

Date: 06th September, 2024

To
The General Manager,
Department of Corporate Services,
Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001.

Scrip Code: 534796

Dear Sir's,

Sub: Submission of Notice of 13th Annual General Meeting to be held on Saturday, 28th September, 2024 & 13th Annual Report for F.Y. 2023-24 – Reg.

Ref: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 34 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), we are herewith submitting the 13th Annual Report of the Company along with the Notice of Annual General Meeting for the Financial Year 2023-24, which is being dispatched / sent to the members of the Company by Email in pursuance of MCA/SEBI Circular.

The 13th Annual General Meeting ("AGM") of the Company will be held on Saturday, 28th September, 2024 at 02.00 P.M through Video Conferencing (VC)/ Other Audio - Visual Means (OAVM) at Registered Office of the Company situated at Plot No. 10 & 11, MCH No. 1-8-304 to 307/, Pattigadda Road, Hyderabad, Telangana - 500003, India.

Kindly take the above information on record.

Thanking You,

Yours Faithfully,

For CDG Petchem Limited

Manoj
Kumar
Dugar

Manoj Kumar Dugar

Managing Director

DIN: 00352733

Encl: As above

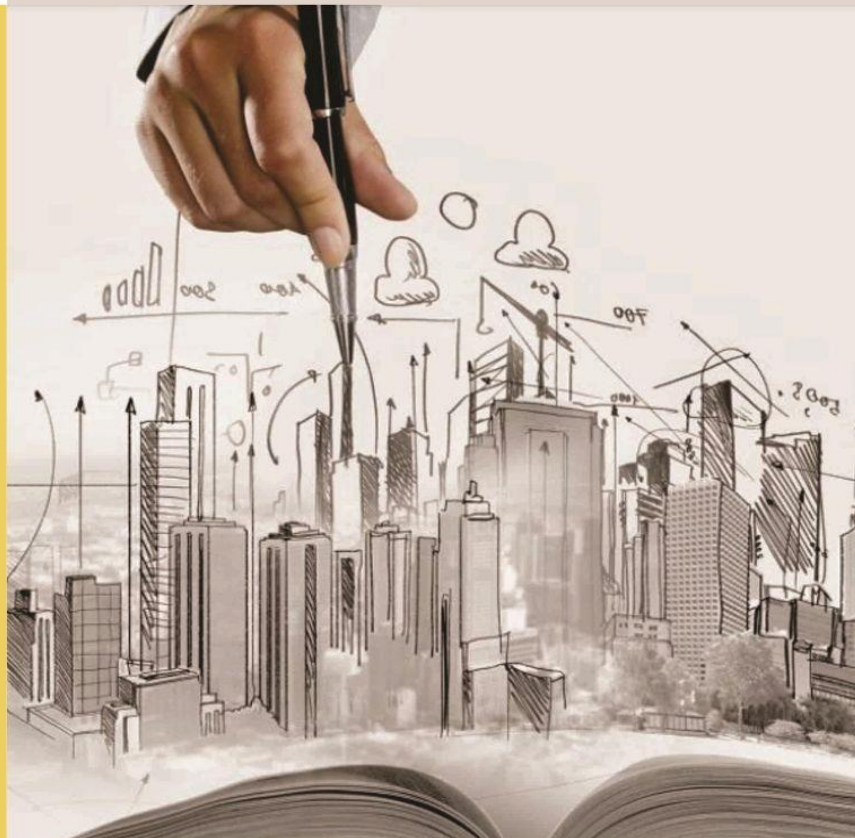
13TH ANNUAL REPORT 2023-2024

CDG PETCHEM LIMITED

cdgpetchem.in / procurepoint.in

Important Communication to Members

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by Companies through electronic mode. In accordance with the circulars issued by the Ministry, Companies can now send various notices and documents including annual report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants and in respect of physical holdings with the Company.



INDEX

SL. No	Contents	Page No.
1	CORPORATE INFORMATION	3
2	NOTICE	4
3	DIRECTORS' REPORT	19
4	ANNEXTURE I - MANAGEMENT DISCUSSION & ANALYSIS REPORT	28
5	ANNEXURE II - REPORT ON CORPORATE GOVERNANCE	33
6	ANNEXURE III - RELATED PARTY TRANSACTIONS	52
7	ANNEXURE IV - AOC-1	53
8	ANNEXURE V - REMUNERATION	54
9	ANNEXURE VI – ENERGY CONSERVATION	55
10	ANNEXURE VII – SECRETARIAL AUDIT REPORT	57
STANDALONE FINANCIAL STATEMENTS		
11	INDEPENDENT AUDITORS REPORT	61
12	STATEMENT OF ASSETS & LIABILITIES	72
13	STATEMENT OF PROFIT & LOSS	73
14	STATEMENT OF CASH FLOW	74
15	SIGNIFICANT ACCOUNTING POLICIES	75
16	STATEMENT OF CHANGES IN EQUITY	81
17	NOTES TO FINANCIAL STATEMENTS	82
CONSOLIDATED FINANCIAL STATEMENTS		
18	INDEPENDENT AUDITORS REPORT	97
19	STATEMENT OF ASSETS & LIABILITIES	105
20	STATEMENT OF PROFIT & LOSS	106
21	STATEMENT OF CASH FLOW	107
22	SIGNIFICANT ACCOUNTING POLICIES	108
23	STATEMENT OF CHANGES IN EQUITY	116
24	NOTES TO FINANCIAL STATEMENTS	117

CORPORATE INFORMATION	
CIN : L51100TG2011PLC072532	
Board of Directors	
Mr. Manoj Kumar Dugar	Chairman and Managing Director
Mr. Rajesh Chandanmal Dugar	Non- Executive Director
Smt. Renu Dugar	Non-Executive Woman Director
Mr. Arvind Surana	Independent Director
Mr. Manoj Kumar	Independent Director
Mr. Manoj Kumar Baid	Independent Director (appointed w.e.f 19.05.2023)
Mr. Dilip Kumar Surana	Independent Director - (Resigned w.e.f 19.05.2023)
Company Secretary & Compliance Officer	Ms. Purva Palshikar
Chief Financial Officer	Mr. Nikhil Agarwal
Registered office	Plot No 10 &11, MCH No 1-8-304 to 307, Pattigadda Road Hyderabad TG - 500003, Tel: 040-27909001, Fax: 040-27721360,
Auditors	M/s. Bhalotia & Associates, Chartered Accountants , Dugar Arcade, 1-11-240/5/1, 1st Floor, Shyam lal Building, Begumpet, Secunderabad- 500016
Bankers	ICICI Bank, Khairatabad branch, Kotak Mahindra Bank, Secunderabad branch
Share Transfer Agents	M/s. CIL Securities Limited, 3, 214, Raghava Ratna Towers, Chirag Ali L Lane, Abids, Hyderabad – 500 001 Ph: 040-23203155
Investor e-mail ID	corporate@dugargroup.net
Website	www.cdgpetchem.in/procurepoint.in

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 13th Annual General Meeting of the members of CDG Petchem Limited (CIN: L51100TG2011PLC072532) will be held on Saturday, the 28th day of September, 2024 at 2.00 P.M through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) at the Registered Office of the Company situated at Plot No 10 &11, MCH No 1-8-304 to 307/, Pattigadda Road– 500003, Hyderabad, TG to transact with or without modification(s), as may be permissible, the following items of business:

ORDINARY BUSINESS:

1. Adoption of Financial Statements:

To receive, consider and adopt

- a) The Audited Financial Statements of the Company for the Financial Year ended 31st March, 2024, including the Audited Balance Sheet as at 31st March, 2024, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and reports of the Board of Directors and Auditors there on.
- b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2024, together with the Report of the Auditors thereon.

2. Re-Appointment of Rajesh Chandanmal Dugar:

To re-appoint Mr. Rajesh Chandanmal Dugar (DIN: 00730059) who retires by rotation as Director, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Approval for Sale/Disposal of land of the Company pursuant to the provisions of Section 180(1)(a) & 188 of the Companies Act, 2013 and Regulation 37A(1) of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015:

To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a), 188 and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), the enabling provisions of the Memorandum and Articles of Association of the Company and Regulation 37A(1) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such other approvals, consents and permissions obtained/to be obtained from the appropriate third parties including concerned statutory authorities and subject to such terms and conditions as may be imposed by them, and which may be agreed to by the Board of Directors of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the “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), for effecting the sale, bifurcation, assignment, transfer and conveyance of the Property comprising of land admeasuring about 7030.00 Sq Mts located at 1/47/3&4 A Situated InLand Sy. No.4/1 Part, Village Kapnoor, 2nd Stage Industrial Area Kapnoor, Karnataka India to Ayushman Merchants Private Limited (hereinafter referred as the “Buyer”), a related party in one or more tranches/phases and either as a whole or in part for a consideration as the board may decide and subject to such terms and conditions as mutually agreed upon by the Company with the Buyer.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do such further acts, deeds and things as may be necessary including modifying, finalizing the terms and conditions and executing all such

agreements, undertakings, contracts, deeds and other documents on behalf of the Company, file applications and make representation in respect thereof and seek approval from statutory/administrative authorities, financial institutions/banks etc., in this regard as may be applicable and deal with any matters, take necessary steps in this matter as the Board may in its absolute discretion deem necessary, desirable and expedient to give effect to this resolution and to settle any question/difficulty that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Committee of Directors or Director(s)/Manager/Chief Financial Officer / Company Secretary and/or any of the officers/authorised representatives of the Company, with authorities as required, affixing the Common Seal of the Company on agreement/documents, arranging delivery and execution of Contract, deeds, agreements and instruments.”

4. **Approval to sell the Land of the company:**

To consider and if thought fit, to pass the following Resolution as a **Special Resolution:**

“**RESOLVED THAT** pursuant to section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013, read with applicable rules under Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), consent of the members be and is hereby accorded to the Board of Directors to sell, bifurcate, assign or transfer the land of the Company admeasuring about 2488 Sq Mts. located at Plot No.163, Choutuppal, Yadadri Bhuvanagiri, Hyderabad in one or more tranches to any Buyer(s) with whom the board may finalize and on such terms and conditions as may be approved by the Board.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to the Board, to any one or more Directors of the Company with power to delegate to any Officers of the Company, with authorities as required to give effect to this resolution”

5. **Approval for Related Party Transactions with Dugar Polymers Limited, a related party**

To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014, Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), 2015, and pursuant to the approval accorded from the Audit committee, the consent of the members be and is hereby accorded to enter into transactions w.r.t availing or rendering of services, sale, purchase or supply of any goods or material, directly or through appointment of agent with Dugar Polymers Limited, a related party, in excess of 10% of turnover of the Company such that the aggregate of such transactions of sale, purchase or supply of goods with the said related party shall not exceed INR 1.6 Crores (INR One Crore and Sixty Lakhs) per annum for the Financial Year 2024-2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.”

6. **Approval for Related Party Transactions with Morbido Merchandise Private Limited, a related party**

To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014, Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), 2015, and pursuant to the approval accorded from the Audit committee, the consent of the members be and is hereby accorded to enter into transactions w.r.t availing or rendering of services, sale, purchase or supply of any goods or material, directly or through appointment of agent with Morbido Merchandise Private Limited, a related party, in excess of 10% of turnover of the Company such that the aggregate of such transactions of sale, purchase or supply of goods with the said related party shall not exceed INR 11.5 Crores (INR Eleven Crores and Fifty Lakhs) per annum for the Financial Year 2024-2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.”

