technology Act, 2000.
14. Whistle Blowers Protection Act, 2011
15. Registration Act, 1908.
16. Limitation Act, 1963.
17. The Shops and Establishment Act.
18. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Note: This is an indicative list and not an exhaustive list.

ANNEXURE-IIIForm 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: NIL

There were no contracts or arrangements, or transactions entered into during the year ended 31st March, 2022 which were not at Arm's Length basis.

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

Name of the Related parties	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	Amount paid as advances, if any
Chandni Machines Limited [formerly known as Chandni Machines Private Limited]	Purchase of Goods	01-04-2021 to 31-03-2022	4,34,373	N.A.
	Rent/Compensation paid	01-04-2021 to 31-03-2021	5,94,000	
	Rent/Compensation received	01-04-2021 to 31-03-2022	9,24,000	
Mr. Jayesh Ramniklal Mehta	Remuneration paid to Managing Director	01-04-2021 to 31-03-2022	12,00,000	
Mr. Shailesh Sankav	Salary & Bonus	01-04-2021 to 31-03-2022	7,47,500	
Mrs. Khushboo Shah		01-04-2021 to 1-11-2021	3,20,000	
Mrs. Kirti Pathak	Salary & Bonus	01-12-2021 to 31-03-2022	60,000	

**For and on behalf of
Candour Techtex Limited**

**Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029**

**Date: 13th August,2022
Place: Mumbai
'Annexure –III'**

ANNEXURE –IV**PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

Disclosures in terms of Sub-Section 12 of Section – 197 of the Companies Act, 2013 read with Rule – 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended 31st March, 2022.

S.No.	Requirement	Disclosure	
1.	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	Name of Director	Ratio
		Mr. Jayesh Ramniklal Mehta	6.28:1
		Mrs. Amita Jayesh Mehta	0.18:1
		Mr. Vasant Gaurishankar Joshi (Resigned w.e.f. 1 st November,2021)	0.13:1
		Mr. Bharat Sugnomal Bhatia	0.29:1
		Mr. Rameshchand Garg	0.29:1
		Ms. Sharmila Hiralal Amin	0.18:1
		Mr. Richie Amin (Appointed w.e.f. 12 th November,2021 & Resigned w.e.f. 19 th January,2022)	0.08:1
		Mrs. Mansi Harsh Dave (Appointed w.e.f. 19 th January,2022)	0.08:1
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year.	Name of Director/ CEO/CFO/CS	Percentage increase in their remuneration during the Financial Year ended 2022
		Mr. Jayesh R Mehta	NIL
		Mrs. Amita Jayesh Mehta	17%
		Mr. Vasant Gaurishankar Joshi (Resigned w.e.f. 1 st November,2021)	-50%
		Mr. Bharat Sugnomal Bhatia	10%
		Mr. Rameshchand Garg	25%
		Ms. Sharmila Hiralal Amin	75%
		Mr. Shailesh Sankav	21.69%
		Mr. Richie Amin (Appointed w.e.f. 12 th November,2021 & Resigned w.e.f. 19 th January,2022)	100%
		Mrs. Mansi Harsh Dave (Appointed w.e.f. 19 th January,2022)	100%
		Mrs. Khushboo Shah (Resigned w.e.f. 30 th November,2021)	5.49%
Mrs. Kirti Pathak (Appointed w.e.f. 10 th December,2021)	100%		

3.	The percentage increase in the median remuneration of employees in the Financial Year	Not Applicable
4.	Number of permanent employees on the rolls of Company at the end of Financial Year	07 employees
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Not Applicable
6.	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company

**For and on behalf of
Candour Tectex Limited**

**Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029**

Date: August 13, 2022

Place: Mumbai

MANAGEMENT DISCUSSION AND ANALYSIS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2022.

INTRODUCTION:

India Home Textile Market is Segmented By Product (Bed Linen, Bath Linen, Kitchen Linen, Upholstery and Floor Covering), and By Distribution Channel (Supermarkets & Hypermarkets, Specialty Stores, Online and Other Distribution Channels).

The home textiles market in India is growing with leaps and bounds and in the process has attracted the attention of foreign brands that have entered the Indian markets on their own or through joint ventures. This has happened due to the growing affluence levels of Indian consumers who are becoming more and more demanding by asking for exquisite home textile fabrics. The growth in the Indian home textiles is supported by growing household income, increasing population, rising income levels, increase in organized retail, and growth of end-use sectors like housing, hospitality, healthcare. India accounts for almost 7% of global home textiles trade. India is also one of the top suppliers for the world's biggest home textile consuming market, being the US. Increasing efforts in quality improvement, innovations through R&D programs, and other preferential value-added features have helped India's home textile products become more popular in the global market. Superior quality makes companies in India a leader in the US and the UK, contributing two-third to their exports. Delhi, India has emerged as one of the major productions and export centers for home textiles. Traditional craftsmanship along with its distinctive appeal is being effectively used for producing value-added home textile items.

Due to the COVID-19, all economic activities except for the essential goods and services came to a standstill. The home textile industry was no exception to this. The industry faced a complete shutdown for around 2-3 months. Disrupted logistics and frozen external trade caused due to the pandemic affected the entire value chain alike. India's April and May 2020 net trade were around 50% lower month-on-month compared to that of the previous year. Due to the uncertainty across the market, international and domestic buyers cancelled or suspended their orders, adding to the woes of the industry

The global plastic market size was valued at USD 593.00 billion in 2021. It is expected to expand at a compound annual growth rate (CAGR) of 3.7% from 2022 to 2030. The increasing plastic consumption in the construction, automotive, and electrical & electronics industries is projected to support market growth during the forecast period. Regulations to decrease gross vehicle weight to improve fuel efficiency and eventually reduce carbon emissions are driving plastic consumption as a substitute for metals, including aluminum and steel, for manufacturing automotive components.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Home textiles are fabrics and clothes used specifically for furnishing a residence. The materials and design of each are defined by the functional and aesthetic uses of each. A complete background analysis of the India Home Textile Market, which includes an assessment of the economy and contribution of sectors in the economy, market overview, market size estimation for key segments, and emerging trends in the market segments, market dynamics, and logistics spending by the end-user industries, is

covered in the report. India Home Textile Market is Segmented By Product into Bed Linen, Bath Linen, Kitchen Linen, Upholstery and Floor Covering, and By Distribution Channel into Supermarkets & Hypermarkets, Specialty Stores, Online and Other Distribution Channels.

The growth of the construction industry in emerging markets such as Brazil, China, India, and Mexico has been instrumental in fueling the demand for plastics. The progress of the overall market can be attributed to increased foreign investment in these domestic construction markets, as a result of easing FDI norms and requirements for better public and industrial infrastructure.

The plastics market demand in the U.S. was valued at USD 86.02 billion in 2021. The high market share of the country is attributed to the presence of the well-established automotive, aerospace & defense, and electronics industries. The country is characterized by a low-risk environment, a stable economy, and a robust financial sector. These factors have provided a multitude of opportunities for investors in recent years, which are likely to trigger infrastructure spending in the country. This, in turn, is projected to positively impact the demand for plastics in the U.S. construction industry.

The growing population, coupled with rapid urbanization and industrialization in emerging economies, has been impelling federal governments to increase their construction spending to cater to increasing infrastructure needs. Rising construction spending by governments, particularly in China and India, will drive the demand for plastic in infrastructure and construction applications.

Stringent regulations regarding depletion and recyclability of conventional materials such as metal and wood are anticipated to drive greater plastic demand from construction industries in insulation, pipes, cables, floorings, windows, storage tanks, and others. Polymer fittings are also generally quite simple and easy to install, compared to metals or wood, with a wide range of color combinations adding to their aesthetic appeal.

Plastic has 85% less specific gravity compared to metals. When used in the automotive and construction industries, they enable approximately 80% weight savings and 30% to 50% cost savings in individual components. The increasing incidences of positive cases of COVID-19 across the globe due to new virus variants are positively influencing the demand for plastic in medical devices such as testing equipment, ventilators, gloves, syringes, surgical trays, and medical bags.

MARKET OPPORTUNITIES:

Rising demand for household products and growing consumer awareness have made home textiles a lucrative business segment. Secondly, fashion sensitivity towards household furnishing has increased as fast-fashion has hit not only the apparel market but the home market as well. Home fashion has become a separate segment as consumer consciousness towards high-quality living has increased.

To cater to the increased demand, the number of retailers entering the home textiles market is also increasing. Moreover, the advent of E-commerce in the segment is further making the market even more competitive, and with the increasing number of websites, the marketplace is also experiencing growth. Fuelling the market growth, research, and development in the home textiles segment has been immense.

Polyethylene held the largest market revenue share of more than 25.0% of the overall demand in 2021. It is primarily used in the packaging sector, which includes containers and bottles, plastic bags, plastic films, and geomembranes. Based on its molecular weight, there are different types of polymers of PE such as HDPE, LDPE, and LLDPE. For instance, low molecular weight polymers of PE find use in lubricants; medium molecular weight polymers are used as wax, miscible with paraffin; high molecular weight polymers are commonly used in the plastic industry.

Rising demand for packaged food, trays, bottles for milk and fruit juices, crates, caps for food packaging, drums, and other liquid food packaging, to combat the spread of COVID-19 across the world is expected to drive the demand for polyethylene in the coming years.

Acrylonitrile butadiene styrene (ABS) is one of the promising product segments in the plastic market. ABS is widely used in consumer goods and electrical & electronics applications and is gaining popularity owing to its excellent rigidity, high strength, and dimensional stability. It is a tough material and is resistant to corrosive chemicals, physical impact, and heat. Thermoplastics such as ABS liquefy, allowing them to be easily injection molded and recycled. However, ABS is not used in high-heat situations because of its low melting point.

LEGO toys and computer keyboards are also significant application areas for ABS compounds. ABS is also used in manufacturing drain-waste-vent pipe systems, plastic clarinets, golf club heads, musical instruments, enclosures for electrical & electronic assemblies, automotive trim components, and protective headgears, among various other products.

OPPORTUNITIES AND THREATS:

India is working on major initiatives, to boost its technical textile industry. Owing to the pandemic, the demand for technical textiles in the form of PPE suits and equipment is on rise. Government is supporting the sector through funding and machinery sponsoring.

Top players in the sector are attaining sustainability in their products by manufacturing textiles that use natural recyclable materials.

The future for the Indian textiles industry looks promising, buoyed by strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

High economic growth has resulted in higher disposable income. This has led to rise in demand for products creating a huge domestic market.

The injection molding application segment held the largest revenue share of over 43.0% of the overall demand in 2021. Injection molding is a common method for producing custom plastic parts. It is a discontinuous process as the plastic parts are produced in molds and are required to be cooled before being removed. This process requires an injection molding machine, molds, and plastic materials. The molten plastic is injected into a mold cavity and then cooled to create the final product. It is generally used in the production of automobile parts, containers, and medical devices among others.

Calendering is one of the potential application segments in the plastics market. It is used to process thermoplastic materials into films and sheeting. It is mainly used for PVC as well as certain other modified thermoplastics. The process consists of five steps - pre-blending, fluxing, calendering, cooling, and winding-up. It allows specialty surface treatments of films or sheets such as enhancing or embossing the physical properties or in-line lamination. The growing packaging industry is driving the demand for films and sheets which, in turn, is further creating the demand for calendering.

The packaging end-use segment held the largest market revenue share of more than 36.0% of the overall demand in 2021. Packaging is a high-potential end-use segment with moderate penetration. Plastic has been an integral part of the packaging industry. Furthermore, the advent of bio-based plastics has also played a significant role in the food, pharmaceutical, and beverage packaging sectors.

OUTLOOK

Rising Government focus and favourable policies is leading to growth in the textiles and clothing industry. The Ministry of Textiles is encouraging investment through increasing focus on schemes such as Technology Up-gradation Fund Scheme (TUFS). In Union Budget 2020-21, the Government has allocated Rs. 761.90 crore (US\$ 109.01 million) for Amended Technology Upgradation Fund Scheme (A-TUFS). The Cabinet Committee on Economic Affairs (CCEA), Government of India has approved a new skill development scheme named 'Scheme for Capacity Building in Textile Sector (SCBTS)'. The Government announced a special package to boost export by US\$ 31 billion, create one crore job opportunities and attract investment worth Rs. 80,000 crore (US\$ 11.93 billion) during 2018-2020. Cumulative FDI (Foreign Direct Investment) inflow in the textiles sector stood at over US\$ 3.46 billion between April 2000 to September 2020.

In Union Budget 2020-21, the Government of India has allocated around Rs. 3,515 crore (US\$ 502.93 million) to the Ministry of Textiles and Rs. 80 crore (US\$ 11.45 million) for the scheme on Integrated Textile Parks. The Ministry of Textiles has announced Rs. 690 crore (US\$ 106.58 million) for setting up 21 readymade garment manufacturing units in seven states for development and modernisation of Indian textile sector. National Technical Textiles Mission is proposed for a period from 2020-21 to 2023-24 at an estimated outlay of Rs. 1,480 crore (US\$ 211.76 million).

Under the production linked incentive scheme, government has approved Rs. 10,683 crore (US\$ 1.44 billion) for manmade fibre and technical textiles manufacturing.

The National Handloom Development Programme has been allocated Rs. 388.21 crore (US\$ 55.55 million), whereas, the Integrated Processing Development Scheme has received Rs. 50 crore (US\$ 7.15 million) in Union Budget 2020-21.

In March 2021, Minister of Textiles Smriti Irani announced that India will be fully self-reliant in silk production in the next two years.

The packaging end-use segment held the largest market revenue share of more than 36.0% of the overall demand in 2021. Packaging is a high-potential end-use segment with moderate penetration. Plastic has been an integral part of the packaging industry. Furthermore, the advent of bio-based plastics has also played a significant role in the food, pharmaceutical, and beverage packaging sectors.

Plastics such as Polyethylene Terephthalate (PET) and Polycarbonates (PC) are increasingly being used in the packaging of beverages, consumer goods, appliances, toys, and apparel. The packaging of appliances is expected to offer lucrative opportunities for market growth. The demand for packaging for healthcare products, groceries, and e-commerce transportation has increased sharply in the post-COVID period, while the demand for luxury, industrial, and some B2B transport packaging declined, owing to the suspension or slowdown of industrial production.

Moreover, the demand for plastic in consumer packaging is expected to shift drastically towards food packaging, owing to the shutdown of restaurants and foodservice outlets during the pandemic. The stockpile and panic purchases of food, groceries, and other homecare necessities are further expected to boost the aforementioned trend.

Asia Pacific (including China) dominated the plastics market and accounted for over 44.0% share of the global revenue in 2021. The rapidly-growing manufacturing sector is expected to propel the demand for plastic in the automotive, construction, packaging, and electrical & electronics industries. In the recent past, India and China have witnessed a spike in automotive production owing to technology transfer to the sector from the Western markets.

In addition, a well-established manufacturing base for electrical & electronics in Taiwan, China, and South Korea is anticipated to provide further impetus to the plastic industry. India has a strong chemical manufacturing industry base, which serves to strengthen its plastic production. Rapid urbanization, improving economic conditions, and increasing infrastructural activities are the factors supporting the growth of the market for plastics in the Asia Pacific.

China is the largest supplier and producer of plastic components in this region. The growth of the automotive and electronic markets and the subsequent demand for lightweight components to improve the efficiency of vehicles and reduce the weight of electronics components are the major factors contributing to the higher demand for plastic in the country.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Management has put in place effective Internal Control Systems to provide reasonable assurance for:

- Safeguarding Assets and their usage.
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the information used for carrying on Business Operations.

FINANCIAL PERFORMANCE

1. Share Capital: As on March 31, 2022, the paid-up Share Capital of the Company stood at Rs. 16, 93, 72, 630 comprising of 1,69,37,263 Equity Shares of Rs. 10/- each.

2. Reserves & Surplus: As on March 31, 2022 the total Reserves & Surplus of our Company stood at Rs. 9,45,35,303/- as against Rs. 4,49,36,058/- as on March 31, 2021.

3. Result: During the year 2021-2022 the total revenue of our company was Rs. 1,74,18,97,137/- as against Rs. 69,52,13,947/- in the year 2020-2021.

HUMAN RESOURCE DEVELOPMENT

Human resource development (HRD) is phenomenal for the manufacturing and service industry. HRD deals with up gradation of skills for labours and executives, planning and allocation of work, monitoring and assessment of performance. One of the most important tasks is upgrading the skills and knowledge of the human resource from time to time in tandem with the development of technology and trade. This upgradation is done through training and workshop/seminars. Collectively, HRD activities result in increased productivity, reduced cost and wastage, rightsizing of labour and staffs at the organization, organizational stability and flexibility to adapt to future changes.

KEY FINANCIAL RATIO

PARTICULARS	2021-2022	2020-2021
Debtor's turnover ratio	10.25	4.37
Current Ratio	2.85	1.25
Debt-Equity Ratio	0.13	0.15
Operating Profit (%)	2.59%	3.41%
Net Profit (%)	1.01%	0.02%

Return on Net Worth	9.75	2.89
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CAUTIONARY STATEMENT:

Some of the statements made above are stated as required by applicable regulations. While they are based on the data available and the bonafide judgment of the management, the actual results may be affected by various factors, which may be different from what your management envisages in terms of future performance & outlook.

REPORT ON CORPORATE GOVERNANCE**A brief Statement on Company's Philosophy on code of Governance:**

Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited) (hereinafter "Company") believes that good Corporate Governance is process in directing and controlling the affairs of the Company in an efficient manner and helps in achieving the goal of maximizing value of Company's stakeholders in a sustainable manner. Company's Governance framework is built on transparency, integrity, ethics, honesty and accountability as core values, and the management believes that practice of each of these creates the right corporate culture fulfilling the purpose of Corporate Governance.

Key tools devised for achieving the enshrined objectives are a well-defined code of conduct, robust internal and financial controls, systems, transparency, communications etc., which are properly implemented through continuous review process and mechanism setup for the said purpose. However, it is to be recognised that Corporate Governance is not just a destination but a consistent journey to consolidate and enhance sustainable value creation to the Company by adhering to the core values.

1. Board of Directors:

The Board of Directors has an optimum combination of Executive and Non-Executive Directors with one woman director; fifty percent of the Board of Directors comprises of non-executive independent directors. The Chairman of the Board is an executive director balance of Executive Directors, Non-Executive Directors and Independent Directors, having professional expertise from different fields such as technical, business strategy and management, marketing, Corporate Governance represents the value framework, rules, practices by which a Company conducts its business activities. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world.

(a) Composition and category of Directors (eg: Promoter, Executive, Non-Executive Independent, Nominee Director – Institution represented and whether as Lender or as Equity Investor):

Name of Director	Designation	Category / Remark	No. of Committee Membership/ Chairmanship held in other Listed Companies
Mr. Jayesh Ramniklal Mehta	Chairman & Managing Director	Executive & Non-Independent (Promoter)	Chandni Machines Limited Member - Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee.
Mrs. Amita Jayesh Mehta	Non-Executive Director	Promoter	NIL

Mr. Rameshchand Garg	Non-Executive Independent Director.	NIL	Chandni Machines Limited
			Chairman – Stakeholder Relationship Committee.
Mr. Vasant Gaurishankar Joshi (Resigned w.e.f 1 st November, 2021)	Non-Executive Independent Director.	NIL	Chandni Machines Limited
			Chairman - Audit Committee
Mr. Richie Amin (Appointed w.e.f. 12 th November, 2021 and Resigned w.e.f. 19 th January, 2022)	Non-Executive Independent Director.	NIL	Chandni Machines Limited
			Member - Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee.
Mr. Bharat Sugnomal Bhatia	Non-Executive Independent Director.		Chandni Machines Limited
			Chairman - Audit Committee and Nomination and Remuneration Committee.
Mrs. Mansi Harsh Dave (Appointed w.e.f. 19 th January, 2022.)	Non-Executive Independent Director.	NIL	Chothani Foods Limited
			Member- Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee.
Ms. Sharmila Hiralal Amin	Executive Director	NIL	Getalong Enterprise Limited
			Chairman - Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee.
			NIL

(b) Attendance of each Director at the Meeting of the Board of Directors and the last Annual General Meeting:

Directors	Board Meeting held during the	Board Meeting attended during the year	Whether attended last Annual General	Remarks
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	tenure of Director		Meeting held on 20 th September, 2021	
Mr. Jayesh Ramniklal Mehta	7	7	Yes	-
Mrs. Amita Jayesh Mehta	7	7	Yes	-
Mr. Bharat SugnomalBhatia	7	7	Yes	-
Mr. Rameshchand Garg	7	7	Yes	-
Mr. Vasant Gaurishankar Joshi (Resigned w.e.f 1st November, 2021)	2	2	No	Inability to attend the AGM due to personal reasons.
Ms. Sharmila Hiralal Amin	7	7	Yes	-
Mr. Richie Amin (Appointed w.e.f. 12th November, 2021 and Resigned w.e.f. 19th January, 2022)	3	3	No	-
Mrs. Mansi Harsh Dave (Appointed w.e.f. 19th January, 2022)	2	2	No	-

(c) Number of other Board of Directors or Committees in which a Director is a Member or Chairperson as on 31st March, 2022:

S. No.	Name of the Director	Directorship in other listed Company #	Membership of Committees of other Listed Entity ^	Chairmanship of Committees of other Listed Entity ^	Name of the Listed Entity holding Directorship / Designation @
1.	Mr. Jayesh Ramniklal Mehta	1	Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee	NIL	Name of Company: Chandni Machines Limited Designation: Chairman & Managing Director

2.	Mrs. Amita Jayesh Mehta	1	NIL	NIL	Name of Company: Chandni Machines Limited
					Designation: Non-Executive Director
3.	Mr. Bharat Sugnomal Bhatia	1	Stakeholder Relationship Committee.	Audit Committee and Nomination and Remuneration Committee.	Name of Company: Chandni Machines Limited
					Designation: Director (Non-Executive Independent Director)
4.	Rameshchand Garg	1	Audit Committee and Nomination and Remuneration Committee.	Stakeholder Relationship Committee.	Name of Company: Chandni Machines Limited
					Designation: Director (Non-Executive Independent Director)
5.	Mr. Vasant Gaurishankar Joshi (Resigned w.e.f 1 st November, 2021)	1	Nomination and Remuneration Committee and Stakeholder Relationship Committee	Audit Committee	Name of Company: Chandni Machines Limited
					Designation: Director (Non-Executive Independent Director)
6.	Ms. Sharmila Hiralal Amin	0	NIL	NIL	NIL
7.	Mr. Richie Amin (Appointed w.e.f. 12 th November, 2021 and Resigned w.e.f. 19 th January, 2022)	1	Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee.	NIL	Name of Company: Chandni Machines Limited
					Designation: Director (Non-Executive Independent Director)
8.	Mrs. Mansi Harsh Dave	2	Audit Committee, Nomination and Remuneration	Audit Committee, Nomination and Remuneration	Name of Company: • Chothani Foods Limited

	(Appointed w.e.f. 19 th January, 2022)		Committee, Stakeholder Relationship Committee	Committee, Stakeholder Relationship Committee	<ul style="list-style-type: none"> • Getalong Enterprise Limited
					Designation: Director (Non-Executive Independent Director)

NOTES:

*Chandni Machines Limited (Formerly known as Chandni Machines Private Limited) was a Wholly - Owned Subsidiary Company of Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited) by the order of National Company Law Tribunal (NCLT) the Engineering Division got demerged into Chandni Machines Limited and is now a separate legal entity and Equity Shares of the Company are listed on The Bombay Stock Exchange of India Limited (BSE) as on 05th April, 2019.

Number of Directorships held excludes Directorship in Private Limited Companies, Foreign Companies, Companies under Section - 8 of the Companies Act, 2013 and alternate Directorships & also in Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited.)

^ Covers Memberships/ Chairmanship of Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee of Listed and Unlisted Public Limited Companies excluding committee Memberships / Chairmanships of Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited).

(d) Number of Meetings of the Board of Directors held and dates on which held:

During the financial year **2021-2022**, **7 Board Meetings** were held respectively on:

S. No.	Name of Directors	Attendance in the Board Meeting Held on						
		29/06/2021	13/08/2021	20/10/2021	12/11/2021	10/12/2021	19/01/2022	14/012/2022
1.	Mr. Jayesh R. Mehta	√	√	√	√	√	√	√
2.	Mrs. Amita Jayesh Mehta	√	√	√	√	√	√	√

3.	Mr. Bharat Sugnomal Bhatia	√	√	√	√	√	√	√
4.	Mr. Rameshch and Garg	√	√	√	√	√	√	√
5.	Ms. Sharmila Hiralal Amin	√	√	√	√	√	√	√
6.	Mr. Vasant Gaurishankar Joshi ¹	√	√	√	-	-	-	-
7.	Mr. Richie Amin ²	-	-	-	√	√	√	√
8.	Mrs. Mansi Harsh Dave ³	-	-	-	-	-	√	√

1. Resigned w.e.f 1st November, 2021.
2. Appointed w.e.f. 12th November, 2021 and Resigned w.e.f. 19th January, 2022.
3. Appointed w.e.f. 19th January, 2022.

(e) **Disclosure of Relationships between Directors inter-se:**

No other Directors are related to each other except **Mr. Jayesh R Mehta and Mrs. Amita Jayesh Mehta** who are related to each other as husband and wife.

(f) **Number of Shares and Convertible instruments held by Non-Executive Directors:**

Name of Director	Number of Equity Shares as on 31 st March, 2022
Mrs. Amita Jayesh Mehta	27, 59, 626 Equity Shares (17.10%)
Mr. Vasant Gaurishankar Joshi	10 Equity Shares
(Resigned w.e.f 1 st November, 2021)	

(g) **Web link where details of familiarization programmes imparted to Independent Directors is disclosed:**

As per Regulation - 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the independent Directors of the Company need to be imparted with familiarization programs. The details is available on the website of the Company i.e. www.cteil.com

Separate Meeting of the Independent Directors:

The Company convened Independent Director's Separate Meeting in terms of Schedule - IV to the Companies Act, 2013 on **14th February, 2022**.

Company's Policy on Prohibition of Insider Trading:

The Company has formulated a Code of Conduct to Regulate, Monitor, and Report Trading by Insiders to determine the insider trading in the securities of the Company based on the unpublished price sensitive information. The Code envisages procedures to be followed and disclosures to be made while dealing in the securities of the Company.

The full text of the Code is available on the website of the Company under the heading "Policies" in the investor tab which can be accessed at www.cteil.com

- (h) The following is the list of core skills/ expertise/ competencies identified by the Board of Directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board:
- (i) Knowledge –understand the Company's business, policies, culture and knowledge of the industry in which the Company operates.
 - (ii) Strategic thinking and decision making.
 - (iii) Financial skills.
 - (iv) Technical/ Professional skills and specialized knowledge to business.
- (i) The Board confirms that the Independent Directors fulfill the conditions specified in Section - 149 of the Act and Regulation - 16 (1) (b) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and are independent of the Management.

1. AUDIT COMMITTEE:

(a) Brief Description of Terms of Reference:

The terms of reference of the Audit Committee are as per the governing provisions of the Companies Act, 2013 (Section - 177) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Specified in Part - C of Schedule - II)

The Role of the Audit Committee includes the following:

- (i) Oversight of the Company's Financial Reporting Process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible.
- (ii) Recommendation for Appointment, Remuneration and Terms of Appointment of Auditors of the Company.
- (iii) Reviewing, with the Management, the Quarterly Financial Statements before submission to the Board for Approval.
- (iv) Reviewing, with the Management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval.
- (v) Reviewing and monitoring the Auditor's Independence and Performance, and effectiveness of Audit Process.

- (vi) Reviewing the Management Discussion & Analysis of financial condition and result of operations.
- (vii) Reviewing, with the Management, performance of Statutory and Internal Auditors, and adequacy of the Internal Control System.
- (viii) Reviewing the Internal Controls, Risk Management Policies and Practices and Related Party Transactions.

(b) Composition, Name of Members and Chairperson:

The Audit Committee comprises of **3 (Three) Directors** and all the Directors are Non-Executive Independent Directors.

All Members are financially literate and possess sound knowledge of Accounts, Finance and Audit Matters.

The Internal Auditors of the Company attend the meetings of the Audit Committee on invitation of the Chairman of the Committee.

The Composition of Audit Committee as on 31st March, 2022, is given below:

S. No.	Name	Category	Designation
1.	Mr. Rameshchand Garg	Non - Executive Independent Director	Chairman
2.	Mr. Bharat Sugnomal Bhatia	Non - Executive Independent Director	Member
3.	Mr. Vasant Gaurishankar Joshi (Resigned w.e.f 1 st November, 2021.)	Non - Executive Independent Director	Member
4.	Mr. Richie Amin (Appointed w.e.f. 12 th November, 2021 and Resigned w.e.f. 19 th January, 2022.)	Non - Executive Independent Director	Member
5.	Mrs. Mansi Harsh Dave (Appointed w.e.f. 19 th January, 2022.)	Non - Executive Independent Director	Member

The Company Secretary of the Company acts as the Secretary to the Audit Committee.

(c) Meeting and Attendance during the year:

S. No.	Name	Attendance in Audit Committee Meetings Held on			
		29/06/2021	13/08/2021	12/11/2021	14/02/2022
1.	Mr. Rameshchand Garg	✓	✓	✓	✓
2.	Mr. Bharat Sugnomal Bhatia	✓	✓	✓	✓

3.	Mr. Vasant Gaurishankar Joshi	✓	✓	-	-
4.	Mr. Richie Amin	-	-	-	-
5.	Mrs. Mansi Harsh Dave	-	-	-	✓

2. NOMINATION AND REMUNERATION COMMITTEE:

(a) Brief Description and Terms of Reference:

The Nomination and Remuneration Committee determines on behalf of the Board and on behalf of the Shareholders, the Company's policy governing remuneration payable to the Managing Director as well as the nomination and appointment of Directors.

The terms of reference of the Nomination and Remuneration Committee are as per the governing provisions of the Companies Act, 2013 (Section - 178) and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (Specified in Part - D of Schedule- II)

(b) Composition, Name of Members and Chairperson:

The Nomination and Remuneration Committee comprises of **Three (3)** Non-Executive Independent Directors.

The Composition of Nomination and Remuneration Committee as on 31st March, 2022, is given below:

S. No.	Name	Category	Designation
1.	Mr. Bharat Sugnomal Bhatia	Non Executive Independent Director	Chairman
2.	Mr. Rameshchand Garg	Non Executive Independent Director	Member
3.	Mr. Vasant Gaurishankar Joshi (Resigned w.e.f 1 st November, 2021.)	Non Executive Independent Director	Member
4.	Mr. Richie Amin (Appointed w.e.f. 12 th November, 2021 and Resigned w.e.f. 19 th January, 2022.)	Non-Executive Independent Director	Member
5.	Mrs. Mansi Harsh Dave (Appointed w.e.f. 19 th January, 2022.)	Non-Executive Independent Director	Member

(c) Meetings and Attendance during the year:

S. No.	Name	Attendance in Nomination and Remuneration Committee Meetings Held on	
		11/11/2021	19/01/2022
1.	Mr. Bharat Sugnomal Bhatia	✓	✓

2.	Mr. Rameshchand Garg	✓	✓
3.	Mr. Vasant Gaurishankar Joshi	-	-
4.	Mr. Richie Amin	-	✓
5.	Mrs. Mansi Harsh Dave	-	-

(d) Performance Evaluation:

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its Committees and all the individual directors, in adherence of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee had carried out the performance evaluation of the Individual Directors on the basis of the criteria/ performance evaluation policy, approved by the Board of Directors.

3. REMUNERATION OF DIRECTORS:

- (a) All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the Listed Entity shall be disclosed in the Annual Report.

There is no pecuniary relationship or transactions, except sitting fees paid to Non-Executive Independent Directors.

(b) Criteria of making payments to Non-Executive Directors:

The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees; regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company www.cteil.com under the heading “Policies” section in the Investor Tab.

The Non-Executive Independent Director’s, are entitled to Sitting Fees for attending meetings of the Board, and its Committees.

(c) Disclosures with respect to Remuneration:

Details of remuneration/ sitting fees paid to Directors during the Financial Year 2021-2022 are given below:

Name of the Director	Relationship with other directors	Business relationship with the Company	Salary & Bonus (Rs.)	Sitting Fees (Rs.)	Total (Rs.)	Stock Option
Mr. Jayesh R Mehta	Husband of Mrs. Amita J Mehta	Promoter & Managing Director	10,80,000	-	10,80,000	Nil

Mrs. Amita J Mehta	Wife of Mr. Jayesh R Mehta	Promoter Group	-	30,000	30,000	Nil
Mr. Bharat Sugnomal Bhatia	None	None	-	50,000	50,000	Nil
Mr. Rameshchand Garg	None	None	-	50,000	50,000	Nil
Mr. Vasant Gaurishankar Joshi ¹	None	None	-	50,000	50,000	Nil
Ms. Sharmila Hiralal Amin	Sister of Mr. Richie Amin	None	-	20,000	20,000	
Mr. Richie Amin ²	Brother of Ms. Sharmila Hiralal Amin	None				
Mrs. Mansi Harsh Dave ³	None	None				
Mr. Shailesh Sankav	None	Chief Financial Officer	6,14,250	-	6,14,250	Nil
Mrs. Khushboo Shah ⁴	None	Company Secretary	3,03,333	-	3,03,333	Nil
Mrs. Kirti Pathak ⁵	None	Company Secretary				

Notes:

1. Mr. Vasant Gaurishankar Joshi as an Independent Director of the Company resigned with effect from 01st November, 2021.
2. Mr. Richie Amin appointed as an Additional Director with effect from 12th November, 2021 and resigned with effect from 19th January, 2022.
3. Mrs. Mansi Harsh Dave appointed as an Additional Independent Director of the Company with effect from 19th January, 2022.
4. Mrs. Khushboo Soumik Shah resigned from the post of the Company Secretary & Compliance Officer with effect from 30th November, 2021.
5. Mrs. Kirti Pathak appointed as a Company Secretary & Compliance Officer with effect from 10th December, 2021.

4. STAKEHOLDER RELATIONSHIP COMMITTEE:

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per the governing provisions of the Companies Act, 2013 (Section - 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Specified in Part - D of Schedule - II). The status of shareholder correspondences, queries, grievances etc. are endeavoured to be

addressed instantly by the secretarial department and status thereof is also placed before the Stakeholders Relationship Committee.

(a) **Composition, Name of Members and Chairperson:**

The Stakeholder Relationship Committee comprises of **Two (2) Non-Executive Independent Director and One (1) Executive Director.**

The Composition of Stakeholder Relationship Committee as on 31st March, 2022 is given below:

S. No.	Name	Category	Designation
1.	Mr. Vasant Gaurishankar Joshi (Resigned w.e.f 1 st November, 2021)	Non - Executive Independent Director	Chairman
2.	Mr. Bharat Sugnomal Bhatia (Appointed w.e.f. 2 nd November, 2021)	Non - Executive Independent Director	Chairman
3.	Mr. Jayesh R Mehta	Executive Director	Member
4.	Mr. Richie Amin (Appointed w.e.f. 12 th November, 2021 and Resigned w.e.f. 19 th January, 2022)	Non - Executive Independent Director	Member
5.	Mrs. Mansi Harsh Dave (Appointed w.e.f. 19 th January, 2022.)	Non - Executive Independent Director	Member

(b) **Name and Designation of Compliance Officer:**

Mrs. Kirti Pathak, Company Secretary is the Compliance Officer of the Company.