7. **Approval for Related Party Transactions with Dugar Indvent Private Limited (formerly known as Defodil Dealcom Private Limited), a related party**

To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014, Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), 2015, and pursuant to the approval accorded from the Audit committee, the consent of the members be and is hereby accorded to enter into transactions w.r.t availing or rendering of services, sale, purchase or supply of any goods or material, directly or through appointment of agent with Dugar Indvent Private Limited (formerly known as Defodil Dealcom Private Limited), a related party, such that the aggregate of such transactions of sale, purchase or supply of goods with the said related party shall not exceed INR 40 Lakhs (INR Forty Lakhs) per annum for the Financial Year 2024-2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.”

8. **Approval for Related Party Transactions with Ayushman Merchants Private Limited, a related party**

To consider and if thought fit to pass with or without modification, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (Act), read with Rule 15 of the Companies (Meeting of Board and its powers) Rules, 2014, Regulation 23 of SEBI (Listing Obligation and Disclosure Requirements), 2015, and pursuant to the approval accorded from the Audit committee, the consent of the members be and is hereby accorded to enter into transactions w.r.t availing or rendering of services, sale, purchase or supply of any goods or material, directly or through appointment of agent with Ayushman Merchants Private Limited, a related party, such that the aggregate of such transactions of sale, purchase or supply of goods with the said related party shall not exceed INR 8 Crores (INR Eight Crores) per annum for the Financial Year 2024-2025.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for purpose of giving effect to this Resolution.”

By Order of Board of Directors

Sd/-

Manoj Kumar Dugar

Managing Director

DIN : 00352733

Place: Hyderabad

Date: 13.08.2024

1. The Ministry of Corporate Affairs (MCA), vide its General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 2/2022 dated 5th May, 2022, 10/2022 dated 28th December, 2022 the latest being general circular no. 09/2023 dated September 25, 2023 (collectively referred as “MCA circulars”) and Securities Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD2/CIRP/P/2022/62 dated 13th May, 2022 and SEBI Circular No SEBI/HO/CFD/PoD-2/P/CIR/2023 dated January 5, 2023 (referred as “SEBI circulars) and other applicable circulars issued in this regard, have permitted companies to conduct AGM through VC/OAVM till 30th September, 2024 without physical presence of Members at a common venue. In accordance with the applicable provisions of the Act and the said Circulars of MCA and SEBI, the 13th AGM is being convened and conducted through VC/OAVM. The registered office of the Company shall be deemed to be the venue for the AGM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. 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 as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him-self and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circular No. 14/2020 dated April 08, 2020, physical attendance of members has been dispensed with. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.
6. In line with MCA Circulars & SEBI Circular, the Notice calling the AGM has been uploaded on the website of the Company at www.procurepoint.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. Institutional/Corporate members are encouraged to attend and vote at the meeting through VC/OVAM. We also request them to send, a duly certified copy of the Board Resolution authorizing their representative to attend the AGM through VC/OAVM and vote through remote e-voting on its behalf at corporate@dugargroup.net pursuant to Section 113 of the Companies Act, 2013.
8. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses, email id, ECS mandate.
9. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.
10. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. M/s. CIL Securities Limited, Hyderabad having their address at 214 Raghava Ratna Towers, Chirag Ali Lane, Abids, Hyderabad – 500 001 are the Registrar & Share Transfer Agents (RTA) of the Company. All communications in respect of share transfers dematerialization and change in the address of the members may be communicated to the RTA.
11. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
12. Members who have not registered their email ID with the depository participants, are requested to register their email ID with their depository participants in respect of shares held in electronic form and in respect of shares held in physical form, are requested to submit their request with their valid email ID to our RTA at rta@cilsecurities.com or corporate@dugargroup.net for receiving all communications including annual report, notices, letters etc., in electronic mode from the Company.
13. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
14. Intimation to the Physical shareholders:

Shareholders holding the physical shares are hereby requested to note the following revised forms as per the SEBI circulars for availing the investor services. Further, the forms are also available on the website of the Company www.procurepoint.in

Type of holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, CIL Securities Limited either by email to rta@cilsecurities.com or by post to CIL Securities Limited, 214, RaghavaRatna Towers, Chirag Ali Lane, Abids,Hyderabad,Telangana,500001	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	For nomination as provided in Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014	Form SH-13
	Declaration to opt out of Nomination	Form ISR-3
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of nominee	Form SH-14
	Form for requesting issue of duplicate certificate and other service requests for shares / debentures / bonds, etc., held in physical form	Form ISR-4

15. In case of Joint Holders attending the AGM, only such Joint Holder whose name appears first in the order of names will be entitled to vote.
16. Only bonafide members of the Company, whose name appear first on the Register of Members, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.
17. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular Ref.No.MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
18. Members seeking any information or clarification on the accounts are requested to send their queries to the Company, in writing, at least 10 days before the date of the meeting. Replies will be provided in respect of such written queries at the meeting.
19. Members who hold shares in dematerialized form are requested to bring their DP ID and Client ID numbers for easy identification of attendance at the meeting.

20. The Equity Shares of the Company are mandated for trading in the compulsory demat mode. The ISIN Number allotted for the Company's shares is INE198N01017.
21. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
22. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with Annual Report 2023-24 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depository Participants.
23. Members may note that the Notice and the 13th Annual Report 2023-24 will also be available at the Company's website: www.procurepoint.in, on the website of the Stock Exchanges i.e. BSE Limited www.bseindia.com and on the website of CDSL www.evotingindia.com.
24. Additional information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on general meetings, information in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished in the annexure and forms part of the notice. The Directors have furnished the requisite consent / declaration for their appointment / re-appointment.
25. Members desiring inspection of statutory registers during the AGM may send their request in writing in advance to the Company at corporate@dugargroup.net
26. Members who wish to inspect the relevant documents referred to in the Notice can send an e-mail to corporate@dugargroup.net up to the date of the AGM.
27. The notice of Annual General Meeting will be sent to the members, whose name appears in the Register of members/ depositories as at closing hours of business on 30th August, 2024.
28. Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September, 2024 to 28th September, 2024 (both days inclusive) for AGM.
29. The Members whose names appear in the Register of Members/ List of Beneficial Owners as on 20th day, September, 2024 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.
30. The e-voting period will commence on Wednesday, 25th September, 2024 (09:00 hrs) and will end on Friday, 27th September, 2024 (17:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.
31. The Company has appointed M/s. A.S. Ramkumar & Associates, Company Secretaries, to act as Scrutinizer to conduct and scrutinize the electronic voting process of this Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in Demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in Demat mode.

- (i) The e-voting period will commence on Wednesday, 25th September, 2024 (09:00 hrs) and will end on Friday, 27th September, 2024 (17:00 hrs). During this period, shareholders of the Company holding shares either in

physical form or in dematerialized form, as on the cut-off date 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.

Step 1 :Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in Demat mode:

- i. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility. Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 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 users to login into Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon and select New System Myeasi Tab. 2) After successful login, the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting 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. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login and New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available

	<p>on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile and email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL Depository</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be 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. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</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 above mentioned website.

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

Login type	Helpdesk details
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Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in Demat mode:

- i. Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
 - 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on “Shareholders” module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <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.

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - It is Mandatory that, 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 mandatory 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; **corporate@dugargroup.net**, 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 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 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 (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 may 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 **corporate@dugargroup.net**.
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.evoting@cdslindia.com or contact at toll free no. 1800 21 09911

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.evoting@cdslindia.com or call toll free no. 1800 21 09911.

General Instructions:

- i. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 20th September 2024.
- ii. The Scrutinizer, after scrutinizing the votes cast at the meeting through remote e-voting and during AGM will, not later than 48 hours from the conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.procurepoint.in and on the website of CDSL www.cdslindia.com. The results shall simultaneously be communicated to the Bombay Stock Exchange.
- iii. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

By Order of Board of Directors

Sd/-

Manoj Kumar Dugar

Managing Director

DIN : 00352733

Place: Hyderabad

Date: 13.08.2024

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 3

The Company proposes to sell the land located at 1/47/3&4A situated In Land Sy No.4/1 Part, Village Kapnoor, 2nd Stage Industrial Area Kapnoor, Karnataka India to Ayushman Merchants Private Limited ("Buyer"), a related party in 1 or 2 phases/trenches for a consideration as the board may decide.

The funds realized from the proposed sale shall be used for retiring the borrowings of the Company, making investment in forthcoming realty projects for driving future growth and profits and for other general corporate purposes including making treasury investments. Considering the scale and impact this transaction will have on the future prospects of the Company, the Board recommends the resolution for approval of the shareholders to ensure the Company delivers sustainable shareholder value.

Further, pursuant to the provisions of Section 180(1)(a), 188 of the Companies Act, 2013 and Regulation 37A(1) of the SEBI Listing Regulations, 2015, sale, lease or otherwise disposal of the whole or substantially the whole of an undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking, requires the consent of the Company by way of a special resolution. As the proposed sale of land falls within the ambit of undertaking as per Section 180(1)(a), 188 of the Companies Act, 2013 and Regulation 37A of SEBI Listing Regulations, 2015, it is proposed to obtain approval of the shareholders by special resolution.

The following disclosure(s) for sale, bifurcation, assignment, transfer and conveyance of land to the related party i.e., Ayushman Merchants Private Limited is made in accordance with the provisions of Section 188 of the Companies Act, 2013 and Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014.

Name of the Related Party	Ayushman Merchants Private Limited
Name of the director/KMP who are related and nature of relationship	A private company that has following common directors - Mr. Manoj Kumar Dugar - Rajesh Chandanmal Dugar
Nature, Duration of the contract and particulars of the contract or arrangement and material terms, monetary value and particulars of the contract or arrangement	The transaction being in the nature of sale of immovable property

Any advance paid or received for the contract or arrangement, if any	NIL
Any other information relevant or important for the members to take a decision on the proposed resolution	NIL

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.3 for approval by the members of the Company.

Except the Promoters and their relatives, none of the other Directors and Key Managerial Personnel of the Company is concerned or interested, financially or otherwise in the Special Resolution except to the extent of their Shareholding in the Company, if any

Item No.4:

In light of provisions of Section 180(1)(a) of the Companies Act, 2013 read with rules made there under, the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution.

Accordingly, pursuant to Section 180(1)(a) of the Companies Act, 2013, members of the Company are requested to note that their consent to the board is being sought to sell, bifurcate, assign or transfer the land of the Company admeasuring about 2488 Sq Mts. located at Plot No.163, Choutuppall, Yadadri Bhuvanagiri, Hyderabad in one or more tranches to any buyer(s) with whom the board may finalize. The Company proposes to divest its unproductive assets and utilize the proceeds be repay bank loans, thereby reducing the Company's debt burden and enhancing its financial sustainability.

None of the Directors, Key Managerial Personnel of the Company and/ or their relatives are concerned or interested, in any way, in the proposed resolutions except to the extent of their shareholding, if any, in the Company.

Item No.'s 5 -8

In light of provisions of Section 188(1) of the Companies Act, 2013 read with rules made there under and Regulation 23 of the SEBI (Listing Obligation and Disclosure Requirements), 2015, Audit Committee and board of directors of the company approved and recommended to the members for their approval with respect to the Availing or rendering of services, sale, purchase or supply of any goods or material, directly or through appointment of agent along with the annual limits that your company may enter with its related parties i.e., Dugar Polymers Limited, Morbido Merchandise Private Limited, Dugar Indvent Private Limited and Ayushman Merchants Private Limited for the financial year 2024-25.

All disclosures prescribed to be given under the provisions of the Companies Act, 2013 and the Companies (Meetings of Board and its powers) Rule, 2014 are provided below the for the perusal of the members:

	Item 5	Item 6	Item 7	Item 8
Name of the related party:	Dugar Polymers Limited.	Morbido Merchandise Private Limited.	Dugar Indvent Private Limited (Formerly known as Defodil Dealcom Private Limited)	Ayushman Merchants Private Limited

Name(s) of the Directors/ KMP who is related, if any:	- Mr. Manoj Kumar Dugar - Mr. Rajesh Chandamal Dugar - Mrs. Renu Dugar	- Mr. Manoj Kumar Dugar - Mr. Rajesh Chandanmal Dugar - Mrs. Renu Dugar	- Mr. Manoj Kumar Dugar - Mr. Rajesh Chandanmal Dugar - Mrs. Renu Dugar	- Mr. Manoj Kumar Dugar - Mr. Rajesh Chandanmal Dugar - Mrs. Renu Dugar
Nature of Relationship	A Public company in which Mrs. Renu Dugar, director holding more than 2% shareholding, Mr. Manoj Kumar Dugar and Rajesh Chandanmal Dugar are common directors.	A subsidiary private company that has following common directors Mr. Manoj Kumar Dugar Rajesh Chandanmal Dugar	A private company that has following common directors Mr. Manoj Kumar Dugar Rajesh Chandanmal Dugar	A private company that has following common directors Mr. Manoj Kumar Dugar Rajesh Chandanmal Dugar
Nature of the transaction	Availing or rendering of services, sale, purchase or supply of any goods or material	Availing or rendering of services, sale, purchase or supply of any goods or material	Availing or rendering of services, sale, purchase or supply of any goods or material	Availing or rendering of services, sale, purchase or supply of any goods or material
Duration of the contract and particulars of the contract or arrangement	One Year	One Year	One Year	One Year
Monetary value:	aggregate of such transactions shall not exceed INR 1.6 Crores	aggregate of such transactions shall not exceed 11.5 Crores	aggregate of such transactions shall not exceed Rs. 40.00 Lakhs	aggregate of such transactions shall not exceed Rs. 8.00 Crores
Any other information relevant or important for the Board to take a decision on the proposed transaction	Nil	Nil	Nil	Nil
Directors of the Company are interested in this resolution	- Mr. Manoj Kumar Dugar - Mr. Rajesh Chandanmal Dugar - Mrs. Renu Dugar	- Mr. Manoj Kumar Dugar - Mr. Rajesh Chandanmal Dugar	- Mr. Manoj Kumar Dugar - Mr. Rajesh Chandanmal Dugar	- Mr. Manoj Kumar Dugar - Mr. Rajesh Chandanmal Dugar

DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 of General Meetings]

Name of the Director	Rajesh Chandanmal Dugar
Date of Birth & Age	23/11/1973 (50 Years)
Date of Appointment	29/08/2016
Qualifications	Graduate
Relationship between Directors inter-se	Brother of Mr. Manoj Kumar Dugar, Chairman and Managing Director of the Company and brother-in-law of Mrs. Renu Dugar, Non-executive women director of the company.
Terms and conditions for re-appointment	In terms of Section 152(6) of the Companies Act, 2013, Rajesh Chandanmal Dugar who was appointed as an Executive Director on 29/08/2016, is liable to retire by rotation.
Expertise in specific functional area	Finance and Administration
Directorship in other listed companies	Nil
Remuneration Drawn for the FY 2023-24	Nil
Shareholding as on 31.03.2024	276975 shares (9% of holding)

DIRECTORS' REPORT

To
The Members,

Your directors have pleasure in presenting the 13th Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2024.

1. SUMMARY OF FINANCIAL RESULTS:

The Company's financial performance for the year ended March 31, 2024, is summarized below

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	2023-24	2022-23	2023-24	2022-23
Revenue from Operations	1539.98	2381.26	4052.75	5085.36
Other income	67.83	22.81	73.73	45.56
Profit Before Interest, Depreciation & Tax	1591.86	2355.92	4034.49	5010.08
Interest	96.38	70.24	131.48	134.88
Depreciation	14.62	22.30	19.88	27.54
Profit before Tax	(95.05)	(44.39)	(59.37)	(41.58)
Current Tax	-	-	-	-
Deferred Tax	(3.41)	(2.96)	(4.08)	(3.51)
Income Tax relating to previous year	-	-	-	-
MAT credit Entitlement	-	-	-	-
Total Tax Expense	(3.41)	(2.96)	(4.08)	(3.51)
Net Profit/(Loss) for the period after tax	(91.64)	(41.42)	(55.29)	(38.07)
Number of shares	30,77,500	30,77,500	30,77,500	30,77,500
Earnings per share	(2.98)	(1.35)	(1.8)	(1.24)

Standalone:

Your Company's standalone revenue from operations for the year turn down to Rs.1539.98 Lakhs from Rs.2381.26 Lakhs previous year registering a downfall of 35.32%. The net loss for the year stood at Rs. 91.64 Lakhs as against Rs. 41.42 Lakhs in the previous year.

Consolidation:

Your Company's consolidated revenue from operations for the year turn down to Rs. 4052.75 Lakhs from Rs.5085.36 Lakhs previous year registering a downfall of 20.30%. The net loss for the year stood at Rs.55.29 Lakhs as against Rs.38.07 Lakhs in the previous year. During the year under review, there is no change in the nature of the business of the Company. The affairs of the Company are conducted in accordance with the accepted business practices and within the purview of the applicable legislation.

2. Outlook for the current year

Your Board of Directors has initiated various strategic moves to overcome the competition. Also, to de-risk the dependence on few core verticals the Company has identified and is investing on new opportunities. Further, the Company is also taking measures to keep the operating cost low wherever possible.

3. Dividend

The Board, in view of conserving the financial resources and the risk of business, has not recommended any dividend for the year.

4. Transfer of unclaimed dividend to investor education and protection fund

During the past 7 years, your Company has not declared dividend keeping new the company resource requirement, hence, there is no unclaimed dividend and its requirement to transfer to IEPF.

5. Material changes and commitments

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the Financial Year 2023-24 of the Company and the date of the report except closure of unit mentioned hereunder:

Closure of Business Unit

In a strategic move to optimize resources and enhance long-term profitability, the Board of Directors of CDG Petchem Limited has decided to cease operations in its PE Wax and Polymer Trading businesses. This decision comes as a result of a comprehensive evaluation of market dynamics and the company's performance in these sectors.

PE Wax Business:

The escalation of the Russian-Ukraine conflict has significantly disrupted the petrochemical market, leading to unpredictable fluctuations in supply and demand. Additionally, the company faced challenges with sourcing raw wax, particularly from refineries like Opal and Haldia, which transitioned to refining and distributing wax directly to the market. Also the import of Raw PE WAX got effected as it is impossible to have control over the quality consistency of the material being imported. Hence the Board concluded that the PE Wax business has become non-operative and does not align with the company's long-term strategic goals. Furthermore, continued operation in this sector was deemed detrimental to the company's financial health.

Polymer Trading Business:

Despite being engaged in petrochemical trading, the Polymer Trading segment has become unproductive significantly has reduced its contribution to the company's profitability over the past two years. The Board's evaluation revealed that the business lacked the potential for substantial growth and did not offer a competitive advantage. As a result, the Board decided to gradually phase out operations in this segment with the intention of eventual closure.

Future Direction:

In light of the closure of these ventures, the Board is actively seeking new avenues for growth and profitability. To this end, a team of advisors comprising board members will be formed to explore opportunities for launching new businesses, acquiring established ventures, or making strategic investments. The primary objective is to identify lucrative and sustainable ventures that will maximize shareholder value and position the company for long-term success.

Conclusion:

The decision to close CDG Petchem's PE Wax and Polymer Trading businesses reflects the company's commitment to adaptability and strategic foresight. By divesting from non-performing segments and redirecting resources towards more promising opportunities, the company aims to enhance its competitiveness and create value for its shareholders in the evolving market landscape.

6. Transfer to reserves

The Directors propose to transfer an amount of Rs.91.64 Lakhs to the general reserve.

7. Directors and Key Managerial Personnel

The following were the changes to the Board of Directors of the Company.

S. No.	Name	Date of Change	Change
1.	Mr.Dilip Kumar Surana	19 th May,2023	Cessation as an Independent Director
2.	Mr. Manoj Kumar Baid	19 th May,2023	Appointment as Additional Director designated as Independent Director
3.	Mr. Manoj Kumar Baid	19 th August, 2023	Appointed as Independent Director w.e.f. 19 th May, 2023 in Annual General Meeting

In accordance with provisions of Section 152 of the Act and pursuant to Articles of Association of the Company, Mr. Rajesh Chandanmal Dugar (DIN:00730059), is liable to retire by rotation at the ensuing 13th Annual General Meeting and being eligible, offers himself for re-appointment. The brief details required to be disclosed in accordance with Regulation 36 of Listing Regulations, Act and Secretarial Standards are included in the notice of the 13th Annual General Meeting forming part of this Annual Report

Key Managerial Personnel

Pursuant to the provisions of Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following have been designated as Key Managerial Personnel of the Company as of March 31, 2024:

Mr. Manoj Kumar Dugar	Managing Director
Mr. Nikhil Agarwal	Chief Financial Officer
Ms.Purva Palshikar	Company Secretary

8. Auditors

a) Statutory Auditors

M/s. S. Bhalotia & Associates, Chartered Accountants (FRN 325040E) Statutory Auditors of the Company has issued an unmodified Auditor's Report (Standalone & Consolidated) for Financial Year ended March 31, 2024, and have not reported any matter under Section 143 (12) of the Act, and therefore no detail is required to be disclosed under Section 134(3)(ca) of the Act.

M/s. S. Bhalotia & Associates, Chartered Accountants, Hyderabad, (Firm Reg No. 325040E), Statutory Auditors were re-appointed as Statutory Auditors of the Company at 9th Annual General meeting for a period of Five(5) years and shall hold office till the 14th Annual General meeting.

b) Internal Auditors

The Board of Directors based on the recommendation of the Audit Committee have re-appointed M/s. Badal Jain & Co, Chartered Accountants, as the Internal Auditors of your Company for FY 2023-24. The Internal Auditors have submitted their reports.

During the year under review, the Internal Auditors have not reported any matter under Section 143(12) of the Act, and therefore no details are required to be disclosed under Section 134 (3) (ca) of the Act.

c) Secretarial Auditors

The Board has appointed M/s. A.S Ram Kumar and Associates, Company Secretaries in Practice, to carry the Secretarial Audit under the provisions of section 204 of the Companies Act, 2013 for the financial year 2023-24. The Report of the Secretarial Auditor is annexed to this report as **Annexure VII**.

Reporting of Frauds

There was no instance of fraud during the year under review, which required the Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and the Rules made there under.

9. Annual Secretarial Compliance Report

The Annual Secretarial Compliance Report for the financial year ended 31st March, 2024 is not applicable to the Company as the Company claimed exemption under Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10. Board and its Committees

i. Independent Directors and their declaration of independence:

The Board of Directors of the Company comprises an optimum number of Independent Directors. Based on the confirmation/ disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act:

- **Mr. Manoj Kumar Baid (DIN: 10163335)**
- **Mr. Arvind Surana (DIN: 00220367)**
- **Mr. Manoj Kumar (DIN: 02725357)**

Each Independent Director has confirmed to the Company that they met the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 (1) (b) of the Listing Regulations. There has been no change in the circumstances which may affect their status as an Independent Director during the year, which had been considered and taken on record by the Board. All the Independent Directors are registered in the database maintained by the Indian Institute of Corporate Affairs (IICA) and a declaration in this regard was received from each of them. In the opinion of the Board, all the Independent Directors are persons of integrity and possess the relevant expertise and experience (including proficiency) as required under the Act and the Rules made thereunder.