**** Mrs. Khushboo Shah was resigned for the position of Company Secretary and Compliance Officer w.e.f. 30th November, 2021. Mrs. Kirti Pathak was appointed for the position of Company Secretary and Compliance Officer w.e.f. 10th December, 2021.**

(c) **Number of Shareholders' Complaints received so far:**

No Complaints were received during the year 2021-2022. All the Complaints were solved to the satisfaction of Shareholders. No Complaints were pending as at 31st March, 2022.

(d) **Meetings and attendance during the year:**

S. No.	Name	Attendance in Stakeholder Relationship Committee Meetings Held on			
		07/04/2021	13/08/2021	12/11/2021	19/01/2022

1.	Mr. Bharat Sugnomal Bhatia	✓	✓	✓	✓
2.	Mr. Vasant Gaurishankar Joshi	✓	✓	-	-
3.	Mr. Jayesh R. Mehta	✓	✓	✓	✓
4.	Mr. Richie Amin	-	-	-	✓
5.	Mrs. Mansi Harsh Dave	-	-	-	-

Prohibition of Insider Trading:

With a view to regulate trading in securities by the Directors and Designated Employees, the Company has adopted a Code of Conduct for Prohibition of Insider Trading pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 (SEBI PITR). The Company has also approved and adopted a Code to Monitor, Regulate and Report trading by its Designated Persons and Immediate Relatives of Designated Persons pursuant to the amended Regulation - 9 of SEBI PITR and adopting the minimum standards set out in relevant Schedule to SEBI PITR.

5. NOTE ON DIRECTOR'S APPOINTMENT/ RE-APPOINTMENT:

[PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015]

Name of Director	Mrs. Amita Jayesh Mehta
Date of Birth	01/11/1963
Qualification	Commerce Graduate
Nationality	Indian
Date of First Appointment	17/06/1986
Designation	Non-Executive Director
Director Identification Number (DIN)	00193075
Brief Profile including expertise in specific functional area.	Mrs. Amita Jayesh Mehta deals with the sourcing of Materials. She is also active in Corporate Governance issues.
Number of Board Meetings attended during the Financial Year 2021-2022.	7
Directorship held in other Listed Companies.	Chandni Machines Limited
Membership/Directorship of Committees of other Board as on 31st March, 2022.	NIL
Total shares held by her in the Company with other Directors.	27, 59, 626 (17.10%) Equity Shares of Re. 10/- each. Mrs. Amita Jayesh Mehta is the spouse of Mr. Jayesh Ramniklal Mehta.

Name of Director	Mrs. Mansi Harsh Dave
Date of Birth	22/02/1989
Qualification	L.LB, University of Mumbai, Mumbai
Nationality	Indian
Date of First Appointment	19.01.2022
Designation	Non-Executive – Independent Director
Director Identification Number	07663806
Brief Profile including expertise in specific Functional Area	Mrs. Mansi Harsh Dave active in corporate governance issues.
No. of Board Meetings attended during the Financial Year 2021- 2022	Mrs. Dave attended all the Meetings conducted during the year.
Directorships in other Listed Companies	CHOTHANI FOODS LIMITED GETALONG ENTERPRISE LIMITED
Membership/Chairmanship of Committees of other Board as on 31st March, 2022	<u>CHOTHANI FOODS LIMITED</u> Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee – Member. <u>GETALONG ENTERPRISE LIMITED</u> Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee – Chairman.
Total shares held by her in the Company with other Directors	NIL

6. **GENERAL BODY MEETINGS:**

The date and time of Annual General Meetings held **during last three years, and the Special Resolution(s) passed** thereat, are as follows:

Year	Date	Location and Time	Special Resolution Passed
2020-2021	20/09/2021	Registered Office through Video Conferencing and Other Audio Visual Means.	1. To approve Change of Name and consequent alteration in the Memorandum and Articles of Association of the Company.

2019-2020	29/09/2020	Registered Office through Video Conferencing and Other Audio Visual Means	<ol style="list-style-type: none"> 1. Omnibus Approval not exceeding Rs. 50 Crores through following procedures i.e. Section 41,42,62 and 71 and any other applicable provisions of Companies Act, 2013. 2. Regularization of Ms. Sharmila Hiralal Amin as Additional Director by appointing her as Director of the Company.
2018-2019	27/09/2019	The Park Club Ltd, North Keluskar Marg, Opp. Scout Hall, Shivaji Park, Dadar West, Mumbai – 400028 at 03:00 P.M.	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Rameshchand Garg as Non Executive Independent Director (DIN: 03346742) to hold office for a second term of 5 (five) consecutive years. 2. Re-appointment of Mr. Bharat Sugnomal Bhatia as Non Executive Independent Director (DIN: 00195275) to hold office for a second term of 5 (five) consecutive years. 3. Re-appointment of Mr. Vasant Gaurishankar Joshi as Non Executive Independent Director (DIN: 00193105) to hold office for a second term of 5 (five) consecutive years.

No Special Resolutions were passed through Postal Ballot in the Financial Year 2021-2022.

3. MEANS OF COMMUNICATION:

(a) Quarterly Results:

The Quarterly Financial Results are announced within a stipulated time and are also published in English and Marathi Newspaper.

(b) Newspapers wherein results normally published:

The Company publishes its results in **one English daily Newspaper (The Free Press Journal) and one Marathi Newspaper (Navshakti)** within 48 hours of approval thereof.

(c) Website, where displayed:

www.cteil.com

As the Financial Results of the Company are published in the Newspapers and also displayed on the Company's website, a separate half - yearly declaration of financial performance is not sent to each household of Shareholders.

4. GENERAL SHAREHOLDER INFORMATION:

S. No.	Particulars	Details
(a)	Annual General Meeting Day, Date, Time and Venue.	36th AGM – Thursday, 29th September, 2022 ; Time 04:30 P.M.; through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM')
(b)	Financial Year	01 st April, 2021 to 31 st March, 2022.
(c)	Dividend Payment Date	Dividend declared, if any, would be paid within 30 days from the date of declaration of dividend at the Annual General Meeting.
(d)	Date of Book Closure	Friday, 23rd September, 2022 to Thursday, 29th September, 2022 (both days inclusive)
(e)	Name and Address of each stock exchange(s) at which the listed entity's securities are listed and confirmation about payment of annual listing fee to each of such Stock Exchange(s)	The Shares of the Company are listed on: The Bombay Stock Exchange Limited (BSE) Address: Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001. AND The Metropolitan Stock Exchange of India Limited (MSEI) Address: Building A, Unit 205A, 2nd Floor, Piramal Agastya Corporate Park, L.B.S Road, Kurla West, Mumbai – 400070.
(f)	Script Code and Scrip ID	BSE- Scrip Code – 522292 ; Scrip ID CANDOUR MSEI - Scrip Id – CANDOUR

(g)	Financial Calendar	For Quarter ending June, 2022.	13 th August, 2022.		
		For Quarter ending September, 2022.	12 th November, 2022.		
		For Quarter ending December, 2022.	14 th February, 2023.		
		For Quarter ending March, 2023.	30 th May, 2023.		
	Annual General Meeting for the year ended 31 st March, 2022.	29 th September, 2022.			
(h)	Corporate Identity Number (CIN)	L25209MH21986PLC040119			
(i)	Market Price Information	Month	Share Price		Volume of shares traded
			BSE [INR]		
			HIGH	LOW	
		April, 2021.	63.00	53.05	1,363
		May, 2021.	63.00	46.50	1,906
		June, 2021.	58.00	46.00	2,519
		July, 2021.	62.30	47.05	2,820
		August, 2021.	57.00	42.00	2,680
		September, 2021.	51.80	43.30	2,356
		October, 2021.	53.00	38.50	2,013
		November, 2021.	49.85	44.05	1,711
		December, 2021	53.45	43.05	2,502
		January, 2022.	65.00	47.05	8,737
		February, 2022.	55.50	38.65	3,766

		March, 2022.	48.70	39.40	3,486
(j)	In case securities are suspended from trading, the Director's Report shall explain the reason there of	Not Applicable			
(k)	Registrar and Share Transfer Agents (RTA)	PURVA SHAREGISTRY (INDIA) PVT. LTD Shiv Shakti Industrial Estate, Unit No. 9, J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Mumbai – 400011 Tel: 022- 23016761/23018261 E-mail: support@purvashare.com			
(l)	Share Transfer System	Trading in Equity Shares of the Company through recognized Stock Exchange can be done only in Dematerialized Form. All the request received from Shareholders for transfer, transmission etc. are processed by the Share Transfer Agent of the Company within the stipulated time as prescribed in the SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 or in any Other Applicable Law.			
(m)	Dematerialization of shares and liquidity	As per SEBI Circular SEBI/ HO/ MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 members are advised to consider dematerialized of their shareholding and submit the copy of PAN and bank account details to RTA.			
(n)	Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any Convertible Instruments, conversion date and likely impact on Equity.	There are no GDRs /ADRs/ Warrants outstanding as on 31 st March, 2022.			
(o)	Commodity Price Risk or Foreign Exchange Risk and Hedging Activities.	The Company has established controls in Forex Management to hedge few Currency Risk Liabilities. Forex Related Matters are reviewed periodically for taking necessary action within			

		overall frame of Forex Policy. By hedging, mitigating the impact of short term movements in currency on the businesses.
(p)	Plant Locations	(a) Survey No. 465/466, Ground Floor, Near Park Factory, At Post, Gonedumala, Taluka, Igatpuri, Nashik – 422403, Dist – Maharashtra. (b) Plot No. 4612/A, G.I. D.C Estate, Ankleshwar – 393002

(q) Shareholding as on 31st March, 2022:**A. Distribution of Shareholding as on 31st March, 2022:**

Slab of Shareholdings No. of Shares	No. of Shareholders	% of Total	Amount	%
Up to 5000	4105	95.09	17,32,170	10.73
5,001 – 10,000	87	2.02	6,74,222	4.18
10,001 – 20,000	47	1.09	6,85,277	4.25
20,001 – 30,000	23	0.53	5,37,752	3.33
30,001 – 40,000	6	0.14	2,12,743	1.32
40,001 – 50,000	10	0.23	4,64,881	2.88
50,001 – 1,00,000	21	0.48	14,08,035	8.73
1,00,001 and above	18	0.42	1,04,22,183	64.58
TOTAL	4317	100.00	1,61,37,263	100.00

B. Shareholding Pattern as on 31st March, 2022:

	Category of Shareholder	No. of Shareholders	Total number of Shares	%
A.	Shareholding of Promoter and Promoter Group			
	Indian			

1.	Individuals/ Hindu Undivided Family	5	70,81,217	43.88
2.	Bodies Corporate	1	4,22,212	2.62
	Sub-Total (A) (1)	6	75,03,429	46.50
B.	Public Shareholding			
1.	Institutions			
(a)	Financial Institutions/ Banks	2	1,18,259	0.73
	Sub-Total (B) (1)	2	1,18,259	0.73
2.	Non-Institutions			
(a)	Bodies Corporate	40	4,84,059	3.00
(b)	Resident Individuals	4,126	75,53,330	46.81
(c)	Any Other (NRI Repat& Non Repat)	13	7,815	0.05
(d)	Any Other (Hindu Undivided Family)	110	4,16,533	2.58
(e)	Any Other (Clearing Members)	17	33,838	0.21
(f)	Any Other (LLP & Private Sector Banks)	2	20,000	0.12
	Sub- Total (B) (2)			
	Total Public Shareholding (B) = (B) (1) + (B) (2)	4,310	86,33,834	43.50
	GRAND TOTAL (A) + (B)	4,316	1,61,37,263	100.00

(q) OTHER DISCLOSURES:**(a) Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of listed entity at large.**

During the financial year 2021-2022, there was no materially significant Related Party Transaction that may have potential conflict with the interests of the Company at large. For reference, the details of Related Party Transaction in accordance with IND AS – 24 are given in **Note No. 42** of Notes to Accounts of the Annual Report.

(b) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by Stock Exchange (s) or the Board or any Statutory Authority, on any matter related to Capital Markets, during the last three years.

There was no non-compliance, penalties, strictures imposed by any Stock Exchange(s) or the Board or any Statutory Authority on the Listed Entity during the last three years.

(c) Details of establishment of Vigil Mechanism, Whistle Blower Policy, and affirmation that no personnel have been denied access to the Audit Committee.

The Company has adopted a Whistle Blower Policy to file a grievance if he/she notices any irregularity. No person has been denied access to the Audit Committee for any grievance.

(d) Details of Compliance with Mandatory Requirements and Adoption of the Non-Mandatory Requirements.

The Company has complied with all the mandatory requirements of SEBI (LODR) Regulations, 2015 to the extent applicable and will ensure to comply with non-mandatory requirements in coming years.

(e) Web link where Policy for determining 'Material' Subsidiaries is disclosed.

The policy for determining 'Material' Subsidiary is available on the website of the Company under the heading "Policies" in the investor tab which can be accessed from www.cteil.com

(f) Web link where Policy on dealing with Related Party Transactions.

The policy on dealing with Related Party Transaction is available on the website of the Company under the heading "Policies" in the investor tab which can be accessed from www.cteil.com

(g) A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such Statutory Authority.

Certificate received from Company Secretary in Practice is attached as **Annexure - VI**

(h) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the Network Form / Network Entity of which the Statutory Auditor is a part.

During the financial year 2021-2022, total fees by the Company to Statutory Auditor is INR 2,63,000/-. No fees were paid to any entities in the Network Form / Network Entity in which Statutory Auditor is a part.

(i) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The details of Complaints filed, disposed & pending are given below:

Number of Complaints filed during the year –**Nil**.

Number of Complaints disposed of during the year - **Not Applicable**.

Number of Complaints pending as at end of the financial year -**Not Applicable**.

(r) DISCLOSURE OF THE EXTENT TO WHICH THE DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II HAVE BEEN ADOPTED:

a) **The Board:** All the expenses of Chairperson along with reimbursement expenses incurred during his performance of duty in maintained in premises of the Company.

b) **Shareholder Rights:** Quarterly/Yearly/ Half-Yearly Financial Statements shall be published in leading newspapers and uploaded on Company's website i.e. www.cteil.com

c) **Modified opinion(s) in Audit Report:** The Company already has a regime of Unmodified Financial Statements. Auditors have raised no qualification on the financial statements.

d) **Reporting of Internal Auditor:** The Company has appointed Mrs. Reema Shah as the Internal Auditor for conducting the Internal Audit.

(s) **DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATIONS - 17 TO 27 AND CLAUSES- (B) TO (I) OF SUB-REGULATION (2) OF REGULATION - 46:**

The Company has complied with Corporate Governance Requirements specified in Regulation - 17 to 27 to the extent applicable and Clauses (b) to (i) of Sub-Regulation (2) of Regulation - 46 of SEBI (LODR) Regulations, 2015 to the extent applicable and the documents are uploaded on the website of the Company.

(t) **DECLARATION SIGNED BY THE CHIEF FINANCIAL OFFICER STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH THE CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT:**

The Board of Directors have adopted the Code of Conduct for the Directors as also for the Members of Senior Management. The said Code has been communicated to all the Directors and Members of the Senior Management and they have affirmed their compliance with the Code of Conduct as approved and adopted by the Board of Directors. A declaration to the effect that the Directors and Senior Managerial Personnel have adhered to the same, signed by the Chief Financial Officer of the Company forms part of this Report as **Annexure - VII**.

(u) **ANNUAL SECRETARIAL COMPLIANCE REPORT:**

As required under Regulation - 24A of the Listing Regulations, the Annual Secretarial Compliance Report dated 30th May, 2022 issued by M/s N L Bhatia & Associates, Practicing Company Secretaries, is annexed hereto in **Annexure - VIII**.

(v) **NOMINATION FACILITY:**

Provision of Section - 72 of the Companies Act, 2013 read with Rule - 19(1) of the rules made thereunder extends nomination facility to individuals holding shares in the physical form. To help the legal heirs/successors get the shares transmitted in their favor, shareholder(s) are requested to furnish the particulars of their nomination in the prescribed Nomination Form. Shareholder(s) holding shares in Dematerialized form are requested to register their nominations directly with their respective DPs.

(w) **UPDATE YOUR CORRESPONDENCE ADDRESS/ BANK MANDATE/ PAN/ EMAIL ID:**

To ensure all communications/ monetary benefits received promptly, all Shareholders holding shares in physical form are requested to notify to the Company, change in their address/ bank details/PAN/ Email Id instantly by written request under the signatures of sole/ first joint holder. Shareholder(s) holding shares in dematerialized form are requested to notify change in bank details/ address/ Email Id directly with their respective DPs.

For any complaints relating to no-receipt of shares after transfer, transmission, change of address, mandate etc., dematerialization of shares or any other query relating to shares shall be forwarded to the Registrar and Share Transfer Agent (RTA) directly at the address given hereunder. Members are requested to provide complete details regarding their queries quoting folio number/DP ID no. /Client ID No., number of shares held etc.

M/s PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

{Unit : Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited)}

**Address: Shiv Shakti Industrial Estate, Unit No.9, J.R. Boricha Marg,
Opposite Kasturba Hospital Lane, Mumbai -400011**

Telephone No.: 022-23016761/022-23012518

E-mail Id: support@purvashare.com

For any query on any point in Annual Report, non-receipt of Annual Report, etc the complaint should be forwarded to the kind attention of Mr. Shailesh Sankav, Chief Financial Officer of the Company at the following address:

Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Ltd)

Address: 110 T.V. Industrial Estate, 52 S.K. Ahire Marg, Worli, Mumbai – 400 030

Telephone No.: 022-24950328

Members can also register their complaints at **compliance@cteil.com**, an exclusive email ID, designated by the Company for the purpose of registering complaints by investors, in compliance of Regulation - 6(2) (d) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

(x) QUOTE FOLIO NO. /DP ID NO.:

Shareholders/Beneficial Owners are requested to quote their Folio Nos. /DP ID Nos., as the case may be in all correspondence with the Company.

Shareholders are also requested to quote their E-mail IDs, and Contact number for prompt reply to their correspondence.

**For and on behalf of
Candour Techtex Limited**

Sd/-

Jayesh Ramniklal Mehta

Managing Director

DIN: 00193029

Date: August 13, 2022

Place: Mumbai

ANNEXURE - VI**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,
The Members of
CANDOUR TECHTEX LIMITED
(Formerly Chandni textile Engineering Industries Limited)
110, T.V. Industrial Estate,
52 S.K.Ahira Marg,
Worli, Mumbai - 400030

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited) (hereinafter “Company”) having CIN: L25209MH1986PLC040119 and having its registered office at 110, T.V. Industrial Estate, 52 S.K.Ahira Marg, Worli, Mumbai - 400030 (hereinafter referred to as ‘the Company’), produced before us 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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on **31st March, 2022** have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Directors	DIN	Date of appointment in Company
1.	Mr. Jayesh Ramniklal Mehta	00193029	17/06/1986
2.	Mrs. Amita Jayesh Mehta	00193075	17/06/1986
3.	Mr. Rameshchand Garg	00195275	28/12/2005
4.	Mr. Bharat Sugnomal Bhatia	03346742	12/11/2010
5.	Mrs. Mansi Harsh Dave	07663806	19/01/2022
6.	Ms. Sharmila Hiralal Amin	06770401	14/08/2020

Ensuring the eligibility of the Directors 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.

PLACE: Mumbai

DATE: September 08, 2022

For M/S. N L Bhatia & Associates

Practicing Company Secretaries

UIN: P1996MH055800

PR No.: 700/2020

Sd/-

Bhaskar Upadhyay

Partner

FCS: 8663

CP. No.: 9625

UDIN: F008663D000940418

ANNEXURE - VII

**DECLARATION BY THE CHIEF FINANCIAL OFFICER PURSUANT TO SCHEDULE - V(D)
READ WITH REGULATION - 34(3) OF SEBI (LISTING OBLIGATIONS AND
DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**To,
The Directors,
Candour Techtex Limited.**

This is to confirm that the Company has adopted a Code of Conduct for Board of Directors and Senior Management.

I confirm that the Company has in respect of the financial year ended 31st March, 2022, received from the Senior Management Team of the Company and the Members of the Board a Declaration of Compliance with the Code of Conduct as applicable to them.

**Shailesh Sankav
Chief Financial Officer
Sd/-
Date: August 13, 2022.
Place: Mumbai**

CERTIFICATE BY THE CHIEF FINANCIAL OFFICER PURSUANT TO PART - B
SCHEDULE - II READWITH REGULATION - 17(8) OF SEBI (LISTING OBLIGATIONS
AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors,
Candour Techtex Limited,
Mumbai

Dear Members of the Board,

- (1) We have reviewed the financial statements and the Cash Flow Statement of the Company for the year ended 31stMarch, 2022 and to the best of our knowledge and belief.
- (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (b) 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.
- (2) 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.
- (3) We accept responsibility for establishing and maintaining Internal Controls for Financial Reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to Financial Reporting. We have not come across any reportable deficiencies in the design or operation of such Internal Controls.

Shailesh Sankav
Chief Financial Officer

Sd/-

Date: August 13, 2022

Place: Mumbai

ANNEXURE - VIII

To,
The Board of Directors,
Candour Tectex Limited
110, T.V. Industrial Estate, 52 S.K.Ahira Marg, Worli,
Mumbai, Maharashtra, India - 400030

Sub: Annual Secretarial Compliance Report for the Financial Year 2021-22

Dear Sir,

We have been engaged by Candour Tectex Limited (Formerly known as Chandni Textiles Engineering Industries Limited) (hereinafter referred to as the “Company”) bearing CIN: L25209MH1986PLC040119 whose equity shares are listed on the Bombay Stock Exchange Limited (BSE) and the Metropolitan Stock Exchange of India Limited (MSEI) to conduct an Audit in terms of Regulation - 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended read with SEBI’s Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 and to issue the Annual Secretarial Compliance Report thereon.

It is the responsibility of the Management of the Company to maintain records, devise proper systems to ensure compliance with the provisions of all the applicable SEBI Regulations and Circulars/ Guidelines issued thereunder from time to time and to ensure that the systems are adequate and are operating effectively.

Our Responsibility is to verify compliances by the Company with provisions of all applicable SEBI Regulations and Circulars/ Guidelines issued there under from time to time and issue a report thereon.

Our Audit was conducted in accordance with Guidance Note on Annual Secretarial Compliance Report issued by the Institute of Company Secretaries of India and in a manner which involved such examinations and verifications as considered necessary and adequate for the said purpose. Annual Secretarial Compliance Report is enclosed.

**FOR M/S. N.L. BHATIA & ASSOCIATES
PRACTICING COMPANY SECRETARIES
UN: P1996MH055800
UDIN: F008663D000429776**

**SD/-
BHASKAR UPADHYA
PARTNER
FCS: 8663
CP. NO.: 9625
PR NO.: 700/2020.**

**DATE: 30TH MAY, 2022.
PLACE: MUMBAL**

SECRETARIAL COMPLIANCE REPORT OF CANDOUR TECHTEX LIMITED FOR THE YEAR ENDED MARCH 31, 2022

We, **M/s. N. L. Bhatia & Associates**, Practicing Company Secretaries, have examined:

- a) all the documents and records made available to us and explanation provided by **Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited)** (“the Listed Entity”).
- b) the filings/ submissions made by the Listed Entity to the Stock Exchanges.
- c) website of the Listed Entity.
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification.
- e) Books, Papers, Minute Books, Forms and Returns filed.

For the year ended **March 31, 2022** in respect of compliance with the provisions of:

- a) The Securities and Exchange Board of India Act, 1992 (“**SEBI Act**”) and the Regulations.
- b) The Securities Contracts (Regulation) Act, 1956 (“**SCRA**”), rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India (“**SEBI**”).

The specific Regulations, whose provisions and the Circulars/ Guidelines issued thereunder, have been examined, include-

- 1) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
- 2) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
- 3) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
- 4) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time.
- 5) Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996/ Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 as amended from time to time.
- 6)

And based on the above examination, we hereby report that, for the year ended **March 31, 2022**:

- a) The Listed Entity has complied with the provisions of the above Regulations and Circulars/ Guidelines issued thereunder, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ Circulars / Guidelines including Specific Clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary

None

- b) The Listed Entity has maintained proper records under the provisions of the above Regulations and Circulars/ Guidelines issued thereunder insofar as it appears from my/our examination of those records.
- c) The following are the details of actions taken against the Listed Entity/ its Promoters/ Directors/ Material Subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:-

Sr. No.	Actions taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
None				

- d) The Listed Entity has taken the following actions to comply with the observations made in Previous Reports:-

Sr. No.	Observations of the Practicing Company Secretary in the Previous Reports	Observations made in the Secretarial Compliance Report for the year ended...	Actions taken by the Listed Entity, if any	Comments of the Practicing Company Secretary on the actions taken by the Listed Entity
N.A.				

FOR M/S. N.L. BHATIA & ASSOCIATES
PRACTICING COMPANY SECRETARIES
UIN: P1996MH055800
UDIN: F008663D000429776

SD/-
BHASKAR UPADHYAY
PARTNER
FCS: 8663
CP. NO.: 9625
PR NO.: 700/2020.

DATE: 30TH MAY, 2022.
PLACE: MUMBAL

CERTIFICATE OF CORPORATE GOVERNANCE

**To,
The Members of
CANDOUR TECHTEX LIMITED**

We have examined all the relevant records of **CANDOUR TECHTEX LIMITED** (“the Company”) for the purpose of certifying compliance with the conditions of the Corporate Governance under Chapter - IV to the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the financial year from **April 01, 2021 to March 31, 2022**.

The Compliance with conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation process adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. This Certificate 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 and information furnished to us, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the Listing Regulations.

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

**For M/s. N.L. Bhatia & Associates
Practicing Company Secretaries
UIN: P1996MH055800
P/R. No: 700/2020
UDIN: F008663D000940286**

**Sd/-
Bhaskar Upadhyay
Partner
FCS: 8663
C.P. No.: 9625**

**Date: September 08, 2022
Place: Mumbai**

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Candour Techtex Limited
(Formerly known as Chandni Textiles Engineering Industries Limited)**

Report on the Audit of the Standalone Financial Statements**Opinion**

We have audited the standalone financial statements of Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited) (hereinafter referred to as "the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standard prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profits (including other 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 Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act 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 ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report:

Measurement and valuation of inventory

As at 31st March 2022, the Company has inventory amounting to Rs.1,13,73,317/- (Refer Note no.8)

This was determined a key audit matter, as the measurement and valuation of the inventory at the year end involves significant judgement and estimate.

The Company uses internal and external experts, to perform volumetric assessments, on the basis of which the quantity for these inventories is estimated.

The physical count of inventory was carried out by internal experts for inventory lying at Ankleshwar and Nasik factories.

Our audit procedures relating to the measurement of inventory included the following:

- (a) Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory;
- (b) Performing procedures to ensure that the changes in inventory between last verification date and date of Balance Sheet are properly recorded (Roll back and forward procedures).
- (c) Evaluating of competency and capabilities of management's experts;
- (d) Performing substantive analytical procedures to test the correctness of inventory existence and valuation.
- (e) Testing of accuracy of inventory reconciliations with the general ledgers at period end, including test of reconciling items.

Based on the above procedures performed, we did not identify any material exceptions in the measurement and valuation of inventory quantities of textile goods and plastic goods.

Allowance for credit losses in respect of Trade receivables -

The Company determines the allowance for credit losses in respect of trade receivables based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with. In calculating expected credit losses in respect of these trade receivables, the Company also considered the relevant credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect from the pandemic relating to COVID-19.

We identified allowance for credit losses as a key audit matter because of the significant judgement involved in calculating the expected credit losses. This required a high degree of auditor judgment and

Our audit procedures related to the allowance for credit losses for the trade receivables included the following, among others:

- We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions, (2) completeness and accuracy of information used in the estimation of probability of default, and (3) computation of the allowance for credit losses.
- For a sample of trade receivables, we tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information.

<p>an increased extent of effort when performing audit procedures to evaluate the reasonableness of management's estimate of the expected credit losses.</p>	<ul style="list-style-type: none"> • We evaluated the incorporation of the applicable assumptions into the estimate of expected credit losses and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We evaluated the qualitative adjustment to the historical loss rates, including assessing the basis for the adjustments and the reasonableness of the significant assumptions.
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Emphasis of Matter paragraph

We draw attention to **Note No. 50** forming part of the standalone financial statements, which describes the management's assessment of uncertainties related to COVID-19 and its consequential financial impact on its assets as at 31st March 2022 and operations of the Company. Our opinion is not modified in respect of this matter.

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

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone 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 standalone 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 standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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 standalone 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements 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 standalone 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 auditors' 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section - 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section - 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section - 133 of the Act.

- (e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section - 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule - 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (a) The Company does not have pending litigations which would impact its financial position;
 - (b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (c) There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company.
- (C) With respect to the matter to be included in the Auditors' Report under Section - 197(16) as amended:

According to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the provisions of Section - 197 read with Schedule V to the Act.

For Ambavat Jain & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 109681W

Sd/-
Ashish J Jain
Partner
Membership No.111829

Place: Mumbai
Date: 30th May, 2022

ICAI UDIN No: 22111829AKWUUI2111

Annexure – A to the Independent Auditors’ Report

(Referred to in paragraph I under ‘Report on other Legal & Regulatory Requirements’ Section of our report of even date)

- [i] (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(B) The Company has maintained proper records showing full particulars of Intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, these Property, Plant & Equipment have been physically verified by the management in the phased manner at reasonable intervals during the year having regard to the size of the Company and the nature of its assets and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible assets during the year.
- (e) According to the information and explanations given to us, there are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- [ii] (a) As informed to us, the inventory in the Company’s possession has been physically verified at reasonable intervals during the year by the management. Considering the size of the Company and nature of its business, in our opinion, the coverage and procedures of such verification by the management were appropriate. As informed to us, no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between physical stock and book records.
- (b) According to the information and explanations given to us, the Company has not been sanctioned any working capital limits in excess of five crores from banks or financial institutions on the basis of security of current assets during the year.
- [iii] According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, clause 3(iii) of the Order is not applicable.

- [iv]** According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans or provided any guarantee or security as specified under section 185 and 186 of the Act. Further, on the basis of our examination of the records, in our opinion, the Company has complied with the provisions of section 186 of the Act, with respect to the investments made.
- [v]** According to the information and explanations given to us and on the basis of our examination of the records, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- [vi]** According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for the products of the Company and/or services provided by it. Accordingly, paragraph 3 (vi) of the Order is not applicable.
- [vii] (a)** According to the information and explanations given to us and on the basis of our examination of the records, the Company has generally been regular in depositing with the appropriate authorities the undisputed statutory dues applicable to it. There were no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b)** According to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.
- [viii]** According to the information and explanations given to us, the Company has not surrendered or disclosed any unrecorded transactions in the books of account as income during the year in the tax assessments under the Income Tax Act, 1961.
- [ix] (a)** According to the information and explanations given to us and on the basis of our examination of the records, the Company has not defaulted in repayment of loans or borrowings or in the payment of interest to any lender during the year.
- (b)** According to the information and explanations given to us, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c)** According to the information and explanations given to us and on the basis of our examination of the records, pending utilization of term loans obtained for the purpose of its Malegaon Project, the Company has invested the said funds temporarily in the bank fixed deposits.
- (d)** According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not utilized

any funds raised on short term basis for long term purposes. Accordingly, paragraph 3(ix)(d) of the Order is not applicable.

- (e) The Company does not have any subsidiaries, associate companies or joint ventures during the year. Accordingly, paragraphs 3(ix)(e) and 3(ix)(f) of the Order is not applicable.
- [x] (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (xa) of the Order is not applicable.
- (b) The Company has made preferential allotment of equity shares near the year end. According to the information and explanations give to us and on the basis of our examination of the records, the Company has complied with the requirements of Sections - 42 and 62 of the Act relating to the preferential allotment of the equity shares. The Company has not used the funds raised through the preferential allotment of equity shares amounting to Rs.4 crores till the date of balance sheet pending compliances of the various regulatory requirements of the appropriate authorities. The funds so raised have been temporarily invested in the bank fixed deposits.
- [xi] (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section - 143 of the Act has been filed by the auditors in Form ADT -4 as prescribed under Rule - 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As informed to us, the Company has not received any whistle-blower complaints during the year. Accordingly, paragraph 3(xi)(c) of the Order is not applicable.
- [xii] In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- [xiii] According to the information and explanations given to us, in our opinion, the transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

- [xv] According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year and hence, provisions of Section - 192 of the Act are not applicable to the Company.
- [xvi] (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, the Company is not in any group as defined in Core Investment Companies (Reserve Bank) Directions 2016. Accordingly, paragraph 3(xvi)(d) of the Order is not applicable.
- [xvii] The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.
- [xviii] There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- [xix] According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

[xx] According to the information and explanations given to us, the provisions of Section - 135 of the Act are not applicable to the Company during the year. Accordingly, paragraph 3(xx) of the Order is not applicable.