Familiarization Programme for Independent Directors

All new Independent Directors (IDs) inducted into the Board are presented with an overview of the Company's business operations, products, organization structures and about the Board constitution and its procedures. A policy on familiarization program for IDs has also been adopted by the Company. Policy for familiarisation of Independent Directors is available at www.procurepoint.in

Meeting of Independent Directors

The details of the separate meeting of the Independent Directors are reported in the Corporate Governance Report, which forms part of the Board's Report.

ii. Number of Board Meetings

During the year, five (5) meetings of the Board of Directors of the Company were convened and held in accordance with the provisions of the Act. The date(s) of the Board Meetings and attendance by the directors are given in the Corporate Governance Report forming an integral part of this annual report. The maximum time gap between any two consecutive meetings was within the period prescribed under the Act and Listing Regulations. None of the Directors are disqualified under Section 164(2) of the Act. Certificate on non-disqualification, as required under Regulation 34 of Listing Regulations forms an integral part of the Corporate Governance Report.

iii. Committees of the Board

In compliance with the provisions of Sections 135, 177, 178 of the Act and Listing Regulations, the Board constituted the following sub-committees

- **Audit Committee;**
- **Nomination & Remuneration Committee;**
- **Stakeholders Relationship Committee;**

Evaluation of the Board's performance: As per provisions of the Act, and Regulation 17(10) of the Listing Regulations, an evaluation of the performance of the board, its committees and members were undertaken. The detail of the same forms an integral part of the Corporate Governance Report.

iv. Audit Committee

The Company has constituted Audit Committee pursuant to the provisions of Companies Act, 2013. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013.

During the year under review, the Audit Committee had met 4 times. Committee was reconstituted in the board meeting held on 19th May, 2023. New Committee as on 31.03.2024 is hereunder:

Mr. Manoj Kumar	-	Chairperson
Mr. Manoj Kumar Dugar	-	Member
Mr. Manoj Kumar Baid	-	Member

None of the recommendations made by the Audit Committee were rejected by the Board.

The details of the Committees of the Board viz. Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee are reported in the Report on Corporate Governance, which forms part of the Board's Report.

v. Annual evaluation of board performance and performance of its committees and of directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgments, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

11. Policy on director's and key managerial personnel appointment & remuneration:

Your company adopted the policy on Director's Appointment & Remuneration. The objective of the policy is to ensure that Executive Directors and other employees are sufficiently compensated for their performance. The Policy seeks to provide criteria for determining qualifications, positive attributes, and independence of a director and also recommend a policy relating to the remuneration for the directors and key managerial personnel. Policy is available at www.procurepoint.in.

12. Vigil mechanism / whistle blower policy

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement if any, the details of the Policy are explained in the Corporate Governance Report and also posted on the website of the Company i.e., www.procurepoint.in

13. Risk management policy

In terms of the requirement of Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented the Risk Management Policy. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating risks and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board. The details of the Policy is available on the website of the Company i.e., www.procurepoint.in

14. Management discussion and analysis report

The Management Discussion and Analysis as required by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) is incorporated herein by reference and forms an integral part of this report as **Annexure -I**.

15. Annual return

Pursuant to Section 134(3) of the Companies Act, 2013, copy of the annual return shall be hosted at the website of the company i.e. www.procurepoint.in

16. Corporate governance report

The Company is committed to good Corporate Governance and best corporate practices. A report on Corporate Governance for the year ended March 31, 2024 along with a Certificate from M/S A.S. Ramkumar & Associates, Company Secretaries regarding the Compliance of Conditions of Corporate Governance as stipulated under SEBI (LODR) Regulations forms part of the Annual Report as **Annexure -II**

17. Corporate social responsibility (CSR):

During the year under review, the provisions of Sec 135 of the Companies Act, 2013 are not applicable to your company.

18. Related party transactions

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. During the financial year 2023-24, there were no materially significant transactions with the related parties which might be deemed to have had a potential material conflict with the interest of the Company at large.

In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

The details of the Related Party Transactions pursuant to Section 134 (3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in Form AOC – 2, as provided as **Annexure III**, which forms in integral part of this Annual Report.

The policy on Related Party Transactions as approved by the Board is available on the website of the Company at www.procurepoint.in

19. Directors' responsibility statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the company at the end of the Financial Year 2023-24 and of the profit or loss of the Company for that period;
- iii. proper and sufficient care has been taken 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;
- iv. the annual accounts for the year 2023-24 have been prepared on a going concern basis;
- v. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- vi. that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

20. Information about Subsidiary / Joint Ventures / Associate Companies

Subsidiary Company

Morbido Merchandise Private Limited, a subsidiary of the Company, reported Net revenue of Rs. 2581.51 lakhs with a profit of Rs. 37.35 Lakhs for the financial year ended March 31, 2024.

21. Consolidated Financial Results

In accordance with the provisions of the Companies Act, 2013, ('the Act'), Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and applicable Accounting Standards, the audited consolidated financial statements (CFS) of the company for the financial year 2023-24, together with Auditors Report thereon forms part of the Annual Report. A statement showing the salient features of the financial statements of the subsidiaries, associates and joint ventures in the prescribed Form AOC-1 is enclosed as "Annexure-IV" to this report.

During the year under review, no company has become or ceased as Subsidiary / Joint Venture / Associate Companies.

22. Internal control systems & their adequacy

The Company is committed to ensuring an effective Internal Control System and Internal Control Environment that will help in preventing and detecting errors, irregularities and frauds, thus ensuring security of Company's assets and efficiency of operations. The Company has an internal control system and mechanism which is commensurate with the size and complexity of business and aligned with evolving business needs.

The Company has laid down Internal Financial Controls as detailed in the Companies Act, 2013 and has covered major processes commensurate with size of the business operations. Controls have been established at the entity level and process levels, and are designed to ensure compliance with internal control requirements, regulatory compliance and appropriate recording and reporting of financial and operational information.

23. Prevention of sexual harassment policy

The Company has in place a policy on the prevention of sexual harassment and has constituted an Internal Committee in line with the requirements of the sexual harassment of women at the workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. During the year, no complaint was received by Committee. There are no outstanding complaints as on March 31, 2024.

24. Other Disclosures:

- 1. Share Capital:** Authorised share capital of the Company as of March 31, 2024, stood at Rs.5.00 crores comprising 50,00,000 equity shares of Rs.10 each.

The paid-up share capital of the Company as on date of balance sheet is Rs. 3.07 Crores (Rupees Three Crores Seven Lakhs Seventy Five Thousand Only) divided into 30,77,500 equity shares of Rs.10/- each.

During the year under review, the Company has not issued shares with differential voting rights, employee stock options and sweat equity shares.

The Equity Shares of the Company are listed on BSE Limited (BSE). The annual listing fees for the years 2024& 2025 have been paid in due time.

2. Deposits from Public

The Company has not accepted any deposits from the public falling within the ambit of Sections 73 and 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. There are no outstanding deposits as of March 31, 2024.

3. Particulars of loans, guarantees or investments made under section 186 of the companies act, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013, during the year under review and hence the said provisions are not applicable.

4. Significant and material orders passed by the regulators or courts

There are no significant or material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

5. Compliance with Secretarial standards

During the year under review, the Company has complied with the Secretarial Standards with respect to Meetings of the Board of the Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government

6. Energy conservation, technology absorption and foreign exchange earnings and outgo

The particulars relating to conversation of energy, Technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the act are provided in **Annexure-VI** to the Board Report.

7. Particulars of employees

The information required pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as **Annexure V**, which forms an integral part of this Annual Report.

8. Maintenance of cost records

Maintenance of Cost records is not applicable to the Company.

9. Human resources

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

10.ESOP & Sweat Equity Shares:

During the year under review, your Company has not issued any share under Employee Stock Options scheme or as Sweat equity shares to its Employees, Key Managerial Persons.

11.Payment of sitting fee

During the year under review, your Company has not paid any amount of Sitting Fees to its Directors for attending the Board meetings.

12.Directors Appointment and Remuneration including other matters provided under Section 178(1) of Companies Act 2013.

This section is not applicable to your company. During the period under review Appointment and Remuneration including other matters under section 178(1) is taken care by Board of Directors of the Company.

13.Familiarisation Programme for Directors

In addition to giving a formal appointment letter to the newly appointed Director on the Board, a detailed induction plan covering the role, function, duties, responsibilities and the details of compliance requirements expected from the Director under the Act and relevant Regulations of Listing Regulations are given and explained to a new Director.

14.Reconciliation of Share Capital Audit

As required by the Listing Regulations, a quarterly audit of the Company's Share Capital is being carried out by an Independent Practicing Company Secretary with a view to reconcile the total share capital, admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The Practicing Company Secretary's certificate in regard to the same is submitted to BSE and is also placed before the Board of Directors.

15.Details of difference between amount of the valuation done at the time of One Time Settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof

During the year under review, there were no one time settlement of loan taken from banks and financial institutions.

16.Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

During the year under review, there were no applications made or proceedings pending in the name of the company under IBC, 2016

17. Acknowledgments

Your directors take this opportunity to express their sincere appreciation to the shareholders, customers, bankers, suppliers and other business associates for the excellent support and co-operation extended by them.

Your directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

We place on record our appreciation of the contribution made by employees at all levels. Our consistent performance was made possible by their hard work, solidarity, co-operation and support.

By Order of Board of Directors

Sd/-

Manoj Kumar Dugar

Managing Director

DIN : 00352733

Sd/-

Rajesh ChandanmalDugar

Director

DIN : 00730059

Place: Hyderabad

Date: 13.08.2024

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

a) Industry Structure & Development

CDG Petchem Limited founded by a team of professional entrepreneurs & qualified experts with the main objective to supply high quality product services to the discerning clients. It will be a leading business entity in India engaged in the activities Merchant Export & Third country Trade, Imports – Marketing & Distribution of Mats / Mattresses, Insulation Sheet and Pillows.

Your Company has diversified its business profile through its material subsidiary company (Morbido Merchandise Private Limited) for the purpose of Imports – Marketing & Distribution Services of world class products (Chemicals) to several industries ranging from Plastics, Polymers, Construction, and Paint etc. It also offers to our Indian customers a broad range of products from leading producers located worldwide through Imports, Marketing & Distribution of multinational company.

The subsidiary Company will participate in growth of CDG Petchem Limited by expanding its customer base of Chemicals to several industries ranging from Plastics, Polymers, Construction, and Paint etc. with international collaborations.

b) Opportunities

The Indian Plastic Industry clearly has the potential to continue its fast growth. It is expanding at a phenomenal pace, with plastic being significantly used in innovating new applications in industries like food processing, packing, healthcare thereby increasing demand for plastic altogether.

The industry has many growth opportunities owing to the wide applicability of Plastic / disposable products. The Demand for companies Products has been constantly on an increase in the market.

c) Threats, Risks & Concerns

Investors should read the Risk Factors mentioned in this Information Memorandum. Over the next few years, competition in the industry is also expected to rise considerably, as a result of Global trends. To survive competition both polymer manufacturer and processors will need to adopt radically new methods and approaches to reduce costs, improve market and customer services and management performance.

The international oil Prices have been constantly fluctuating leading to up and down in raw material prices.