For Ambavat Jain & Associates LLP

Chartered Accountants

ICAI Firm Registration No: 109681W

Sd/-

Ashish J Jain

Partner

Membership No.111829

Place: Mumbai

Date: 30th May, 2022

ICAI UDIN No: 22111829AKWUUI2111

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 2(A)(f) under 'Report on other Legal & Regulatory Requirements' Section of our report of even date)

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

We have audited the internal financial controls over financial reporting with reference to standalone financial statements of Candour Techtex Limited (formerly known as Chandni Textile Engineering Industries Limited) (hereinafter referred to as "the Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Considering the size of the Company and nature of its business, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to standalone financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

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. 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 Institute of Chartered Accountants of India ("ICAI") 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 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 financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For Ambavat Jain & Associates LLP
Chartered Accountants
ICAI Firm Registration No: 109681W

Ashish J Jain
Partner
Membership No.111829

Place: Mumbai
Date: 30th May, 2022
ICAI UDIN No: 22111829AKWUUI2111

CANDOUR TECHTEX LIMITED

(Formerly Known as Chandni Textiles Engineering Industries Limited)

Balance Sheet as at 31st March, 2022

Particulars	Note No.	AS AT	AS AT
		31/03/2022	31/03/2021
		Rs.	Rs.
I ASSETS			
(1) NON-CURRENT ASSETS			
Property, Plant and Equipment	3.1	8,83,60,756	9,33,03,728
Capital work-in-progress	3.2	7,55,107	39,42,202
Investment Properties	3.3	24,61,237	25,32,326
Intangible assets	3.4	9,457	14,859
Right of Use of Assets	3.5	6,44,28,287	5,73,35,516
Financial Assets			
(i) Investments	4	73,91,040	59,24,164
(ii) Other Financial Assets	5	2,46,68,774	38,96,986
(g) Other non-current assets	6	3,26,14,358	43,01,924
(h) Income-tax Assets (net)	7	15,46,394	25,81,508
(2) CURRENT ASSETS			
(a) Inventories	8	1,13,73,317	1,08,57,478
(b) Financial Assets			
(i) Trade receivables	9	1,79,64,907	32,19,37,818
(ii) Cash and cash equivalents	10	1,63,39,792	1,62,73,228
Bank balances other than			
(iii) (ii) above	11	10,29,46,509	3,09,89,378
(iv) Other financial assets	12	18,05,189	35,30,518
(c) Other current assets	13	1,74,63,214	3,21,38,544

Total Assets		39,01,28,338	58,95,60,177
II EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share capital	14	16,93,72,630	16,13,72,630
(b) Other Equity	15	9,45,35,303	4,49,36,058
LIABILITIES			
(A) NON-CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Borrowings	16	2,10,01,893	-
(ia) Lease Liabilities	17	4,28,71,219	4,96,68,484
(b) Deferred tax liabilities (Net)	18	35,20,286	7,97,525
(B) CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Short term borrowings	19	1,28,41,388	3,10,78,729
(ia) Lease Liabilities	20	48,49,565	49,24,711
(ii) Trade payables	21		
(a) total outstanding dues of micro enterprises & small enterprises		99,900	37,017
(b) total outstanding dues of creditors other than micro enterprises & small enterprises		2,99,27,156	28,80,82,528
Other financial liabilities			
(iii)	22	73,28,392	64,95,779
(b) Other Current Liabilities	23	37,16,272	21,66,715
(c) Current tax liabilities (net)	24	64,334	-
Total Equity and Liabilities		39,01,28,338	58,95,60,177

Significant Accounting Policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date**On behalf of the Board****For Ambavat Jain & Associates LLP****Chartered Accountants****Firm Registration No. 109681W****J.R.
Mehta****Managing Director****DIN 00193029****R.C. Garg****Director****DIN 03346742****Ashish J. Jain****Partner****Membership No. 111829****Shailesh Sankav****Chief Financial Officer****Kirti Pathak****Company
Secretary
Membership No.
A51173****Place :MUMBAI****Place :MUMBAI****Date :30-05-2022****Date :30-05-2022**

CANDOUR TECHTEX LIMITED

(Formerly Known as Chandni Textiles Engineering Industries Limited)

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

Particulars	Note No.	2021-22 Rs.	2020-21 Rs.
I Revenue From Operations	25	1,74,18,97,137	69,52,13,947
II Other Income	26	1,59,39,483	1,27,41,709
III Total Income (I + II)		1,75,78,36,620	70,79,55,656
IV Expenses			
a) Cost of materials consumed	27	6,11,61,586	3,40,68,767
b) Purchases of Stock-in-Trade	28	1,57,83,34,093	56,83,76,717
c) Changes in inventories of finished goods & Stock-in-Trade	29	19,31,939	2,77,67,549
d) Manufacturing expenses	30	1,99,38,449	1,59,46,465
e) Employee benefits expense	31	3,53,33,807	2,53,13,879
f) Finance costs	32	47,22,265	58,05,454
g) Depreciation and amortization	3	1,62,65,775	1,50,00,880
h) Other expenses	33	1,57,50,247	1,46,20,227
Total Expenses (IV)		1,73,34,38,161	70,68,99,936
V Profit before exceptional items and tax (III-IV)		2,43,98,459	10,55,720
VI Exceptional items			
Compensation for compulsory acquisition of Daman property (Net)		-	1,08,47,566
VII Profit before tax (V + VI)		2,43,98,459	1,19,03,286
VII Tax Expenses	34		
I (i) Current tax		41,74,657	4,95,120
(ii) Income-tax of earlier years		1,653	-

(ii) Deferred tax	27,22,761	3,73,128
	68,99,071	8,68,248
IX Profit for the year (VII - VIII)	1,74,99,387	1,10,35,037
X Other Comprehensive Income		
Items that will not be reclassified to profit & loss		
(i) Remeasurement gains/loss on defined benefit plans	1,38,346	11,651
(ii) Income-tax on above	(38,488)	(3,029)
Total Other Comprehensive Income for the year (net of tax)	99,858	8,622
XI Total Comprehensive Income for the year (IX + X)	1,75,99,245	1,10,43,659
XII Earnings per equity share	35	
(a) Basic (annualised)	<u>1.08</u>	<u>0.68</u>
(b) Diluted (annualised)	<u>1.08</u>	<u>0.68</u>
Significant Accounting Policies	2	
The accompanying notes are an integral part of the financial statements		
As per our report of even date	On behalf of the Board	
For Ambavat Jain & Associates LLP		
Chartered Accountants		
Firm Registration No. 109681W	Sd/-	Sd/-
	J.R. Mehta	R.C. Garg
	Managing Director	Director
	DIN 00193029	DIN 03346742
Ashish J. Jain	Sd/-	Sd/-
Partner	Shailesh Sankav	Kirti Pathak
Membership No. 111829	Chief Financial Officer	Company Secretary
		Membership No. A51173
Place :MUMBAI	Place :MUMBAI	
Date :30-05-2022	Date :30-05-2022	

CANDOUR TECHTEX LIMITED**(Formerly known as Chandni Textiles Engineering Industries Limited).****Statement of Cash Flow for the year ended 31st March 2022****- Accounting Policy**

Cash flows are reported using the indirect method, whereby profit/(loss) for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

Particulars	(Rupees)	
	2021-22	2020-21
Cash flow from operating activities		
Profit before Tax	2,43,98,459	1,19,03,286
Adjustment for :		
Depreciation and amortisation	1,62,65,775	1,50,00,880
Demerger Expenses written off	1,97,580	1,98,184
Compensation for compulsory acquisition of land (net)	-	(93,51,944)
Loss /(Gain) on disposal of Property, Plant & Equipments and Capital work in progress	(55,13,919)	(12,96,071)
Loss /(Gain) on sale of FVTPL Investments	-	(12,92,624)
Changes in fair value of equity instruments though profit and loss	(14,66,876)	(19,91,840)
Allowances for credit loss	9,71,084	6,97,119
Cancellation of Lease (Ind AS)	(20,17,883)	-
Interest Income	(30,23,338)	(28,90,881)
Dividend income	(40,300)	(2,917)
Rent Income on Investment properties	-	(13,50,566)
Rent Concession - Covid 19	-	(12,13,150)
Interest Expense	47,22,265	58,05,454
Cash operating profit before working capital changes	3,44,92,847	1,42,14,930

Adjustment for :		
(Increase)/Decrease in trade receivables	30,30,01,826	(26,41,79,311)
(Increase)/Decrease in Inventories	(5,15,839)	# 2,84,41,262
(Increase)/Decrease in Other Financial Assets	17,25,329	1,33,557
(Increase)/Decrease in Other Current Assets	1,46,75,329	(1,61,06,528)
(Increase)/Decrease in Other non-current Financial Assets	(2,07,71,788)	(8,85,489)
(Increase)/Decrease in Other non-current assets	1,83,075	79,055
Increase/(Decrease) in trade payables	(25,80,92,489)	24,67,47,113
Increase/(Decrease) in Other non-current Liabilities	-	(1,62,103)
Increase/(Decrease) in Other Financial Liabilities	8,32,613	9,88,621
Increase/(Decrease) in Other current Liabilities	15,49,557	(80,10,726)
Cash generated from operating activities	7,70,80,459	12,60,382
Income tax paid (net of refund)	(31,15,349)	(5,78,949)
Net Cash generated from operating activities	7,39,65,110	6,81,433
Cash flow from Investing activities		
Purchase of Property, Plant and Equipments, Intangible assets and Capital work in progress	(43,48,431)	(2,14,72,471)
Payment for acquisition of Leasehold land	(1,44,99,665)	-
Compensation for compulsory acquisition of land	-	97,71,144
Payment for Purchase of investments	-	(2,27,62,205)
Payment for Capital Advances/Deferred Expenses	(2,85,54,744)	(56,000)
Proceeds from sale of investments	-	2,60,12,573
Proceeds from disposal of Property, Plant & Equipments and Capital work in progress	95,00,000	35,65,000
Rent Income on Investment properties	-	13,50,566
Interest received	30,23,338	28,90,881
Dividend received	40,300	2,917

Net cash generated/(used) from investing activities		(3,48,39,201)	(6,97,594)	
Cash flow from Financing activities				
Proceeds /Repayment of long term borrowings		2,10,01,893	(10,50,804)	
Proceeds /Repayment of Short term borrowings		56,54,040	46,00,000	
Proceeds from Preferential issue of equity shares		4,00,00,000	-	
Interest paid		(11,65,010)	# (19,69,707)	
Payment of Lease Liabilities		(87,01,757)	(70,28,964)	
Net cash generated/(used) from financing activities		5,67,89,167	(54,49,476)	
Net Increase/(decrease) in cash and cash equivalents		9,59,15,076	(54,65,635)	
Cash and cash equivalents at the beginning of the year		2,08,87,338	2,63,52,974	
Cash and cash equivalents at end of the year		11,68,02,414	2,08,87,338	
<u>Reconciliation of cash and cash equivalents as per the cash flow statement</u>				
Cash & Cash Equivalents (Note 10)		1,63,39,792	1,62,73,228	
Other Bank Balances (Note 11)		10,29,46,509	3,09,89,378	
Bank overdraft (Note 19)		(24,83,888)	(2,63,75,269)	
Balance as per statement of cash flows		11,68,02,413	2,08,87,337	
Changes in liability arising from financing activities				
	01/04/2021	Cash Flows		31/03/2022
		Receipts	Payments	
Current Borrowings	2,64,78,729	2,38,09,913	2,40,49,86,655	24,83,888
Unsecured Loan from Director	46,00,000	3,03,07,500	2,45,50,000	1,03,57,500
Non - Current Borrowings	-	2,10,01,893	-	2,10,01,893

Total			#	
	3,10,78,729	2,43,23,01,206	2,42,95,36,655	3,38,43,281
On behalf of the Board				
	Sd/- J.R. Mehta		Sd/- R.C. Garg	
	Managing Director DIN 00193029		Director DIN 03346742	
	Sd/- Shailesh Sankav Chief Financial Officer		Sd/- Kirti Pathak Company Secretary Membership No. A51173	
Place :MUMBAI		Place :MUMBAI		
Date : 30-05-2022		Date : 30-05-2022		

CANDOUR TECHTEX LIMITED
(Formerly known as Chandni Textiles Engineering Industries Limited)

NOTES ON THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Candour Techtex Limited (Formely known as Chandni Textiles Engineering Industries Ltd.) is a public company limited by shares, incorporated under the provisions of the Companies Act applicable in India and domiciled in India. Its Registered Office is located at 110 T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai 400 030. Its shares are listed on two recognized Stock Exchanges in India (BSE & MSEI).

The Company is dealing in diversified business activities, primarily in manufacturing and trading of textiles, plastics and other items.

The financial statements are approved by the company's board of directors on 30-05-2022.

2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these separate Financial Statements of Chandni Textiles Engineering Industries Ltd. These policies have been consistently applied to all the period presented, unless otherwise stated.

a) Basis of preparation

(i) Compliance with Ind AS

These Financial Statement have been prepared in accordance with the Companies (Indian Accounting Standards)Rules, 2015 as a going concern on an accrual basis.

(ii) Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except for the following:

- Equity Investments in entities are measured at fair value;
- Certain financial assets & liabilities are measured at fair value;
- Defined Benefit Plans – plan assets are measured at fair value.

(iii) Use of estimates

In preparing the Financial Statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of Financial Statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognized in the period the same is determined.

b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

c) Fair value measurement

The Company measures financial instruments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of un-observable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. This note summarizes accounting policy for a fair value. Other fair value related disclosures are given in the relevant notes.

d) Revenue recognition

The Company earns revenue primarily from sale of products and sale of services.

Sale of Products and Services

Revenues are recognized when the Company satisfies the performance obligation by transferring a promised product or service to a customer. A product is transferred when the customer obtains control of that product. To recognize revenues, company applies the following five step approach: (1) identify the contract with a customer, (2) identify the performance obligations in the contract, (3) determine the transaction price, (4) allocate the transaction price to the performance obligations in the contract, and (5) recognize revenues when a performance obligation is satisfied. Revenues from the sale of goods is measured at the fair value of the consideration received ore receivable, net of returns and allowances, trade discounts and volume rebates.

Job work Charges

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction shall be recognized by reference to the stage of completion of the transaction at the end of reporting period.

Rental Income

Rental income from the property leased under the leave and license agreement is recognized as income on a straight-line basis over the period of contractual lease terms. The respective leased assets are included in the balance sheet based on their nature.

Interest Income

Revenue from interest is recognized on accrual basis and determined by contractual rate of interest.

Dividend Income

Dividend income is stated at gross and is recognized when right to receive payment is established.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue is measured net of indirect taxes, returns and discounts.

e) Transactions in Foreign Currency

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Premium on forward cover contracts, if any, in respect of imports is charged to profit & loss account over the period of contract. All monetary assets and liabilities as at the Balance sheet date, not covered by forward contracts are restated at the applicable exchange rates prevailing on that date. All exchange differences arising on transactions, not covered by forward contracts, are charged to Profit & Loss Account.

f) Lease*As a Lessee*

The Company's lease asset classes primarily consist of leases for buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets ("ROU") are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Modification of the lease terms relating to period of lease and lease payments are recognized in accordance with Paragraphs 42 to 46B of Indian AS 116 and appropriate adjustments are made to ROU and Lease liability during the year of modification of lease.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for

recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Land under non-perpetual lease is treated as operating lease. Operating lease payments for land are recognised as prepayments and amortised on a straight-line basis over the term of the lease.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

The weighted average incremental borrowing rate applied to lease liabilities is 6.75%.

g) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, cash at bank and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

h) Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.

i) Inventories

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Finished goods: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

- Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.
- Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

j) Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical Cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work-in-progress comprises the cost of plant and equipment that are not yet ready for their intended use on the reporting date.

Depreciation methods, estimated useful lives and residual value

Depreciation on property, plant and equipment other than freehold, is provided on 'Straight Line Method' based on useful life as prescribed under Schedule II of the Companies Act 2013.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss

k) Intangible Assets

Intangible Assets are stated at cost less accumulated amortization and net of impairments, if any. An intangible asset is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and its cost can be measured reliably.

Intangible assets are amortized on straight line basis over their estimated useful lives. An intangible asset is derecognized on disposal, or when no future economic benefits are expected to arise from continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the Statement of Profit and Loss when the asset is derecognized.

l) Investment Properties

Investment properties consist of commercial offices not required presently for own use or administrative purposes and which are leased to others to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses, if any.

The Company, based on technical assessment made by management, depreciates the building over estimated useful lives of 60 years. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in notes. Fair value is determined based on ready reckoner rate prescribed by the Government of Maharashtra for the purpose of levy of stamp duty.

m) Financial instruments

Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Classification

- Cash and Cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits with banks and are short-term balances (with an original maturity of three months or less from the date of acquisition).

- Debt Instruments

The Company classifies its debt instruments as subsequently measured at amortised cost, fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the

Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

(iii) Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL as well as interest income is recognised in the Statement of Profit and Loss.

Equity Instruments

The Company subsequently measures all equity investments (other than the investment in subsidiaries which are measured at cost) at fair value. Dividends from such investments are recognised in the Statement of Profit and Loss as other income when the Company's right to receive payment is established.

Derecognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities not at fair value through profit or loss directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an

exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Impairment of financial assets

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired. Ind AS-109 on Financial Instruments, requires expected credit losses to be measured through a loss allowance. For trade receivables only, the Company recognises expected lifetime losses using the simplified approach permitted by Ind AS-109, from initial recognition of the receivables. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

n) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortized cost using the effective interest method.

o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of respective assets during the period of time that is required to complete and prepare the asset for its intended use. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing costs are expensed in the period in which they are incurred.

p) Employee Benefits

(i) Short-term obligations

The costs of all short-term employee benefits (that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service) are recognised during the period in which the employee renders the related services. The accruals for employee entitlements of benefits such as salaries, bonuses and annual leave represent the amount which the Company has a present obligation to pay as a result of the employees' services and the obligation can be measured reliably. The accruals have been calculated at undiscounted amounts based on current salary levels at the Balance Sheet date.

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

Gratuity Fund -

The Company makes annual contributions to gratuity funds administered by the Life Insurance Corporation of India. The gratuity plan provides for lump sum payment to vested employees on

retirement, death or termination of employment of an amount based on the respective employee's last drawn salary and tenure of employment. The Company accounts for the net present value of its obligations for gratuity benefits, based on an independent actuarial valuation, determined on the basis of the projected unit credit method, carried out as at the Balance Sheet date. The obligation determined as aforesaid less the fair value of the plan assets is reported as a liability or assets as of the reporting date. Actuarial gains and losses are recognised immediately in the Other Comprehensive Income and reflected in retained earnings and will not be reclassified to the Statement of Profit and Loss.

Provident Fund –

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

q) Tax expenses

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted, by the end of the reporting period.

(ii) Deferred Tax

Deferred Income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate Financial Statements.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Current and Deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other Comprehensive Income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

Minimum Alternate Tax is accounted for in accordance with tax laws which give rise to future economic benefits in the form of tax credit against which future income tax liability is adjusted and is recognized as deferred tax asset in the balance sheet.

r) Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

s) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. Assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period. In case of such reversal, the carrying amount of the asset is increased so as not to exceed the carrying amount that would have been determined had there been no impairment loss.

i) Segment Reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets including goodwill.

j) Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed if material.

k) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when there is a present legal or statutory obligation or constructive obligation as a result of past events and where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.

Contingent assets where it is probable that future economic benefits will flow to the Company are not recognised but disclosed in the Financial Statements. However, when the realization of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

Recent pronouncements

Ministry of Corporate Affairs (“MCA”) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 116 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

3.1 Property, Plant and Equipment

Particulars	GROSS CARRYING AMOUNT				DEPRECIATION/AMORTISATION				NET CARRYING AMOUNT	
	As at 01-04-2021	Additions	Deductions/ Adjustments	As at 31-03-2022	Upto 31-03-2021	For the year	Deductions/ Adjustments (*)	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Freehold Land	5,40,800	-	-	5,40,800	-	-	-	-	5,40,800	5,40,800
Buildings	73,99,088	-	-	73,99,088	19,62,075	2,30,354	-	21,92,429	52,06,659	54,37,013
Plant & Machinery	10,19,55,715	32,91,236	5,00,071	10,47,46,880	2,14,39,236	64,97,852	1,88,448	2,77,48,640	7,69,98,240	8,05,16,479
Furniture & Fixtures	91,26,876	2,70,585	-	93,97,461	65,45,101	8,19,639	-	73,64,740	20,32,721	25,81,775
Office Equipments	15,59,555	1,07,849	-	16,67,404	13,54,485	81,133	-	14,35,618	2,31,786	2,05,070
Computers	8,76,990	1,91,398	-	10,68,388	7,77,480	55,876	-	8,33,356	2,35,032	99,510
Vehicles	35,42,873	-	-	35,42,873	19,23,417	4,14,973	-	23,38,390	12,04,483	16,19,456
Air Conditioners	8,37,160	-	-	8,37,160	6,29,145	67,062	-	6,96,207	1,40,953	2,08,015
Electrical Fittings	33,98,884	-	-	33,98,884	13,03,274	3,25,528	-	16,28,802	17,70,082	20,95,610
Total	12,92,37,941	38,61,068	5,00,071	13,25,98,938	3,59,34,213	84,92,417	1,88,448	4,42,38,182	8,83,60,756	9,33,03,728
Total Previous Year	11,16,00,044	2,13,64,727	37,26,830	12,92,37,941	2,97,40,167	75,38,967	13,44,921	3,59,34,213	9,33,03,728	8,18,59,877

3.2 Capital Work-in-Progress

Particulars	As at 01-04-2021	Additions	Capitalisation/ Deductions	As at 31/03/2022
Plant & Machinery	39,42,202	-	37,82,203	1,59,999
Air Conditioner	-	5,95,108	-	5,95,108
Total	39,42,202	5,95,108	37,82,203	7,55,107
Total Previous Year	41,32,939	1,07,745	2,98,482	39,42,202

Capital work in progress ageing schedule as at 31st March 2022					(Amount in Rs.)
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	5,95,108	-	1,59,999	-	7,55,107

Projects temporarily suspended	-	-	-	-	-
Total	5,95,108	-	1,59,999	-	7,55,107

Capital work in progress ageing schedule as at 31st March 2021					(Amount in Rs.)
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,07,745	38,34,457	-	-	39,42,202
Projects temporarily suspended	-	-	-	-	-
Total	1,07,745	38,34,457	-	-	39,42,202

There are no projects under capital work in progress which have become overdue compared to the original plans as on the balance sheet date or where cost of the project is exceeded compared to the original plans.

3.3

Investment Properties

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01-04-2021	Additions	Deductions/ Adjustments	As at 31-03-2022	Upto 31-03-2021	For the year	Deductions/ Adjustments	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
Office Premises	47,75,800	-	-	47,75,800	22,43,474	71,089	-	23,14,563	24,61,237	25,32,326
Total	47,75,800	-	-	47,75,800	21,72,385	71,089	-	22,43,474	25,32,326	26,03,415

Notes:**a. Information regarding Income and expenditure of Investment properties**

	2021-22	2020-21
Rental income derived from Investment properties	-	13,50,566
Direct operating expenses generating rental incomes	-	1,39,040
Profit arising from investment properties before depreciation and indirect expenses	-	12,11,526

Less: Depreciation	71,089	71,089
Profit arising from investment properties before indirect expenses	(71,089)	11,40,437

- b. The Company's investment properties consist of office premises which was not let out during the year due to unfavourable property market conditions.

c. **Fair value**

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation technique	Fair Value Hierarchy	Fair Value	
			31/03/2022	31/03/2021
	(See Note below)	(See Note below)		
Office Premises	Stamp Duty Reckoner rate	Level 2	4,72,57,795	4,72,57,795

The fair value is not based on the valuation by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. However, the above valuation of the investment properties are in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The management has referred to the publications and government website for Ready Reckoner rates. The adjustments related to floors, lifts and other factors are not considered for valuation of office Premises. 'Since the valuation is based on the published Ready Reckoner rates, the company has classified the same under Level 2.

3.4 Intangible Assets											
	Particulars	GROSS CARRYING AMOUNT				AMORTISATION				NET CARRYING AMOUNT	
		As at 01-04-2021	Additions	Deductions / Adjustments	As at 31-03-2022	Upto 31-03-2021	For the year	Deductions / Adjustments	Upto 31-03-2022	As at 31-03-2022	As at 31-03-2021
	-										
	Trade mark	37,000	-	-	37,000	22,141	5,402	-	27,543	9,457	14,859
	Total	37,000	-	-	37,000	22,141	5,402	-	27,543	9,457	14,859

Total Previous Year	37,000	-	-	37,000	15,589	6,552	-	22,141	14,859	21,411
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3.5 Right of Use assets

Changes in the carrying value of Right of Use Assets

Particulars	Land & Building	
	31/03/2022	31/03/2021
Balance at the beginning	5,73,35,516	6,41,67,103
Additions	2,42,83,467	5,60,421
Deletion (cancellation of leases)	94,93,829	-
Depreciation	76,96,867	73,92,009
Balance at the year end	6,44,28,287	5,73,35,516

The aggregate depreciation expense on Right of Use assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

	<u>Face Value</u>	AS AT 31-03-2022		AS AT 31-03-2021	
		<u>Nos</u>	<u>Amount</u>	Nos	Amount
-					
-					

4 NON-CURRENT -INVESTMENTS

Investments in Equity Instruments - Others (At Fair Value Through Profit or Loss)

(i) Quoted

Alok Industries Ltd	1	5,000	1,26,750	5,000	1,00,750
Shree Rajasthan Syntex Ltd	10	32,200	1,39,104	32,200	1,19,140
Dish TV India Ltd	1	5,000	83,650	5,000	46,150
Future Consumer Ltd	6	5,000	22,700	5,000	29,950
HCL Infosystems Ltd	2	1,000	18,550	1,000	8,880
IDFC Ltd	10	10,000	6,16,000	10,000	4,73,000
IDFC First Bank Ltd (*)	10	10,500	4,16,325	10,500	5,84,850
IOL Chemicals & Pharmaceuticals Ltd (*)	10	50	17,690	50	27,530
Jaiprakash Associates Ltd	2	5,000	41,600	5,000	34,350

Mauria Udyog Ltd	1	2,500	9,250	250	2,863
Mercator Ltd	1	1,900	3,553	1,900	1,539
Rohit Ferro -Tech Ltd	10	10,000	2,79,000	10,000	29,100
Reliance Communications Ltd	5	25,000	67,000	25,000	41,750
Sintex Plastic Technology Ltd	1	250	1,368	250	813
State Bank of India (*)	1	10,000	49,34,000	10,000	36,43,500
Yes Bank Ltd (*)	2	50,000	6,14,500	50,000	7,80,000
			73,91,040		59,24,164
<u>Unquoted</u>	-	-	-	-	-
<u>Chandni Plastics Ltd</u>	-	-	-	-	-
Rei Agro Ltd.	1	20,000	-	20,000	-
			-	-	-
			73,91,040		59,24,164
Aggregate value of quoted investments (at fair value)			73,91,040		59,24,164
Aggregate market value of quoted investments			73,91,040		59,24,164
Aggregate value of unquoted investments			-		-

(*) Out of these shares, shares amounting to Rs. 55,86,015/- (2021 - 44,78,880) are pledged as a margin money with the stock broker.

5 **OTHER NON-CURRENT FINANCIAL ASSETS**

(Unsecured considered good)

Security Deposits at amortised costs	25,23,151	20,19,238
Bank Deposits with more than 12 months maturity	2,21,45,623	18,77,748
	2,46,68,774	38,96,986

6 **OTHER NON-CURRENT ASSETS**

(Unsecured considered good)

Deposit with Government Authorities	29,599	29,599
Security Deposits Utility	13,79,580	14,65,712
Capital Advances	2,09,78,265	6,000
Others	1,02,26,914	28,00,613
	3,26,14,358	43,01,924

7 INCOME TAX ASSETS (net)

Advance Tax / TDS less provisions	15,46,394	25,81,508
	15,46,394	25,81,508

8 INVENTORIES

(As taken, valued and certified by the management)

Raw Materials	73,00,252	50,72,079
Stock-in-trade	38,698	38,698
Finished Goods	37,82,632	57,14,571
Spares	-	32,130
Goods-in-transit	2,51,735	-
	1,13,73,317	1,08,57,478

9 TRADE RECEIVABLES

Trade Receivables considered good - Unsecured	1,79,64,907	32,19,37,818
Trade Receivables which have significant increase in Credit Risk	33,38,998	23,67,913
Less : Allowance for credit loss	33,38,998	23,67,913
	-	-
	1,79,64,907	32,19,37,818

10 CASH & CASHEQUIVALENTS

Balances with banks		
-in current accounts	67,84,111	42,86,192
Cash on hand	13,58,606	3,80,237
Bank deposits with less than 3 months maturity	81,97,075	1,16,06,799
	1,63,39,792	1,62,73,228

11 OTHER BANK BALANCES

Bank deposits with maturity of more than 3 months but less than 12 months	10,29,46,509	3,09,89,378
	10,29,46,509	3,09,89,378

Fixed deposits to the extent of Rs.4,56,25,000/- (2021- Rs. 2,94,00,000/-) are pledged to the banks against credit facilities.

12 OTHER CURRENT FINANCIAL ASSETS

(Unsecured, considered good)

Security Deposits at amortised cost - Considered good	5,60,000	29,06,408
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Loans & Advances to Employees	5,000	1,75,000
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Interest Accrued on Fixed Deposits	12,40,189	4,49,110
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	18,05,189	35,30,518
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13 OTHER CURRENT ASSETS :

Unsecured, Considered Good

Balances with Govt. Authorities	84,37,317	55,90,918
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Advances to vendors	4,28,867	35,62,574
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Prepaid Expenses	2,74,186	2,28,603
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Others	83,22,844	2,27,56,448
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	1,74,63,214	3,21,38,544
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14 EQUITY SHARE CAPITAL**i) AUTHORISED :**

2,00,00,000 (2,00,00,000) Equity Shares of Rs. 10/- (Rs.10/-) each

20,00,00,000
20,00,00,000

20,00,00,000
20,00,00,000

ii) ISSUED, SUBSCRIBED AND FULLY PAID

1,69,37,263 (1,61,37,263,) Equity Shares of Rs.10/- each

16,93,72,630
16,13,72,630

16,93,72,630
16,13,72,630

iii) The reconciliation of the number of shares outstanding is set out below :

Equity Shares of Rs.10/- each at the beginning of the year

1,61,37,263 1,61,37,263

Add :Preferential Allotment of Equity Shares of Rs. 10/- each during the year

8,00,000 -

Equity Shares of Rs.10/- each at the end of the year

1,69,37,263 1,61,37,263

iv) The Company has only one class of equity share. These shares rank pari passu in all respects including voting rights, entitlement to dividend and distribution of assets of the Company in the event of liquidation.

v) The details of Shareholders holding more than 5% shares -

<u>Name of the Shareholder</u>	<u>No of Shares</u>	<u>%</u>	<u>No of Shares</u>	<u>%</u>
Jayesh R. Mehta	43,92,091	25.93%	41,92,091	25.98%
Amita J. Mehta	27,59,626	16.29%	27,59,626	17.10%
Hetal C. Mehta	6,28,249	3.71%	9,69,672	6.01%

vi) The details of Shareholding of Promoters -

<u>Shares held by promoters at the end of the year</u>	<u>As at 31-03-2022</u>		
	<u>No.of Shares</u>	<u>% of total shares</u>	<u>% change during the year</u>
Jayesh R. Mehta	43,92,091	25.93%	4.77%
Amita J. Mehta	27,59,626	16.29%	-

Prerna Karan Khanna	67,000	0.40%	-
Chandni Chintan Bhagat	62,500	0.37%	-
J.R. Texmachtrade Pvt Ltd	4,22,212	2.49%	-
Total	77,03,429	45.48%	

Shares held by promoters at the end of the year	As at 31-03-2021		
	Name of Promoter	No. of Shares	% of total shares
Jayesh R. Mehta	41,92,091	25.98%	-
Amita J. Mehta	27,59,626	17.10%	-
Prerna Karan Khanna	67,000	0.42%	-
Chandni Chintan Bhagat	62,500	0.39%	-
J.R. Texmachtrade Pvt Ltd	4,22,212	2.62%	-
Total	75,03,429	46.50%	

- vii) During the year, the Company has issued 8,00,000 equity shares of Rs. 10/- each at a premium of Rs. 40/- per share on preferential basis to raise funds for its new Technical Textile project at Malegaon. The allotment of these shares was made on 25-3-2022. Pending regulatory approvals from the appropriate authorities, the Company has not utilised the funds raised through the preferential issue for the project and has deployed the unutilised funds amounting to Rs.4 crores in the bank fixed deposits @ 4.90 % p.a.

OTHER EQUITY

Reserves & Surplus

Securities Premium

Opening Balance	1,88,31,403	1,88,31,403
Add : Received on Preferential Allotment of Equity Shares	3,20,00,000	-
Closing Balance	5,08,31,403	1,88,31,403

Retained Earnings

Opening Balance	2,61,04,655	1,50,86,613
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Add/(Less) : Transferred from Other Comprehensive Income	-	(25,617)
	2,61,04,655	1,50,60,996
Add : Profit for the year	1,74,99,387	1,10,35,037
Add : Remeasurement of defined benefit plans	99,858	8,622
Closing Balance	4,37,03,900	2,61,04,655

Other Comprehensive Income

Opening Balance	-	(25,617)
Add/(Less) : Transferred to Retained Earnings	-	25,617
Closing Balance	-	-
	9,45,35,303	4,49,36,058

NON-CURRENT BORROWINGS**Unsecured :**

From Corporate	2,10,01,893	-
	2,10,01,893	-

Unsecured loan taken from a company @ 7% p.a. repayable in equated quarterly instalments of Rs .25 lakhs commencing from March 2027. Interest payment on annual basis.

17 NON- CURRENT LEASE LIABILITIES

Lease Liabilities	4,28,71,219	4,96,68,484
	4,28,71,219	4,96,68,484

(a) The following is the movement in lease liabilities during the year ended March 31, 2022

Balance as at beginning	5,45,93,195	5,84,39,140
Additions	97,83,802	5,60,421

Deletions(on cancellation of leases)	1,15,11,709	-
Finance cost accrued during the period	35,57,255	38,35,747
Rent Concession - Covid-19	-	(12,13,150)
Payment of lease liabilities	(87,01,757)	(70,28,964)
Balance at the end	4,77,20,786	5,45,93,195

Rental expenses recorded for short-term operating leases was Rs.3,32,000/- for the year ended 31st March, 2022 (2021 :Rs.1,74,000/-)

(b) Maturity analysis of lease liabilities

Maturity analysis – contractual undiscounted cash flows

Less than one year	77,45,250	83,27,756
One to five years	3,07,46,400	3,55,57,020
More than five years	2,71,58,940	3,23,05,560
Total undiscounted lease liabilities at 31 March	6,56,50,590	7,61,90,336
Lease liabilities included in the statement of financial position at 31 March	4,77,20,786	5,45,93,195
Current	48,49,565	49,24,711
Non-Current	4,28,71,219	4,96,68,484

- (c) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

18 DEFERRED TAX LIABILITIES/(ASSETS) (NET)

Deferred tax Liabilities :

Timing difference on account of depreciation	75,76,068	66,97,476
Changes in FV of Investments	1,63,234	(1,41,466)
Unrealised Gains (ICDS)	3,40,470	4,14,181

	80,79,772	69,70,191
<u>Deferred Tax Assets :</u>		
Expenses allowable on payment basis under Tax Laws	2,48,695	1,79,081
Unabsorbed Depreciation	-	6,70,528
Unused Losses	5,42,993	4,92,455
Doubtful debts	9,28,909	6,15,657
Lease Liabilities	12,42,216	14,40,696
Mat credit entitlement	15,96,672	27,74,248
	45,59,486	61,72,666
Net Deferred Tax Liabilities	35,20,286	7,97,525

19 SHORT TERM BORROWINGS**Secured Overdraft :**

From Banks	24,83,888	2,63,75,269
(Secured by way of pledge of fixed deposits at the interest rate of 5.90% p.a.)		

Unsecured Loan from related party :

From Director	1,03,57,500	46,00,000
Current Maturities of non-current borrowings	-	1,03,460
	1,28,41,388	3,10,78,729

Current maturities from non-current borrowings include Term Loan from HDFC Bank to the extent of Rs.Nil (2021-Rs.1,03,460/-) secured by way of hypothecation of vehicles at the rate of interest of 9.50% p.a. repayable in 60 equated monthly instalments.