The threats/ risks for the industry relate to stiff competition throughout and lesser margins. The same can gradually overcome by the industry in view of the wide usage of the PP products and also growing of demand with new technologies to reduce costs to become more competitive.

d) Segment wise performance

The segment wise performance is not applicable as the company has only one segment.

e) Outlook

The company is actively exploring new business opportunities beyond its traditional trading & Manufacturing activities to maximize value for its shareholders. By diversifying its portfolio and investing in other promising sectors, the company aims to enhance profitability and ensure long-term growth. This strategic shift is driven by the commitment to provide the best possible returns to its shareholders while minimizing risks associated with market fluctuations.

f) Discussion on financial performance with respect to operational performance

During the year under review, the standalone turnover for the current year is Rs.1539.98 Lakhs as against Rs.2381.26 Lakhs in the previous year. During the Year the company's Loss before tax is Rs.95.05 Lakhs as against a Loss of Rs.44.39 Lakhs in the previous year.

g) Internal Control system and their adequacy

The Company has an internal control system commensurate with the size and nature of its business. There is a proper and adequate system of internal controls to ensure that all activities are monitored and controlled against unauthorized use or disposition of assets. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

The Audit Committee supervises the checks and controls exercised, and reports any suggestions or deviation on a continuing basis. The authority and responsibility of every employee is defined, thus, leaving no space for any deviations.

h) Material developments in Human Resources/Industrial Relation front, including number of people employed

The focus is on capability development, performance management and employee engagement. This is expected to improve cost competitiveness through greater levels of employee participation, commitment and involvement.

The Company recognizes the importance and contribution of its employees to the growth and development of the Company. The Company continued to maintain cordial relations with employees and staff. The Company has 2 employees on the rolls, as on 31st March 2024.

II. Financial /operational performance:

Sources of Funds

1. Share capital

The Company has only one class of shares- equity shares of par value Rs. 10/- each. Our Authorised share capital is Rs. 500.00 Lakhs (50,00,000 shares of Rs. 10/- each) and issued and paid-up capital is Rs.307.75 Lakhs (30,77,500 shares of Rs. 10/- each)

2. Reserves and Surplus

Company Reserves as on 31.03.2024 are detailed hereunder:

Share Premium Nil,

General Reserve Nil

Profit & Loss : Loss of Rs.222.63 Lakhs

Application of Funds

3. Fixed Assets

During the year under review company has incurred amounting to Rs. 32.64 Lakhs as capital expenditure.

4. Deferred taxes – Assets and Liabilities

The Company has Deferred Tax Liability (Net) amounting to Rs. 3.41 Lakhs as against a liability of Rs.2.96 Lakhs in previous year, attributable to difference between depreciation as per Companies act 2013 and Income Tax Act-1961

5. Trade Receivables

During the year the company has trade receivables of Rs. 391.82 Lakhs as against Rs.349.06 Lakhs in previous year.

6. Inventories

During the year the company has inventories are Rs.57.11 Lakhs as against of Rs. 259.03 Lakhs in previous year.

7. Cash and Cash Equivalents

The opening balance of cash and cash equivalents as at the beginning of the year is Rs.6.43 Lakhs. The closing balance of Cash and Cash Equivalents is Rs.13.54 Lakhs held as cash, balances in current account and in deposit accounts.

8. Liabilities

The company has Rs. 365.62 Lakhs as long-term borrowings as on 31st March, 2024.

9. Trade Payables

Trade payables at the beginning of the year were at Rs. 11.54 Lakhs and at the end of the year were Rs.0.02 Lakhs.

10. Provisions

During the year the company has provisions of Rs. 1.54 Lakhs as against Rs. 3.84 Lakhs in previous year.

III. Results of Operations

1. Income

The Company has generated income from business operations of Rs. 1539.98 Lakhs.

2. Other Income

Other income of the company includes interest income, commission, profit on sale of asset, rent and discount is Rs.67.83 Lakhs.

3. Net Profit

The company had reported a Net Loss of Rs.91.64 Lakhs as against a Net Loss of Rs. 41.42 Lakhs in the previous period.

4. EPS after Exceptions

Earnings per share for the year was -2.98 as against -1.35 in the previous year.

5. Liquidity

The Company has no adequate working capital and is depending on external resources for filling up of the gap.

6. Related Party Transactions

Transactions with related parties have been made at an arm's length basis and hence are not prejudicial to the interest of the company.

These have been discussed in detail in Notes on Accounts to the standalone financial statements in this Annual report.

IV. Opportunities and Threats

We compete with small and mid-sized companies in Government and large corporations in Manufacturing Sector.

V. Outlook, Risks & Concerns

- Our revenue and expenses are difficult to predict and can vary significantly from period to period.
- We may not be able to sustain the working capital cycles.
- Our failures to complete fixed price and fixed time frame contracts or transaction based pricing contracts within budget and on time may adversely affect our profitability.
- We may not be able to provide end to end business solutions for our clients which could lead to clients discontinuing their work with us which in turn could impact our business.

VI. Internal Control Systems and their adequacies

The CEO and CFO certification provided in the Annual report discusses the adequacy of our internal control systems and procedures.

VII. Material Developments in Human Resources / industrial relations, number of people employed.

Human Capital

As at March 31st 2024, the company employed about 2 employees who include trainees, process executives and administration.

Risk Management Framework:

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risks for the business. Your Company's Board believes that to ensure sustainable business growth with stability of affairs and operations of the Company, periodical review of various risks having a bearing on the business and operations is vital to proactively manage uncertainty and changes in the internal and external environment to limit negative impacts and capitalize on opportunities. Further, it is also belief of your management that Risk Management Framework enables a systematic approach to risk identification, leverage of any opportunities and provides treatment strategies to manage, transfer and avoid or minimize the impact of the risks.

Keeping in view of the above, your Company's risk management is embedded in the continuous business processes and as a part of review of business and operations, your Board with the help of the management periodically reviews various risks associated with the business and products of the Company and consider appropriate risk mitigation process. However there are certain risks which cannot be avoided but the impact can only be minimized.

The risks and concerns associated with the segment of your company's business are discussed while reviewing segment-wise Management and Discussion Analysis. The other risks that the management reviews also include:

- a. **Industry & Services Risk:** this includes Economic risks like demand and supply chain, Profitability, Gestation period etc.; Services risk like infrastructure facilities; Market risk like consumer preferences and distribution channel etc.; Business dynamics like inflation/deflation etc.; Competition risks like cost effectiveness
- b. **Management and Operational Risk:** this includes Risks to Property; Clear and well defined work process; changes in technology / up gradation; R&D Risks; Agency network Risks; Personnel &labour turnover Risk; Environmental and Pollution Control Regulations etc.; Locational benefits near metros
- c. **Market Risk:** this includes Raw Material rates; Quantities, quality, suppliers, lead time, interest rates risk and forex risk.
- d. **Political Risk:** this includes Elections; War risk; Country/Area Risk; Insurance risk like Fire, strikes, riots and civil commotion, marine risk, cargo risk etc.; Fiscal/Monetary Policy Risk including Taxation risk.

- e. **Credit Risk:** this includes Creditworthiness; Risk in settlement of dues by clients and Provisions for doubtful and bad debts
- f. **Liquidity Risk:** this includes risks like Financial solvency and liquidity; Borrowing limits, delays; Cash/Reserve management risks and Tax risks
- g. **Disaster Risk:** this includes Natural calamities like fires, floods, earthquakes etc.; Man made risk factors arising under the Factories Act, Mines Act etc.; Risk of failure of effective disaster Management plans formulated by the Company.
- h. **System Risk:** this includes System capacities; System reliability; Obsolescence risk; Data Integrity risk & Co-ordination and Interface risk.
- i. **Legal Risk:** this includes Contract risk; Contractual liability; Frauds; Judicial Risk and Insurance risk
- j. **Government Policy:** This includes Exemptions, import licenses, income tax and sales tax holidays, subsidies, tax benefits etc. Further your Board has constituted a Risk Management Committee, inter-alia, to monitor and review the risk management framework.

Ratios:

S. No	Particulars		2023-24	2022-23	Improvement / (Deterioration)
1.	Debtors Turnover	Debtors/Revenue from Operation (Days)	4.16	4.51	-0.08%
2.	Inventory Turnover	Cost of goods sold/Average Inventory	9.29	12.58	-0.26%
3.	Interest Coverage Ratio	Earnings before Interest and Tax(EBIT)/Interest	-0.99	-0.34	1.90%
4.	Current Ratio	Current Assets/Current Liabilities	0.57	1.18	-0.51%
5.	Debt Equity Ratio	Total Outside Liabilities/Shareholders Equity	11.24	5.91	0.90%
6.	Operating Profit Margin	Operating Profit or EBIT/Sales	-0.06	-0.01	2.09%
7.	Net Profit Margin	Net Profit/ Sales	-0.06	-0.02	1.98%
8.	Return on Net worth	Net profit/ Shareholders Equity	-0.30	-0.23	0.29%

REPORT ON CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with Schedule V Thereto, compliance with the requirements of Corporate Governance is set out below:

1. Company’s philosophy on corporate of governance

Corporate Governance is based on good principles and practices such that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meets its stakeholder’s aspirations and societal expectations. Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last. CDG Limited (“CDG” or “the Company”) is committed to the adoption of best governance practices and to its adherence to the business of the Company. The Company’s corporate governance practices are driven by timely disclosures, transparent accounting policies, internal control on operations and high levels of integrity in decision making with an objective to enhance the value to the stakeholders.

The Company is in compliance with the applicable corporate governance requirements as enshrined in the Companies Act, 2013 (“the Act”) read with the Rules made thereunder, the Listing Regulations and other applicable laws.

2. Board of directors

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has an Executive Chairman and the Company has optimum combination of Executive and Non-Executive Directors. About two thirds of the Board of Directors are Non-Executive Directors. Half of the Board comprises of Independent Directors.

All the Directors of the Company have made necessary declarations/disclosures regarding their other directorships along with Committee positions held by them in companies.

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

Composition and category of Directors

Name of the Director(s), DIN No. & No. of Shares Held in the Company	Category & Designation	Qualification/ Expertise/ Skills	Names of the listed entities where the person is a director and the category of directorship (except this entity)
Mr. Manoj Kumar Dugar DIN:00352733 No. of Shares: 256525	Promoter & Managing Director	C.A Inter with 25+Exp in import, supply, distribution, Chemicals Trading, Plastic Raw Material, Print and Packaging, Manufacturing of Plastic products, stretch films etc.	Nil
Mrs.Renu Dugar DIN: 00235675 No. of Shares: 300362	Promoter Non-Executive Women Director	BA Honours having vast experience in Human Resources & Work Force Planning	Nil

Mr. Rajesh Chandanmal Dugar DIN: 00730059 No. of Shares: 276975	Promoter- Non-Executive Director	Graduate having vast experience in Finance & Administration	Nil
Mr.Arvind Surana DIN: 00220367 No. of Shares: Nil	Independent Non-Executive Director	B.Com Graduate having 10 years of experience in Seeds business and 5 years in Petro Chemical Industry	Nil
Mr. Manoj Kumar DIN:02725357 No. of Shares: Nil	Independent Non-Executive Director	Graduate having vast experience in Finance & Administration	Nil
*Mr.Manoj Kumar Baid DIN:10163335 No.of Shares:Nil	Independent Non-Executive Director	Graduate having vast experience of 20 years in Diamond Jewellery industry	Nil
**Mr. Dilip Kumar Surana DIN: 02849536 No. of Shares: Nil	Independent Non-Executive	B.Com Graduate, CA Inter having 13 years of experience in Petro Chemical Industry	Nil

*Mr. Manoj Kumar Baid has been appointed as an Additional Director designated as Independent Director w.e.f. 19th May, 2023

** Mr. Dilip Kumar Surana was resigned as Director w.e.f. 19.05.2023

i. Number of other Board of Directors or Committees in which a Director is a Member or Chairperson as on 31.03.2024