20 CURRENT LEASE LIABILITIES

Lease Liabilities (Refer note No. 17)	48,49,565	49,24,711
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48,49,565 **49,24,711**

21 TRADE PAYABLES

Total outstanding dues of micro enterprises & small enterprises	99,900	37,017
Total outstanding dues of creditors other than micro enterprises & small enterprises	2,99,27,156	28,80,82,528
	3,00,27,056	28,81,19,545

(Refer note no. 42 for additional information under The MSMED Act 2006)

22 OTHER CURRENT FINANCIAL LIABILITIES

Interest accrued but not due on borrowings	-	625
Creditors for capital goods	3,19,686	64,95,154
Bank balance (as per books)	70,08,706	-
	73,28,392	64,95,779

23 OTHER CURRENT LIABILITIES

Advances received from customers	15,93,526	13,73,574
Statutory Dues payable	21,22,746	7,93,141
	37,16,272	21,66,715

24 CURRENT TAX LIABILITIES

Income-tax Liabilities	64,334	-
	64,334	-

2021-22**2020-21****Rs.****Rs.****25 REVENUE FROM OPERATIONS**

Sales of Products	1,72,93,63,887	68,10,62,381
Sales of Services	1,25,33,250	1,41,51,567
	1,74,18,97,137	69,52,13,947

i) PARTICULARS OF SALE OF PRODUCTS

Textile Goods	8,50,79,419	5,37,09,499
Plastic Moulded Goods	1,68,43,854	1,62,83,255
Tools	1,59,02,26,259	60,65,69,626
Others	3,72,14,355	45,00,000
	1,72,93,63,887	68,10,62,381

ii) PARTICULARS OF SALE OF SERVICES

Jobwork services	1,25,33,250	91,51,567
Service Charges	-	50,00,000
	1,25,33,250	1,41,51,567

26 OTHER INCOME :

Interest Income :

on Bank Fixed Deposits	30,23,338	28,90,881
on Income tax refund	1,10,544	25,077
on unwinding	1,51,475	1,79,589
on Others	1,12,296	4,64,129
Rent Income	-	13,50,566
Profit on sale of Property, Plant & Equipment & Capital Work-in-progres (Net)	55,13,919	12,96,071
Profit on sale of FVTPL Investments	-	18,85,673
Changes in FV of Equity Instruments through P&L	14,66,876	19,91,840
Foreign Exchange gains - (Net)	3,546	-
Profit from dealing in Securities Derivatives	19,79,822	-
Dividend on FVTPL Investments	40,300	2,917
Cancellation of lease /Rent Concession - Covid 19	20,21,024	12,13,150
Miscellaneous Income	15,16,343	7,92,500
Sundry Balances Written off	-	6,49,316
	1,59,39,483	1,27,41,709

27 COST OF MATERIALS CONSUMED

Opening Stock	50,72,079	56,40,422
Add :- Purchases	6,36,41,494	3,35,00,424
Less :- Closing Stock (including goods-in- transit)	75,51,987	50,72,079
	6,11,61,586	3,40,68,767

i) PARTICULARS OF MATERIALS CONSUMED**Indigeneous Materials**

Yarn	4,61,26,161	2,48,72,120
PP	1,50,35,426	91,96,647
Total Indigenous	6,11,61,586	3,40,68,767
<u>Imported</u>	-	-
	6,11,61,586	3,40,68,767
28 <u>PARTICULARS OF PURCHASES OF STOCK-IN-TRADE</u>		
Tools - Local	1,54,25,19,501	56,27,33,088
Others - Local	3,58,14,592	43,25,200
Plastic Material - Imported	-	13,18,429
	1,57,83,34,093	56,83,76,717
29 <u>CHANGES IN INVENTORIES OF FINISHED GOODS & STOCK-IN-TRADE</u>		
Opening Stock :		
Stock-in-trade	38,698	2,56,78,142
Finished Goods	57,14,571	78,42,676
	57,53,269	3,35,20,818
Closing Stock :		
Stock-in-trade	38,698	38,698
Finished Goods	37,82,632	57,14,571
	38,21,330	57,53,269
	19,31,939	2,77,67,549
30 <u>MANUFACTURING EXPENSES</u>		
Stores, Spares and Packing Materials	42,53,587	31,47,687
Labour & Processing Charges	20,34,186	4,72,857
Power & Fuel	96,41,470	90,90,640

Transportation Charges	9,24,646	5,84,996
Other Manufacturing Expenses	30,84,559	26,50,284
	1,99,38,449	1,59,46,465
31 <u>EMPLOYEE BENEFITS EXPENSES</u>		
Salaries, Wages, Bonus etc.	3,41,50,710	2,44,55,427
Contribution to Provident Fund and other funds	8,37,756	5,73,076
Employees Welfare Expenses	3,45,341	2,85,376
	3,53,33,807	2,53,13,879
32 <u>FINANCE COSTS</u>		
Interest Expenses	11,65,010	19,69,707
Interest on Lease Liabilities	35,57,255	38,35,747
	47,22,265	58,05,454
33 <u>ADMINISTRATIVE & OTHER EXPENSES</u>		
Bank Charges	6,857	19,544
Clearing, Forwarding & Freight	8,45,575	7,05,450
Commission & Brokerage	25,75,400	2,80,400
Travelling & Conveyance	14,47,764	10,71,269
Telephone, Postage & Telegram	1,55,822	77,600
Sampling, Sales Promotion & Advertisement	4,87,797	1,10,463
Insurance	3,16,862	3,35,401
Legal & Professional Charges	9,03,397	13,46,700
Rent	5,31,613	4,04,114
Rates & taxes	1,21,000	1,39,040
Repairs - Others	26,84,745	1,12,076
General Expenses	19,28,316	16,00,349
Payment to Auditors	2,63,000	2,30,500
Securities Transaction Tax	975	70,211
Loss on sale of FVTPL Investments	57,749	-
Business Loss/ Sundry Balances written off	22,54,711	-
Allowance for bad & doubtful debts	9,71,084	6,97,119

Loss from dealing in Securities Derivatives	-	71,99,519
Foreign Exchange Loss - (Net)	-	22,288
Demerger Expenses Written off	1,97,580	1,98,184
	1,57,50,247	1,46,20,227

34 TAX EXPENSE**(a) Income tax**

Tax on profits for the year	41,74,657	4,95,120
Tax for prior periods Recognised in Other Comprehensive Income	1,653 38,488	- 3,029
Total income tax	42,14,798	4,98,149

(b) Deferred tax

Decrease / (Increase) in deferred tax assets	16,13,181	(9,75,442)
(Decrease) / Increase in deferred tax liabilities	11,09,580	13,48,571
Total deferred tax expense/(benefit)	27,22,761	3,73,128
Total tax expense	69,37,559	8,71,277

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate :

Profit before income tax expenses	2,43,98,459	1,19,03,286
Tax at the rate of 27.82% (2021 - 26%)	67,87,651	30,94,854
Tax effect of amounts which are not deductible :	94,950	96,411
Tax effect of amounts which are not taxable :	(63,224)	(29,41,701)
Difference in tax on capital loss/(gain) on securities	(2,44,851)	1,87,950

Tax effect on Adjustment related to Rental Income :	-	(76,743)
Tax effect on actuarial gain/(loss) on defined benefit plan	38,488	3,029
Tax adjustments for prior periods/changes in tax rates	3,24,546	5,07,478
Total tax expenses	<u>69,37,559</u>	<u>8,71,277</u>

35 Earnings per Share :- Basic and Diluted (annualised)

a) Profit after tax	Rs.	1,74,99,387	1,10,35,037
Weighted Average Number of Equity shares outstanding	Nos.	1,61,52,605	1,61,37,263
c) The nominal value per Equity Share	Rs.	10	10
d) Earnings per Share –Basic & Diluted	Rs.	1.08	0.68

36. FAIR VALUE MEASUREMENTS**(a) Financial instruments by category**

	As at 31-03-2022		As at 31-03-2021	
	FVPL	Amortised cost	FVPL	Amortised cost
Financial Assets				
Investment				
Equity instrument	73,91,040		59,24,164	
Trade receivables		1,79,64,907		32,19,37,818
Bank Deposits		2,21,45,623		18,77,748
Cash & Cash Equivalents		1,63,39,792		1,62,73,228
Other Bank balances		10,29,46,509		3,09,89,378
Security Deposits		30,83,151		49,25,646

Other Receivables		12,45,189		6,24,110
Total Financial Assets	73,91,040	16,37,25,171	59,24,164	37,66,27,929
<u>Financial Liabilities</u>				
Borrowings		3,38,43,281		3,10,78,729
Trade payables		3,00,27,056		28,81,19,545
Creditors for capital goods		3,19,686		64,95,154
Lease Liabilities		4,77,20,784		5,45,93,195
Others		70,08,706		625
Total Financial Liability	-	11,89,19,513	-	38,02,87,248

(b) Financial Assets and Liabilities measured at fair value - recurring fair value measurements

	As at 31-03-2022			As at 31-03-2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<u>Financial Assets</u>						
Financial instrument at FVTPL	73,91,040	-	-	59,24,164	-	-
Total Financial Assets	73,91,040	-	-	59,24,164	-	-

(c) Fair value hierarchy

(i) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31-03-2022:

	Fair value measurement using				
	Date of valuation	Quoted price in active market level(1)	Significant observable inputs level(2)	Significant unobservable inputs level(3)	Total
<u>Financial Assets</u>					

Equity instruments measured at FVTPL	31/03/2022	73,91,040	-	-	73,91,040
<u>Financial Assets at amortised cost</u>					
Trade Receivables	31/03/2022		1,79,64,907		1,79,64,907
Bank Deposits	31/03/2022		2,21,45,623		2,21,45,623
Cash & Cash Equivalents	31/03/2022		1,63,39,792		1,63,39,792
Other Bank Balances	31/03/2022		10,29,46,509		10,29,46,509
Security Deposits	31/03/2022		30,83,151		30,83,151
Other Receivables	31/03/2022		12,45,189		12,45,189
<u>Financial Liabilities at amortised cost</u>					
Trade payable	31/03/2022		3,00,27,056		3,00,27,056
Creditors for capital expenditure	31/03/2022		3,19,686		3,19,686
<u>Other Financial liabilities</u>					
Borrowings	31/03/2022		3,38,43,281		3,38,43,281
Lease Liabilities	31/03/2022		4,77,20,784		4,77,20,784
Others	31/03/2022		70,08,706		70,08,706

(ii) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31-03-2021:

	Fair value measurement using				
	Date of valuation	Quoted price in active market level(1)	Significant observable inputs level(2)	Significant unobservable inputs level(3)	Total
<u>Financial Assets</u>					
Equity instruments measured at FVTPL	31/03/2021	59,24,164	-	-	59,24,164

<u>Financial Assets at amortised cost</u>			
Trade Receivables	31/03/2021	32,19,37,818	32,19,37,818
Bank Deposits	31/03/2021	18,77,748	18,77,748
Cash & Cash Equivalents	31/03/2021	1,62,73,228	1,62,73,228
Other Bank Balances	31/03/2021	3,09,89,378	3,09,89,378
Security Deposits	31/03/2021	49,25,646	49,25,646
Other Receivables	31/03/2021	6,24,110	6,24,110
<u>Financial Liabilities at amortised cost</u>			
Trade payable	31/03/2021	28,81,19,545	28,81,19,545
Creditors for capital expenditure	31/03/2021	64,95,154	64,95,154
<u>Other Financial liabilities</u>			
Borrowings	31/03/2021	3,10,78,729	3,10,78,729
Lease Liabilities	31/03/2021	5,45,93,195	5,45,93,195
Others	31/03/2021	625	625

Level 1: Level 1 hierarchy includes Financial Instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of Financial Instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

37. Financial Risk Management

The Company's activities expose it to market risk (including currency risk, interest rate risk and other price risk), liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk :

The Company's risk management is carried out by chief financial officer under policies approved by the Board of Directors. Company's chief financial officer identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments and investment of excess liquidity. The risk management includes identification, evaluation and identifying the best possible option to reduce such risk. The Board has been monitoring the risks that the Company is exposed to due to outbreak of COVID 19 closely. The Board has taken all necessary actions to mitigate the risks identified on the basis of the information and situation present.

(A) **Market risk**

(i) **Foreign currency risk**

Foreign currency risk arises from future commercial transactions and recognized assets or liabilities denominated in a currency that is not the Company's functional currency (INR). This is closely monitored by the Management to decide on the requirement of hedging. The position of unhedged foreign currency exposure to the Company as at the end of the year expressed in INR are as follows :

Currency	31/03/2022	31/03/2021	31/03/2022	31/03/2021	31/03/2022	31/03/2021
	Asset (Receivable)	Asset (Receivable)	Liability (Payable)	Liability (Payable)	Net Receivable/ (Payable)	Net Receivable/ (Payable)
- Euro	1,53,96,059	-	-	-	1,53,96,059	-
Exposure to foreign currency risk	1,53,96,059	-	-	-	1,53,96,059	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments

	<u>Impact on profit Increase/(Decrease)</u>	
	<u>March 31, 2022</u>	<u>March 31, 2021</u>
		-

EURO sensitivity		-
INR/EURO Increases by 5%	7,69,803	-
INR/EURO Decreases by 5%	(7,69,803)	-

Holding all other variables constant.

(ii) Interest rate risk

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period depends on the mixed of fixed rate and floating rate of the borrowings and the expected movement of market interest rate. The Company has only fixed rate of borrowings and therefore it is not exposed to interest rate risk.

(iii) Price risk

The Company's exposure to equity securities price risk arises from investments held by the Company in listed securities and classified in the balance sheet as at fair value through profit or loss.

	<u>Impact on profit Increase/(Decrease)</u>	
	<u>March 31, 2022</u>	<u>March 31, 2021</u>
Price sensitivity		
Investment value Increases by 5%	3,69,552	2,96,208
Investment value Decreases by 5%	(3,69,552)	(2,96,208)

(B) Credit risk

Credit risk arises when a counter party defaults on contractual obligations resulting in financial loss to the Company. Trade receivables consist of large number of customers, spread across diverse industries and geographical areas. In order to mitigate the risk of financial loss from defaulters, the Company has an ongoing credit evaluation process in respect of customers who are allowed credit period. In respect of walk-in customers the Company does not allow any credit period and therefore, is not exposed to any credit risk. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 90 days past due.

(C) Liquidity risk

The Company has sufficient cash and cash equivalent and other liquid current financial assets which can be easily realised in cash or cash equivalent in short time. Therefore there is no significant liquidity risk.

(i) Maturities of Financial Liabilities

The tables below analyse the Company's Financial Liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative Financial Liabilities.

Contractual maturities of Financial Liabilities:

	Not later than 1 year	Between 1 to 5 years	Later than 5 years	Total
31/03/2022				
Non-derivatives				
Borrowings	1,28,41,388	-	2,10,01,893	3,38,43,281
Trade Payables	3,00,27,056	-	-	3,00,27,056
Lease Liabilities	48,49,565	2,01,26,571	2,27,44,648	4,77,20,784
Creditors for capital goods	3,19,686	-	-	3,19,686
Other Financial Liabilities	70,08,706	-	-	70,08,706
	<u>5,50,46,402</u>	<u>2,01,26,571</u>	<u>4,37,46,541</u>	<u>11,89,19,513</u>
31/03/2021				
Non-derivatives				
Borrowings	3,10,78,729	-	-	3,10,78,729
Trade Payables	28,81,19,545	-	-	28,81,19,545

Lease Liabilities	49,24,711	2,34,41,126	2,62,27,358	5,45,93,195
Creditors for capital goods	64,95,154	-	-	64,95,154
Other Financial Liabilities	625	-	-	625
	33,06,18,764	2,34,41,126	2,62,27,358	38,02,87,248

(D) Risk due to outbreak of COVID 19 pandemic

The company's management has made an assessment of the impact of COVID 19 in preparation for these financial results. The management has considered all relevant external and internal factors in the measurement of assets and liabilities including recoverability of carrying values of its assets, its liquidity position and ability to repay debts. No adjustment to key estimates and judgements that impact the financial results have been identified. However, the impact and assessment of COVID 19 will be a continuing process given the uncertainties associated with its nature and duration and no significant impact is envisaged on the operations.

38. Capital management

For the purpose of the Company's capital management, equity includes issued equity capital, Securities Premium and retained earnings attributable to the equity shareholders of the company. The primary objective of the Company's capital management is to maximise the shareholders value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Company is monitoring capital using debt equity ratio as its base, which is debt to equity. The company's policy is to keep debt equity ratio at the minimum and infuse capital if and when it is required through issue of new shares and/or better operational results and efficient working capital management.

In order to achieve the aforesaid objectives, the Company has financed capex through internal accruals for new expansion projects in last two to three years. However, modernization, upgradation and continued marginal expansions have been to remain competitive and improve product quality through efficient machinery. There is constant endeavour to avoid debt as much as feasible and practical by improving operational and working capital management so that the debt-equity ratio remains less than 0.50.

The Company is setting up a new project at Malegaon for manufacturing Technical Textiles goods. The project is financed through internal accruals and term loan from bank. The Company has also raised funds through private placement of equity shares by way of preferential issue and debt by way of inter corporate deposits.