Sl. No	Name of the Director	*No. of other Companies in which he/she is Director	**No. of Committees Chairpersonship / Membership (including this Company)	
			Member	Chairperson
1	Mr. Manoj Kumar Dugar	8	1	0
2	Mrs. Renu Dugar	1	0	0
3	Mr. Rajesh Kumar Dugar	7	0	0
4	Mr. Manoj Kumar Baid	0	2	0
5	Mr. Manoj Kumar	3	1	1
6	Mr.Arvind Surana	3	0	1

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

**Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies

iii. Attendance of each Director at the meeting of the Board of Directors and the last Annual General Meeting

Sl. No	Name of the Director	Attendance at the last AGM (19.08.2023)	No of Board meetings	
			Entitled to attend	Meetings Attended
1	Mr. Manoj Kumar Dugar	Yes	5	5
2	Mrs. Renu Dugar	Yes	5	5
3	Mr. Rajesh Kumar Dugar	Yes	5	5
4	Mr. Manoj Kumar Baid	Yes	4	4
5	Mr. Manoj Kumar	Yes	5	5
6	Mr. Arvind Surana	Yes	5	5

iv. Number of Meetings of Board of Directors

The Board met 5 times in the financial year 2023-24 on the following dates, with a gap not exceeding 120 days between any two meetings

19 th May 2023	22 nd July, 2023	10 th August, 2023
10 th November, 2023	08 th February, 2024	

v. Disclosure of relationships between Directors inter-se

Out of all the Directors, three directors are related to each other viz., Manoj Kumar Dugar, Rajesh Kumar Dugar & Renu Dugar. None of the other Directors are related with each other.

vi. List of core skills/expertise/competencies identified by the Board of Directors

The Board identifies the following core skills/expertise/competence that it perceives it ought to have in the process of governing the Company. It is further of the view that as a whole it possesses these skills/expertise /competencies and is applying them in governing the Company

- strategizing capability;
- capacity to identify risks and macro level concerns in the Company;
- aptitude in the areas of finance, control, information technology and governance mechanisms so as to be able to examine and analyze these areas in the context of the Company's requirements and be in a position to determine gaps in the Management's thought process or the approach to these;
- ability to judge the degree of adroitness and clear thinking that go into taking business decisions taken by the Management, identify discontinuities and anomalies, critique such decisions where necessary and thereafter direct initiation of the required action as deemed best under the circumstances;
- encouraging diversity in the methodologies of the Company looking at operational and related constraints and suggesting ways forward;
- Ability to engage in a healthy and cogent debate within itself (including in Board Committees) on the various governance processes with the objective of finding solutions to issues affecting the Company.

The Board comprises of qualified members who bring in the required skills, expertise and competence as mentioned above which allow them to make effective contributions to the Board and its committees.

The members of the Board are committed to ensure that the Company is in compliance with the highest standards of corporate governance.

List of skills/competencies required in relation to business operations	Names of Directors having such skills/competencies
Strategic leadership	Entire Board
Law, Management, Administration	Renu Dugar, Arvind Surana
Technical knowledge on operations	Arvind Surana, Manoj Kumar Baid
Finance	Rajesh Kumar Dugar, Manoj Kumar Dugar and Manoj Kumar
Corporate Governance, Strategic Management	Manoj Kumar Dugar & Rajesh Kumar Dugar, Manoj Kumar

vii. Confirmation that in the opinion of the Board, the Independent Directors fulfil the conditions specified in these regulations and are independent of the management.

The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfil the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

viii. Code of Conduct:

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company

A declaration to this effect signed by the Managing Director in terms of the Listing Regulations is attached and forms part of the Annual Report of the Company.

ix. Independent directors

Mr. Manoj Kumar Baid, Mr. Manoj Kumar & Mr. Arvind Surana are Non-executive Independent Directors of the company as on 31.03.2024.

Details of Familiarization Programme Imparted to Independent Directors

The Company has adopted a structured programme for orientation of Independent Directors at the time of their joining so as to familiarize them with the Company's operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company updates the Board Members on a continuing basis on any significant changes therein and provides them an insight to their expected roles and the responsibilities so as to be in a position to take well-informed and timely decisions and contribute significantly to the Company.

Criteria of Independence of Independent Directors

Independent Directors have furnished a declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

x. Independent Directors Meeting

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 08.02.2024 and all the Independent Directors have attended the meeting. Independent Directors at their meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the

Board.

Confirmation that in the opinion of the board, the independent directors fulfil the conditions specified in these regulations and are independent of the management:

The Board of Directors be and is hereby confirm that in the opinion of the Board, the Independent Directors fulfill the conditions specified by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are independent of the management.

Detailed reasons for the resignation of an Independent Director before the expiry of the tenure along with a confirmation.

Mr. Dilip Kumar Surana Independent Director Ceased as Director w.e.f 19.05.2023

As per the resignation letter tendered by Mr. Dilip Kumar Surana, Independent Director, reason for coming out from the position is pre-occupancy with other engagements personal reasons and there is no other material reason other than those provided.

Mr. Manoj Kumar Baid was appointed as Independent Director in place of Mr. Dilip Kumar Surana.

4. Audit committee

As per the requirements of the Act and Listing Regulations, the Board of Directors has entrusted the Audit Committee with the responsibility to supervise these processes and ensure adequate, accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The constitution and terms of reference of the Audit Committee are in accordance with and covers all the matters specified under Section 177 of the Act and Regulation 18 of the Listing Regulations read with Part C of Schedule II of the Listing Regulations.

The primary focus of the Audit Committee is to have an 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;

- a) Recommendation for appointment, remuneration and terms of appointment of Internal Auditors, Statutory Auditors and Cost Auditors of the Company;
- b) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- c) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of 134 (3)(c) of the Act
 - (ii) Changes, if any, in accounting policies and practices and reasons for the same
 - (iii) Major accounting entries involving estimates based on the exercise of judgment by management
 - (iv) Significant adjustments made in the financial statements arising out of audit findings
 - (v) Compliance with listing and other legal requirements relating to financial statements
 - (vi) Disclosure of any related party transactions
 - (vii) Qualifications in the draft audit report
- d) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- e) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- f) Review and monitor the auditor's independence and performance, and effectiveness of the audit process;
- g) Approval or any subsequent modification of transactions of the Company with related parties;
- h) Scrutiny of inter-corporate loans and investments;

- i) Valuation of undertakings or assets of the Company, wherever it is necessary;
- j) Evaluation of internal financial controls and risk management systems;
- k) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- l) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- m) Discussion with Internal Auditors of any significant findings and follow up thereon;
- n) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of material nature and reporting the matter to the Board;
- o) Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- p) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors; if any;
- q) Reviewing, the functioning of the Whistle Blower mechanism as and when adopted by the Company;
- r) Approval for the appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- s) To recommend to the Board the policy on materiality of related party transactions and also on dealing with the related party transactions;
- t) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;
- u) Such other matters as may be required under the provisions of the Act, the rules made thereunder and the Listing Regulations as amended from time to time;
- v) To carry out any other function as may be delegated by the Board from time to time.

Constitution and meetings of the Committee

The Audit Committee comprises entirely Independent Directors. All members are financially literate and bring expertise in the fields of finance, economics, logistics, strategy and management. The Committee comprises three (3) Directors.

During the financial year 2023-24, four (4) meetings of the Audit Committee were held. The maximum time gap between any of the two consecutive meetings was not more than 120 days. The necessary quorum was present in all the meetings. The details of the Meetings and attendance of the members are provided hereunder

The Company Secretary acts as the Secretary to the Audit Committee. The Chief Financial Officer along with the Statutory Auditors and Internal Auditors are invitees to the said Committee. The Auditors and Senior Management personnel are invited as and when required.

The Audit Committee of the Company has met four (4) times during the year i.e., on 19.05.2023, 10.08.2023, 10.11.2023 & 08.02.2024

Name of the Director	Meetings held during the tenure of the Directors	Meetings attended
Manoj Kumar	4	4
Manoj Kumar Dugar	4	4
*Manoj Kumar Baid	3	3
**Dilip Kumar Surana	1	1

*Mr. Manoj Kumar Baid was appointed as Independent Director w.e.f.19th May, 2023

** Mr. Dilip Kumar Surana was resigned as Independent Director w.e.f.19th May, 2023

The Committee re-constituted on 19.05.2023 as follows:

- Mr. Manoj Kumar - Chairman
- Mr. Manoj Kumar Dugar - Member
- Mr. Manoj Kumar Baid - Member

5. Nomination and Remuneration Committee

Responsibilities & Terms of Reference:

The constitution and terms of reference of the Nomination and Remuneration Committee (NRC) are in accordance with and cover all the matters specified under Section 178 of the Act and Regulation 19 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations.

The Nomination and Remuneration Committee also entirely consists of Independent Directors. Its primary functions are to:

- a. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- b. To formulate criteria for evaluation of Independent Directors and Board of Directors performance;
- c. To devise a policy on diversity of the Board of Directors;
- d. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- e. To consider and recommend to the Board whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of Independent Directors;
- f. To recommend to the Board, that all remuneration, in whatever form, be payable to senior management;
- g. Such other matters as may be required to discharge their responsibilities under the Listing Regulations as amended from time to time.

Constitution and Committee Meetings

The current composition of the Nomination and Remuneration Committee comprises three (3) Non-Executive Independent Directors and the Committee is empowered with the powers as prescribed under Regulation 19 of Listing Regulations and Section 178 of the Act. The Committee also acts in terms of reference and directions of the Board from time to time.

During the financial year 2023-24, one (1) meeting of the Nomination and Remuneration Committee were held. The details of the Meetings and attendance of the members are provided hereunder

Nomination and Remuneration Policy

The Board of Directors at its meeting held on March 28, 2015, approved the Nomination and Remuneration policy. The said policy is applicable to all the Directors, Key Managerial personnel and Senior Management Personnel of the Company and the same is available on the Company's website <https://www.procurepoint.in>

Mr. Manoj Kumar Baid, Mr. Manoj Kumar & Mr. Arvind Surana, were present at the 12th Annual General Meeting of the Company held on August 19, 2023.

During the year under review, the Committee met one time i.e., on 19.05.2023.

Name of the Director	Meetings held during the tenure of the Directors	Meetings attended
Manoj Kumar Baid	0	0
Manoj Kumar	1	1
Arvind Surana	1	1
Dilip Kumar Surana	1	1

* Mr. Dilip Kumar Surana resigned as Director w.e.f 19th May, 2023

Reconstitution of the Committee occurred on 19th May, 2023. Below are new committee details

Mr. Manoj Kumar Baid	-	Chairman
Mr. Manoj Kumar	-	Member
Mr. Arvind Surana	-	Member

Performance evaluation

Pursuant to the provisions of the Companies Act, 2013 and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the financial year 2023-2024 as per the criteria laid down. The performance evaluation of the Independent Directors was carried out by the entire Board. The Directors expressed their satisfaction with the evaluation process.

Remuneration of Directors

Managing Director / Executive Director

The remuneration structure of Managing Director / Executive Director comprises of basic salary, commission, perquisites and allowances, contribution to provident fund etc. The remuneration is determined considering various factors such as qualification, experience, expertise, prevailing remuneration in the industry and the financial position of the Company. (In Lakhs)

S. No.	Name of the Director, Designation	Salary, Perquisites & Allowances	Commission	Sitting Fee	Total
1	Manoj Kumar Dugar	9.00	--	--	9.00

6. Stakeholders Relationship Committee

Responsibilities & Terms of Reference:

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to the handling of queries and grievances of security holders. It primarily focuses on:

- Review investor complaints and their redressal;
- Review of measures taken for the effective exercise of voting rights by shareholders;
- Review work done by the share transfer agent including adherence to the service standards;
- Review of corporate actions related to security holders;
- Review initiatives for reduction of quantum of unclaimed dividends and ensure timely receipt of dividend/ annual report/ statutory notices.

The constitution and terms of reference of the Stakeholders Relationship Committee are in accordance with and covers all the matters specified under Section 178 of the Act and Regulation 20 of the Listing Regulations read with Part D of Schedule II of the Listing Regulations.

Constitution and meetings of the Committee

The current composition of the Stakeholders Relationship Committee comprises Three (3) Directors i.e. One (1) Non-Executive Independent Director as Chairman and two (2) Non-Executive Independent Directors as Members. The Committee is empowered with the powers as prescribed under Regulation 20 of Listing Regulations. The Committee also acts in terms of reference and directions of the Board from time to time.

During the financial year 2023-24, one (1) meeting of the Stakeholders Relationship Committee was held on 08.02.2024. The composition of the Stakeholders Relationship Committee and the attendance of members are in hereunder

Chairman of the Committee was present at the 12th Annual General Meeting of the Company held on August 19, 2023.

The Committee was re-constituted as on 19th May, 2023 with Mr.Arvind Surana, Independent Director as Chairman, Mr. Manoj Kumar Baid, Independent Director and Mr. Manoj Kumar, Independent Director as members of the Committee.

Details of shareholders' requests/complaints received and resolved during the year ended 31.03.2024 are as under: NIL

7. General body meetings

Location and time of last Three AGM's held

Year	Location	Date	Time
2020-21	Held through Video Conference (VC)/ Other Audio Visual Means(OAVM)at the registered Office of the Company at Plot No 10 &11, MCH No 1-8-304 to 307/, Pattigadda Road– 500003, Hyderabad, TG	Wednesday, 29 th September, 2021	10.00A.M
2021-22	Held through Video Conference (VC)/ Other Audio Visual Means(OAVM) at the registered Office of the Company at Plot No 10 &11, MCH No 1-8-304 to 307/, Pattigadda Road– 500003, Hyderabad, TG	Wednesday, 28 th September, 2022	11.00A.M
2022-23	Held through Video Conference (VC)/ Other Audio Visual Means(OAVM) at the registered Office of the Company at Plot No 10 &11, MCH No 1-8-304 to 307/, Pattigadda Road– 500003, Hyderabad, TG	Saturday, 19 th August, 2023	11:30 AM

Special Resolutions passed in previous three Annual General Meetings

Year of AGM	Details
2020-21	To enter into a sale transaction with M/s. Dugar Polymers Limited, a related party
	To enter into a sale transaction with M/s. Morbido Merchandise Private Limited, a related party
	To enter into a purchase transaction with M/s. Dugar Polymers Limited, a related party
	To enter into a purchase transaction with M/s. Morbido Merchandise Private Limited, a related party
2021-22	To sell investments in Morbido Merchandise Private Limited, Material unlisted subsidiary of the Company.
	Appointment of Mr. Manoj Kumar (DIN: 02725357) as an Independent Director.

	To regularize Mr. Manoj Kumar (DIN:0275357) as Director
2022-23	To appoint Mr. Manoj Kumar Baid (DIN: 10163335) as Director
	To appoint Mr. Manoj Kumar Baid (DIN: 10163335) as an Independent Director
	To enter into a sale transaction(s) with Dugar Polymers Limited, a related party
	To enter into a sale transaction with M/s. Morbido Merchandise Private Limited, a related party
	To enter into a sale transaction with M/s. Dugar Indvent Private Limited, a related party
	To enter into a sale transaction(s) with Ayushman Merchants Private Limited
	To enter into a Purchase transaction(s) with Dugar Polymers Limited, a related party
	To enter into a Purchase transaction(s) with Morbido Merchandise Private Limited, a related party

Details of Postal Ballot Resolutions passed during the last three financial years

Year of AGM	Details
2020-2021	NIL
2021-2022	NIL
2022-2023	NIL

Person who conducted the postal ballot exercise: NA

Whether any special resolution is proposed to be conducted through postal ballot: Nil

Procedure for postal ballot: NA

1. MEANS OF COMMUNICATION

Sl. No	Description	Remarks
1	Quarterly results	Unaudited/Audited financial results are informed to BSE as prescribed under SEBI(LODR) Regulations
2	Newspapers wherein results are normally published	Nava Telangana (Telugu) and Business Standard (English)
3	Website	www.procurepoint.in
4	Whether it also displays official news releases	NA
5	Presentations made to institutional investors or to analysts	NA

1. GENERAL SHAREHOLDERS' INFORMATION

Sl. No	Description	Details
i.	Date, time and Venue of AGM	Date: 28 th September, 2024 Time: 02.00 P.M Mode of Meeting: The Annual General meeting will be conducted through Video Conferencing (VC)/Other Audio-Visual Means(OAVM)
ii.	Financial Year	1st April, 2023 to 31st March, 2024

iii.	Dividend payment date	NA																																									
iv.	Name and address of Stock Exchange(s) at which the equity shares are listed and confirmation about payment of annual listing fee to each of such Stock Exchanges.	Bombay Stock Exchange limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001. The listing fee for the year 2023-24 and 2024-25 has been paid to the Stock Exchange.																																									
v.	Stock Code	BSE Security Code:534796 SecurityID : CDG ISIN : INE198N01017																																									
vi.	Market Price Data: High / Low / Close During each month in the last Financial Year:																																										
	Month	BSE (Rs.)																																									
		High	Low	Close																																							
	April-2023	16.17	13.86	14.71																																							
	May-2023	16.10	13.00	14.20																																							
	June-2023	15.94	13.22	14.36																																							
	July-2023	15.50	13.51	13.71																																							
	August -2023	14.85	12.75	14.30																																							
	September-2023	37.64	14.95	37.64																																							
	October-2023	48.62	38.39	40.60																																							
	November-2023	43.35	33.79	35.77																																							
	December-2023	39.31	33.82	38.15																																							
	January-2024	51.09	35.00	35.95																																							
	February-2024	48.96	36.66	48.96																																							
	March-2024	50.92	38.71	38.71																																							
vii.	Relative Performance of CDG Share Price V/S. BSE Sensex:																																										
	<table border="1"> <caption>Relative Performance of CDG Share Price V/S. BSE Sensex</caption> <thead> <tr> <th>Month</th> <th>Sensex (Index)</th> <th>BSE - CDG (Price)</th> </tr> </thead> <tbody> <tr> <td>Apr-23</td> <td>46</td> <td>20,000.00</td> </tr> <tr> <td>May-23</td> <td>47</td> <td>19,000.00</td> </tr> <tr> <td>Jun-23</td> <td>0</td> <td>18,000.00</td> </tr> <tr> <td>Jul-23</td> <td>0</td> <td>17,000.00</td> </tr> <tr> <td>Aug-23</td> <td>0</td> <td>18,000.00</td> </tr> <tr> <td>Sep-23</td> <td>49</td> <td>48,000.00</td> </tr> <tr> <td>Oct-23</td> <td>48</td> <td>50,000.00</td> </tr> <tr> <td>Nov-23</td> <td>50</td> <td>45,000.00</td> </tr> <tr> <td>Dec-23</td> <td>54</td> <td>48,000.00</td> </tr> <tr> <td>Jan-24</td> <td>54</td> <td>45,000.00</td> </tr> <tr> <td>Feb-24</td> <td>55</td> <td>70,000.00</td> </tr> <tr> <td>Mar-24</td> <td>55</td> <td>38,710.00</td> </tr> </tbody> </table>				Month	Sensex (Index)	BSE - CDG (Price)	Apr-23	46	20,000.00	May-23	47	19,000.00	Jun-23	0	18,000.00	Jul-23	0	17,000.00	Aug-23	0	18,000.00	Sep-23	49	48,000.00	Oct-23	48	50,000.00	Nov-23	50	45,000.00	Dec-23	54	48,000.00	Jan-24	54	45,000.00	Feb-24	55	70,000.00	Mar-24	55	38,710.00
Month	Sensex (Index)	BSE - CDG (Price)																																									
Apr-23	46	20,000.00																																									
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Feb-24	55	70,000.00																																									
Mar-24	55	38,710.00																																									

viii.	Registrar to the issue and share transfer agents	M/s. CIL Securities Limited, 3, 214, RaghavaRatna Towers, Chirag Ali Lane, Abids, Hyderabad – 500 001, Telangana, India Tel: +91-40 – 23203155 Email: rta@cilsecurities.com
ix.	Share Transfer System	Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects

x. Shareholding Pattern of the Company as on 31st March 2024

Category	No. of Shares	% of Shareholding
Promoters	19,11,052	62.10
Mutual Funds and UTI	-	-
Banks, Financial Institution, Insurance Companies	64,831	2.11
Bodies Corporate	1,08,773	3.53
Indian Public	6,85,101	22.26
HUF	12,589	0.41
NRIs/OCBs	2,95,154	9.59
TOTAL	30,77,500	100.00

xi. Distribution of shareholding

Shareholding of nominal value of (Rs.)	No. of share holders	% Held	Amount (in Rs.)	% of Equity
Up to 5,00	1353	86.69	156105	5.407
500-1,000	80	5.07	62531	2.03
1,001-2,000	55	3.48	81359	2.64
2,001-3,000	26	1.65	62104	2.02
3,001-4,000	13	0.82	47605	1.255
4,001-5,000	16	1.01	73063	2.37
5,001-10,000	16	1.01	123357	4.01
1,00,001 & above	20	1.27	2471376	80.30
Total	1579	100.00	30775000	100.00

xii. Dematerialization of shares and liquidity as on 31.03.2024

Sl. No	Description	No. of Share holders	No. of Shares	% of Equity
1	Physical	287	124260	40.04%
2	NSDL	494	2173572	70.63%
3	CDSL	798	779668	25.33%
	Total	1579	3077500	100.00%

xiii.	Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:	NIL
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xiv.	Commodity Price Risk or Foreign Exchange Risk and hedging activities	NA
xv.	Plant locations	NA
xvi.	Address for correspondence	Registered Office: CDG Petchem Limited Plot No:10 & 11, MCH No:1-8-304 to 307/10, Pattigadda Road, Hyderabad – 500 003 Tel: +91-40-27897743 / 27897744 Email: corporate@dugargroup.net
xii..	Credit ratings given by CRISIL for bank loan facilities	NIL

2. Other Disclosures

Sl. No	Details	Remarks
1	Disclosure on materially significant Related Party Transactions	There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large. Your Company has formulated a Policy on materiality of Related Party Transactions and also dealing with Related Party Transaction same is available at company website www.procurepoint.in .
2	Details of non-compliance by the listed entity, penalties, strictures imposed on the listed by Stock Exchange(s) or the Board or any Statutory Authority on any matter related to Capital markets during last 3 years	BSE levied fine of Rs.85,000/- for delay in submission of financial results for the quarter ended 30 th September 2023. Details of non-compliance during last 3 years are disclosed below

Sr. No	Compliance Requirement (Regulations / circulars / guidelines including specific clause)	Deviations	Remarks or Penalty imposed, if any
FY 2022-2023			
1.	Reg. 29- Prior intimation of at least two working days in advance, excluding the date of the intimation and date of the meeting.	Company has given the intimation on 04th November 2022 for considering the Financial Results at the meeting of the Board of directors held on 08th November 2022 there by deviating the regulation 29 w.r.t minimum period for prior	BSE levied penalty of Rs.11,800/- for delay in prior intimation of Meeting of Board of Directors for the quarter ended 30 th September, 2022 under Reg. 29 and Company paid the fine on 20 th January, 2023.

		intimation	
FY 2021-22			
2.	Regulation Reg-24A SEBI (LODR) regulations, 2015	Non-submission of Secretarial Audit Report.	An amount of Rs. 11,94,000/- was imposed on the company for Non-submission of Secretarial Audit Report under regulation 24A for the FY ended 2021-22. Later, on submission of BSE has withdrawn the fine.
FY 2020-2021			
3.	Reg-13(3)-Grievance Redressal Mechanism to be filed within twenty-one days from the end of each quarter	Company has submitted the Report on 04 th November, 2020 there by deviating the regulation 13(3) for the Quarter ended 30 th September 2020	BSE has levied a fine of Rs. 14,000/- for delay in submission of Investor Complaints under regulation 13(3) of SEBI (LODR), 2015
4.	Reg-31- Holding of securities and shareholding Pattern to be filed within twenty one days from the end of each quarter.	Company has submitted the Report on 18 th December, 2020 there by deviating the regulation 31 w.r.t Shareholding Pattern for the Quarter ended 30 th September 2020	BSE has levied a fine of Rs. 1,16,000/- for delay in submission of Shareholding Pattern under regulation 31 of SEBI (LODR), 2015.
5.	Regulation Reg-27(2) of SEBI (LODR) regulations, 2015	Company has submitted the CG Report on 28 th May, 2020 there by deviating the regulation 27(2) w.r.t Corporate Governance	BSE levied fine of Rs.22,000/- for delay in submission of Corporate Governance report for the quarter ended 31 st March 2020. Later, on submission of waiver of fines, BSE has withdrawn such fine.