Debt-to-equity ratio are as follows:

31/03/2022

31/03/2021

Debt (A)	3,38,43,281	3,10,78,729
Equity (B)	26,39,07,933	20,63,08,688
Debt/Equity (A/B)	0.13	0.15

39. Lease**(i) Amounts recognised in statement of profit or loss**

Particulars	Rupees	
	2021-22	2020-21
Interest on lease liabilities	35,57,255	38,35,747
Expenses relating to short-term leases	3,32,000	1,74,000
Depreciation on Right of Use Assets	76,96,867	73,92,009
Rental income from operating lease	-	13,50,566
Cancellation of lease /Rent Concession	20,21,024	12,13,150

(ii) Amounts recognised in the statement of cash flows

Particulars	Rupees	
	2021-22	2020-21
Total cash outflow for payment of lease liabilities	87,01,757	70,28,964
Total cash outflow for payment for Right of Use assets	1,44,99,665	-

40. Capital Commitments

Particulars	As at 31/03/2022	As at 31/03/2021
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	19,49,74,556	-

41 Movement in Deferred Tax Liabilities/(Assets)

Particulars	As on	Charge	Charge/	As on	Charge/	Charge/	As on
	31-03-2020	(Credit) to Statement of P&L		to OCI	31-03-2021		to Statement of P&L
		2020-21	2020-21		2021-22	2021-22	
<u>Deferred Tax Liability –</u>							
Timing difference on account of depreciation	57,57,668	9,39,808	-	66,97,476	8,78,592	-	75,76,068
Financial Assets & liabilities at amortised cost	5,418	(5,418)	-	-	-	-	-
Unrealised Gain (ICDS)		4,14,181		4,14,181	(73,712)		3,40,470
	57,63,086	13,48,571	-	71,11,657	8,04,881	-	79,16,538
<u>Deferred Tax Assets –</u>							
Expenses allowable on payment basis under Tax Laws	-	1,79,081	-	1,79,081	69,615	-	2,48,695
Unabsorbed Depreciation	-	6,70,528	-	6,70,528	(6,70,528)	-	-
Changes in FV of Investments	6,33,286	(4,91,820)		1,41,466	(3,04,700)		(1,63,234)
Unused losses	4,05,964	86,492	-	4,92,455	50,538	-	5,42,993
Doubtful debts	4,34,406	1,81,251	-	6,15,657	3,13,252	-	9,28,909
Financial Assets & liabilities at amortised cost	5,94,317	(5,94,317)	-	-	-	-	-
Lease Liabilities	8,87,521	5,53,175	-	14,40,696	(1,98,480)	-	12,42,216
Mat credit entitlement	23,83,197	3,91,052	-	27,74,248	(11,77,576)	-	15,96,672
	53,38,689	9,75,443	-	63,14,132	(19,17,880)	-	43,96,252
Net Deferred Tax Assets/Liabilities	4,24,397	(3,73,128)	-	7,97,525	27,22,761	-	35,20,286

42. Additional information in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 in respect of amount outstanding to Micro and Small Enterprises based on the information available with the Company are given below :-

	31-3-2022	31-3-2021
i) Principal amount remaining unpaid on	99,900	37,017
ii) Interest due thereon as on	Nil	Nil
iii) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
v) Interest accrued and remaining unpaid as at	Nil	Nil
vi) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	Nil	Nil

43. Value Of Stores, Spares & Packing Materials Consumed:

	<u>2021-22</u>		<u>2020-21</u>	
	<u>Rs.</u>	<u>%</u>	<u>Rs.</u>	<u>%</u>
Imported	0	0	0	0
Indigenous	42,53,587	100.00	31,47,687	100.00
	-----	-----	-----	-----
	42,53,587	100.00	31,47,687	100.00
	=====	=====	=====	=====

44. Value Of Imports On Cif Basis:

	<u>2021-22</u>	<u>2020-21</u>
	<u>(Rs.)</u>	<u>(Rs.)</u>
Mould	13,39,002	Nil
Plastic Material	Nil	6,63,780

45. Disclosures As Per Ind As-19, “Employee Benefits” Are Given Below:**(i) Short Term Employee Benefits**

I. The Company has provided for bonus amounting to Rs. 12,21,727/- (Previous year Rs. 7,47,433/-) for all its employees under the Payment of Bonus Act, which has been recognized in the Statement of Profit and Loss for the year.

II. During the year the company has recognized Leave Salary amounting to Rs.4,63,647/- (Previous year Rs.3,44,968/-) in the Statement of Profit and Loss on payment basis.

III. During the year the company has made contribution to Employees State Insurance Scheme amounting to Rs.1,39,236/- (Previous year Rs.1,03,057/-) which has been recognized in the Statement of Profit and Loss.

(ii) Long Term Employee Benefits

The Company has classified the various Long Term Employee Benefits as under:-

I. Defined Contribution Plans

a) Contribution to Provident Fund

b) Contribution to Pension Scheme

During the year, the Company has recognized the following amounts as expenses in the Statement of Profit and Loss –

	2021-22	2020-21
	Rs.	Rs.
- Contribution to Provident Fund	2,40,402	1,65,186
- Contribution to Pension Scheme	4,03,634	2,61,115

II. Defined Benefit Plan

The Employees Gratuity Fund Scheme managed by Life Insurance Corporation of India is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the projected unit credit method which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Valuation in respect of gratuity have been carried out by an independent actuary as at the Balance Sheet date, based on the following assumptions:-

1. Assumption	31-03-2022	31-03-2021
Discount Rate	7 %	7 %
Salary Escalation	5 %	5 %
2. Changes in the Present Value of Obligation		
Present value of obligations as at beginning of year.	4,38,108	4,04,679
Interest cost	30,668	28,328
Current Service Cost	17,330	16,752
Benefits Paid	Nil	Nil
Actuarial (gain)/ loss on obligations	(1,38,346)	(11,651)
Present Value of Obligations as at Year end	3,47,760	4,38,108
3. Changes in the Fair Value of Plan Assets		
Fair value of plan assets at beginning of year	9,01,073	8,40,945
Expected return on plan assets	66,249	60,128
Contributions	309	NIL
Benefits Paid	NIL	NIL
Actuarial gain/(loss) on Plan assets	NIL	NIL
Fair Value of Plan Assets at Year end	9,67,631	9,01,073
4. Fair value of Plan Assets		
Fair value of plan assets at beginning of year	9,01,073	8,40,945

	Actual return on plan assets	66,249	60,128
	Contributions	309	NIL
	Benefits Paid	NIL	NIL
	Fair value of plan assets at the end of year	9,67,631	9,01,073
	Funded status	6,19,871	4,62,965
	Excess of Actual over estimated return on plan assets	Nil	Nil
	Actual rate of return = Estimated rate of return as ARD falls on 31st March)		
5.	Actuarial Gain/Loss recognized		
	Actuarial (gain)/ loss on obligations	(1,38,346)	(11,651)
	Actuarial (gain)/ loss for the year - plan assets	NIL	NIL
	Total (gain)/ loss for the year	(1,38,346)	(11,651)
	Actuarial (gain)/ loss recognized in the year	(1,38,346)	(11,651)
6.	Amounts Recognized in the Balance Sheet		
	Present value of obligations as at the end of year	3,47,760	4,38,108
	Fair value of plan assets as at the end of the year	9,67,631	9,01,073
	Funded status	6,19,871	4,62,965
	Net asset/(liability) recognized in balance sheet	6,19,871	4,62,965
7.	Expenses Recognised in the Profit and Loss Account		
	Current Service cost	17,330	16,752
	Interest Cost	30,668	28,328
	Expected return on plan assets	(66,249)	(60,128)
	Net Actuarial (gain)/ loss recognized in the year	(1,38,346)	(11,651)
	Expenses recognised in statement of Profit and loss Account	(1,56,597)	(26,699)

46. Segment Reporting

The Company has disclosed and reported Business Segment as the primary segment. Segments have been identified taking into account the nature of the products, the differing risks and returns, the organizational structure and internal reporting system. Accordingly the company has identified Textile Division, Plastics Division, Trading Division and Technical Textiles Division as the main business segments as per the IND AS on “Operating Segments” (IND AS-108) issued by The Institute of Chartered Accountants of India.

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis. The income & expenses, which are not directly relatable to the business segment, are shown as unallocated corporate costs net of unallocable income. Similarly Assets and Liabilities that cannot be allocated between segments are shown as unallocated corporate assets and liabilities respectively.

		Year ended	Year ended
		31-03-2022	31-03-2021
1	Segment Revenue		
a.	Textile Division	8,50,79,419	5,37,09,499
b.	Plastic Division	2,93,77,104	3,04,34,826
c.	Trading Division	1,62,74,40,614	61,10,69,626
d.	Technical Textiles Division	Nil	Nil
	Total	1,74,18,97,137	69,52,13,947
	Less : Inter Segment Revenue	-	-
	Net Sales/Income from Operations	1,74,18,97,137	69,52,13,947
2	Segment Results		
	Profit/(loss) before tax and Interest		
a.	Textile Division	(34,54,570)	(26,57,015)
b.	Plastic Division	(97,39,284)	(48,63,103)
c.	Trading Division	4,64,40,130	1,71,32,260
d.	Technical Textiles Division	Nil	Nil
	Total	3,32,46,276	96,12,142
	Less : (i) Interest	11,65,010	19,69,707
	(ii) (Profit)/Loss from dealings in securities derivatives	(19,79,822)	71,99,519

	(iii) Other un-allocable expenditure net off un-allocable income	96,62,631	(1,14,60,371)
	Total Profit Before Tax	2,43,98,459	1,19,03,287
3	Capital Employed		
	Segment Assets		
a.	Textile Division	7,14,53,394	7,34,16,175
b.	Plastic Division	10,81,82,785	14,16,17,775
c.	Trading Division	15,31,661	28,83,94,733
d.	Technical Textiles Division	12,63,81,392	Nil
c.	Unallocable	8,25,79,106	8,61,31,494
	Total Segment Assets	39,01,28,338	58,95,60,177
	Segment Liabilities		
a.	Textile Division	1,58,46,923	1,97,90,456
b.	Plastic Division	4,14,34,287	4,84,29,725
c.	Trading Division	1,74,95,079	27,74,14,226
d.	Technical Textiles Division	3,04,68,567	Nil
c.	Unallocable	2,09,75,547	3,76,17,082
	Total Segment Liabilities	12,62,20,402	38,32,51,489
	Total Capital Employed in the Company	26,39,07,936	20,63,08,687

The Company is operating only in India and does not have any revenue from customers located outside India and hence there is no separate reportable Geographical Segment.

Revenue from major customers each having 10% of Company's revenue

Division	10% or more of Company's revenue	
	2021-22	2020-21
Trading Division	1,47,06,02,473	61,10,69,626

47. Disclosure of Related parties & related party transactions

a) **Others (Enterprises over which, individual having indirect significant influence over the company, has significant influence) and with whom transactions have taken place during the year and/or where balances exist**

i) Chandni Machines Limited

b) **Key Management Personnel:**

i) Mr. Jayesh R.Mehta – Managing Director

ii) Mr. Shailesh P. Sankav – Chief Financial Officer

iii) Mr. Khushboo Shah – Company Secretary & Compliance Officer (upto 1-11-2021)

iv) Ms. Kirti Pathak - Company Secretary & Compliance Officer (w.e.f. 1-12-2021)

c) **Other related parties:**

i) Mrs. Amita J.Mehta – Non- Executive Director

ii) Dr. Bharat Bhatia – Independent Director

iii) Mr. V.G. Joshi – Independent Director (upto 1-11-2021)

iv) Mr. R.C. Garg – Independent Director

v) Ms. Sharmila H. Amin – Independent Director

vi) Mrs. Manasi Dave – Independent Director (w.e.f.19-1-2022)

vii) Mr. Richie Amin – Independent Director (w.e.f 12-11-2021 till 19-1-2022)

d) **Transactions during the year and Balance outstanding at the year end with related parties.**

<u>Nature of Transactions</u>	<u>Key-management Personnel</u>		<u>Non- Executive Directors / Relative of KMP</u>		<u>Companies/ Enterprises in which Key Management personnel have significant influence</u>	
	<u>31-03-2022</u>	<u>31-03-2021</u>	<u>31-03-2022</u>	<u>31-03-2021</u>	<u>31-03-2022</u>	<u>31-03-2021</u>
<u>Purchase of goods/material</u>						

Chandni Machines Ltd.					4,34,373	-
<u>Purchase of capital assets</u>						
Chandni Machines Ltd.					-	1,64,00,000
<u>Payment of Lease Liability</u>						
Chandni Machines Ltd.					5,94,000	5,06,250
<u>Compensation Received</u>						
Chandni Machines Ltd.					9,24,000	7,87,500
<u>Director Remuneration</u>						
Mr.J.R.Mehta	12,00,000	10,80,000				
<u>Salary & Bonus</u>						
Mr.Shailesh Sankav	7,47,500	6,14,250				
Ms. Khushboo Shah	3,20,000	3,03,333				
Ms. Kirti Pathak	60,000	-				
<u>Commission on Sales</u>						
Mr. Hitesh R. Mehta				-	2,59,275	
<u>Director Sitting Fees</u>						

Mrs. A.J. Mehta			35,000	30,000		
Dr. Bharat Bhatia			55,000	50,000		
Mr. R.C. Garg			55,000	50,000		
Ms. Sharmila H. Amin			35,000	20,000		
Mr. V.G. Joshi			25,000	50,000		
Ms. Manasi Dave			15,000	-		
Mr. Richie Amin			15,000	-		
<u>Loan Received</u>						
Mr. J. R. Mehta	3,65,07,500	46,00,000				
<u>Loan Repaid</u>						
Mr. J. R. Mehta	3,07,50,000	-				
<u>Outstanding at the year end:-</u>						
i. Trade Payable						
Mr. J. R. Mehta	2,37,936	1,60,727				
Chandni Machines Ltd					-	64,79,165
ii. Unsecured Loans						
Mr. J. R. Mehta	1,03,57,500	46,00,000				

48 Payments to the auditor:

		2021-22	2020-21
(a)	Debited to Statement of Profit & Loss		
	(i) As Audit Fees	2,55,500	2,30,500
	(ii) For Certification work	7,500	Nil
(b)	Debited to Pre-operative expenses		
	(i) For Certification work	85,000	Nil
		3,48,000	2,30,500

49 Additional Regulatory Information (to the extent applicable) as per MCA's Notification no. G.S.R. 207(E) dated 24-03-2021

a) Fair valuation of investment property

The fair value of investment property is not based on the valuation by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. However, the above valuation of the investment properties is in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty. The management has referred to the publications and government website for Ready Reckoner rates. The adjustments related to floors, lifts and other factors are not considered for valuation of office Premises. Since the valuation is based on the published Ready Reckoner rates, the company has classified the same under Level 2.

b) Borrowings secured against current assets

During the year, the company has availed overdraft facility against Bank Fixed Deposits. Further the Company has been sanctioned credit facilities in the form of cash credit facility against hypothecation of book debts and stock, term loans and derivatives (non-fund based) limits against capital assets for its Malegaon project. However, the company is not required to file the quarterly returns or statements of current assets with banks since the company has not yet drawn any working capital on the basis of stock and book debts.

c) Registration of Charges or satisfaction with Registrar of Companies

The Company had availed vehicle loans amounting to Rs.38.20 lakhs from HDFC Bank Ltd against hypothecation of underlying vehicles which have been repaid. The satisfaction of charges for the above vehicle loans are pending due to non-receipt of no dues certificates from the lenders. The Company is in the process of obtaining no dues certificates for registering the satisfaction of charges with ROC.

Ratios	Numerator	Denominator	Current Year	Previous Year	Variation	Explanation for changes in ratio exceeding 25%	Component required	2021-22	Component required	2020-21		
Current ratio (in times)	Total current assets	Total current liabilities	2,854	1,249	128.46%	Ratio has improved due to decrease in current liabilities due to better working capital management.	16,78,92,929	5,88,27,007	2,854	41,57,26,964	33,27,85,479	1.25
Debt-Equity ratio (in times)	Total debts	Shareholders equity	0.128	0.151	-14.87%		3,38,43,281	26,39,07,933	0.128	3,10,78,729	20,63,08,688	0.15
Debt service coverage ratio (in times)	Net Operating Income	Total debt service (Interest + Lease payments)	4.446	6.000	-25.91%		3,86,85,007	87,01,757	4.446	3,20,39,554	70,28,964	4.56
Return on equity ratio (in %)	Earning for equity shareholder	Average shareholders equity	0.074	0.215	-65.38%	Higher net profit has resulted in higher return on equity ratio.	1,74,99,387	23,51,08,311	7%	1,10,35,037	5,13,33,585	21.50%
Inventory turnover ratio (in times)	Revenue from operations	Average Inventory	156.710	27.222	465.29%	Ratio has improved as there is more than 245 % Increase in Revenue over previous year.	1,74,18,97,137	1,11,15,398	156.710	69,52,13,947	2,50,78,109	27.72
Trade receivable turnover ratio (in times)	Revenue from operations	Average Trade receivable	10.249	4.370	134.53%	Reduction in average accounts receivable, reflecting faster collection of dues from debtors together with higher net credit sales is the reason for higher debtor turnover ratio.	1,74,18,97,137	16,99,51,363	10.25	69,52,13,947	15,90,84,352	4.37
Trade payables turnover ratio (in times)	Total purchases	Average Trade payables	10.349	3.933	163.13%	Improvement in trade payable turnover ratio is attributable to higher credit purchases on the one hand and lower average trade payable on the other hand indicating quicker payment of dues to creditors.	1,64,61,97,045	15,90,73,301	10.35	60,49,19,458	15,38,07,755	3.93
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	18.144	8.454	114.61%	Ratio has improved because of better working capital management.	1,74,18,97,137	9,60,03,703	18.14	69,52,13,947	8,22,32,025	8.45
Net profit ratio (in %)	Profit for the year	Revenue from operations	1.005	0.016	6229.14%	Higher sales and better margin has contributed to improved net profit margin.	1,74,99,387	1,74,18,97,137	1.00462	1,10,35,037	69,52,13,947	0.0159
Return on capital employed (in %)	Profit before tax and finance costs	Capital Employed	9.746	2.893	236.93%	Higher return on capital employed is on account of improved profitability represented by higher Earning before interest and tax.	2,91,20,724	29,87,87,612	9.75	68,61,175	23,71,89,836	2.89
Return on investment (in %)	Income generated from investment in	Average Invested funds	22.64	65.756	-65.57%	Ratio has deteriorated due to fall in value of securities on the stock exchange.	15,07,176	66,57,602	22.64	38,80,430	59,01,278	66

50. The outbreak of coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The Company has assessed the impact of COVID-19 on all aspects of its business. The management has considered internal and external sources of information up to the date of approval of these standalone financial statements and exercised due care, in concluding on significant accounting judgments and estimates, in assessing the recoverability of receivables, inventories, impairment of assets, liquidity, financial position and operations of the Company, while preparing the financial statements as of and for the year ended 31st March 2022

Considering the uncertainties involved in estimating the impact of COVID-19 pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these standalone financial statements. The Company will continue to closely monitor any material changes to future economic conditions which are subject to uncertainties that COVID-19 pandemic might pose on economic recovery.

51. The previous year's figures are grouped / regrouped or arranged / rearranged wherever necessary to make them in compliance with disclosure requirement of Indian Accounting Standards.

As per our report of even date

For Ambavat Jain & Associates LLP

Chartered Accountants

Firm Registration No. 109681W

Ashish J. Jain

Partner

Membership No. 111829

Place :MUMBAI

Date :30-05-2022

On behalf of the Board

Sd/-

J.R. Mehta

Managing Director

DIN 00193029

Sd/-

Shailesh Sankav

Chief Financial Officer

Place :MUMBAI

Date :30-05-2022

Sd/-

R.C. Garg

Director

DIN 03346742

Sd/-

Kirti Pathak

Company Secretary

Membership No. A51173