3	Details of establishment of Vigil Mechanism/Whistle Blower Policy and affirmation	The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. The Company has adopted a Vigil Mechanism policy in order to provide a secure environment and to encourage employees of the Company to report unethical, unlawful or improper practice, acts or activities. The reportable matter may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.
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4	Disclosure under Sexual Harassment of Women at Workplace	<p>The Company has in place with the requisite Internal Committees as envisaged in the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.</p> <p>No complaints on the issues covered by the above Act were received during the year.</p>
5	Mandatory and Non-mandatory requirements	<p>The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p> <p>The Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the following:</p> <p>a) Modified opinion(s) in audit report</p> <p>b) Reporting of internal auditor directly to the audit committee.</p>
6	Web link where policy for determining material subsidiaries & Related party Transaction are disclosed	<p>www.procurepoint.in</p>
7	CEO / CFO Certification	<p>A Certificate duly signed by the Managing Director and CFO of the Company was placed before the Board along with the financial statements for the year ended 31.03.2024 and is annexed as Annexure II-A</p>
8	Disclosure of Accounting Treatment	<p>The Company in the preparation of financial statements has followed the treatment laid down in the Accounting standards prescribed by the Institute of Chartered Accountants of India. There are no audit qualifications in the Company's financial statements for the year under review.</p>
9	Compliance with Corporate Governance requirements	<p>Your Company has complied with Corporate Governance requirements specified in regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.</p>
10	Details with respect to utilization of funds raised through preferential allotment or qualified institutions placement	<p>During the Year, the Company has not raised funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of the LODR Regulations.</p>
11	Certificates from a practicing Company Secretary	<p>a) A Certificate from a practicing Company Secretary confirming that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority and is annexed as Annexure II-B and forms an integral part of the Annual Report.</p> <p>b) A Certificate from a practicing Company Secretary confirming that it is in compliance with the conditions</p>

		of Corporate Governance as stipulated in Para C of the Schedule V of the LODR Regulations and same is annexed as Annexure II-C and forms an integral part of the Annual Report.
12	Disclosure with respect to payment made to statutory auditors	During the year, the company has paid Rs. 50,000/- to the statutory Auditors towards statutory Audit.
13	During the year, the Board accepted all the recommendations of all the committees of Board.	
14	Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount	NIL

Subsidiaries and Material Subsidiary

The Company has only one Subsidiary i.e., Morbido Merchandise Private Limited which is a material subsidiary incorporated on 27.06.2016 at Secunderabad, Telangana.

The audit committee reviews the financial statements of subsidiaries. Also reviews the investments, if any, made by such subsidiaries, the statement of all significant transactions and arrangements, if any entered into by subsidiaries, and the compliances of each materially significant subsidiary, if any, on a periodic basis.

The above report has been approved by the Board of Directors at their meeting held on 18.05.2024.

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all the Board Members and Senior Management Personnel of the Company. The Code of conduct has also been posted on the website of the Company.

It is further confirmed that all Directors and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on March 31, 2024, as envisaged in Regulation 26(3) of Listing Regulations.

Sd/-

Manoj Kumar Dugar

Managing Director

DIN : 00352733

Place: Hyderabad

Date: 13.08.2024

Annexure II-A

Managing Director & CFO Certificate to the Board pursuant to Regulation 17(8) of the Listing Regulations

We, Mr. Manoj Kumar Dugar, Managing Director and Mr. Nikhil Agarwal, Chief Financial Officer of the Company do hereby certify that;

1. We have reviewed the Financial Statements and the Cash Flow Statement for the year and that 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 present a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the 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 overall responsibility for establishing and monitoring the company's internal control system for financial reporting and evaluating its effectiveness. The Statutory Auditors reports significant issues to the Audit Committee of the Board. The Statutory Auditors and audit committee are apprised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the Auditors and to the Audit Committee:
 - a) Significant changes if any in internal control over financial reporting during the year;
 - b) Significant changes if any in accounting policies during the year;
 - c) Instances of significant fraud of which I have become aware of, and which involve management or other employees who have significant role in the Company's internal control system over financial reporting. However, there was no such instance.

For & On behalf of **CDG Petchem Limited**

Sd/-

Manoj Kumar Dugar
Managing Director
DIN: 00352733

Sd/-

Nikhil Agarwal
Chief Financial Officer

Place: Hyderabad
Date: 18.05.2024

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,
CDG Petchem Limited.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CDG Petchem Limited having CIN L51100TG2011PLC072532 and having registered office at Plot No.10 & 11, MCH No.1-8-304 to 307/10, Pattigada Road, Hyderabad-500003, TG (hereinafter referred to as 'the Company'), produced before me/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 my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in 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 ending on 31st March, 2024 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.

Sr. No.	Name of Director	DIN	Date of appointment in Company in current designation
1	Arvind Surana	00220367	17.12.2015
2	Renu Dugar	00235675	17.12.2015
3	Manoj Kumar Dugar	00352733	07.01.2012
4	Rajesh Chandanmal Dugar	00730059	29.08.2016
5	Manoj Kumar	02725357	10.08.2022
6	Dilip Kumar Surana	02849536	01.07.2015

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

For A. S. Ramkumar & Associates

Company Secretaries

Sd/

**Durga Bhavani Agarwal
Partner**

FCS :8324, CP No. 11608

UDIN: F008324F000971055

Peer Review Cer. No.: 622/2019

**Place: Hyderabad
Date: 13.08.2024**

Certificate on Corporate Governance

To
The Members,
CDG Petchem td

We have examined the compliance of conditions of Corporate Governance by CDG Petchem Limited ('the Company') for the year ended 31st March, 2024 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned 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 A. S. Ramkumar & Associates
Company Secretaries**

**Sd/
Durga Bhavani Agarwal
Partner**

**FCS :8324, CP No. 11608
UDIN: F008324F000971088**

Peer Review Cer. No.: 622/2019

**Place: Hyderabad
Date: 13.08.2024**

Form No. AOC-2

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

(Accounts) Rules, 2014)

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

1. Details of contracts or arrangements or transactions not at arm's length basis:							
(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements/ transactions:	(c) Duration of the contracts / arrangements / transactions:	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	(e) Justification for entering into such contracts or arrangements or transactions	(f) Date(s) of approval by the Board:	(g) Amount paid as advances, if any:	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

2. Details of material contracts or arrangement or transactions at arm's length basis (Amount in Lakhs)					
(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts/ arrangements / transactions	(c) Duration of the contracts/ arrangements/ transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) Date(s) of approval by the board, if any	(f) Amount paid as advances, if any
Ayushman Merchants Pvt. Ltd- Common Directors	Sale of Goods	Continual	409.98	22.07.2023	--
	Purchase of Goods	Continual	41.7	22.07.2023	
Dugar Polymers Ltd- Common Directors	Purchase of Goods	Continual	5.99	22.07.2023	--
	Sale of Goods	Continual	2	22.07.2023	--
Morbido Merchandise Pvt Ltd- Subsidiary Company	Purchase of Goods	Continual	6.92	22.07.2023	--
	Sale of Goods	Continual	1.62	22.07.2023	--

By Order of Board of Directors

Sd/-

Manoj Kumar Dugar

Managing Director

DIN : 00352733

Sd/-

Rajesh ChandanmalDugar

Director

DIN : 00730059

Place: Hyderabad

Date: 13.08.2024

Form AOC-1

(Pursuant to first proviso to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014)
Statement showing salient features of the financial statements of subsidiaries, joint ventures and associates as per Companies Act, 2013 ('Act')

Part A: Subsidiaries**(Rs. In Lakhs)**

Name of the Subsidiary	Morbido Merchandise Private Limited
Date on which Subsidiary is incorporated	27.06.2016
Share Capital	10.00
Reserves & Surplus	24.46
Total Liabilities	626.00
Total Assets	660.35
Investments (included in Total Assets)	0.658
Total Income (Including other income)	2528.51
Profit before tax	36.69
Provision for tax	(0.67)
Profit after Tax	37.35
Dividend	-
% of shareholding	51%
Reporting Period	March 31, 2024
Reporting Currency	INR

Part B: Joint Ventures/Associates

- There are no joint Ventures/Associates

By Order of Board of Directors

Sd/-

Manoj Kumar Dugar
Managing Director
DIN : 00352733

Sd/-

Rajesh Chandanmal Dugar
Director
DIN : 00730059

Place: Hyderabad
Date: 13.08.2024

DISCLOSURES PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Required disclosures under Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are asunder:

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year

(In lakhs)

S.No	Name	Designation	Total Remuneration (Rs)	Ratio of remuneration of director to the Median remuneration
1	Manoj Kumar Dugar	Managing Director	9.00	3.75

Notes:

1. The aforesaid details are calculated on the basis of remuneration for the financial year 2023-24
2. The remuneration to Directors includes sitting fees paid to them for the financial year 2023-24
3. Median remuneration of all its employees is 240,000/- for the financial year 2023-24

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year

S. No	Name	Designation	At the end of the Financial year	At the beginning of Financial year	Increase %
1	Manoj Kumar Dugar	Managing Director	9.00	9.00	NIL
2	Nikhil Agarwal	Chief Financial Officer	2.40	1.20	100%
3	Purva Palshikar	Company Secretary	2.40	2.40	NIL

3. The percentage increase/(decrease) in the median remuneration of employees in the financial year: 15.26%
4. 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 Key Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

(Amount in Rs.)

	As on 31 st March, 2024	As on 31 st March, 2023	Increase %
Average salary of all employees (Other than Key Managerial Personnel)	0.91	3.20	71.56%
Key Managerial Personnel			

Salary of Manoj Kumar Dugar(MD)	9.00	9.00	NIL
Salary of Nikhil Agarwal (CFO)	2.40	1.20	100%
Salary of Purva Palshikar (CS)	2.40	2.40	NIL

- The increase in remuneration of employees other than the Key Managerial Personnel is considerably in line with the increase in remuneration of Key Managerial Personnel.
- It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- Statement containing the particulars of employees in accordance with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, vide notification dated 30th June,2016:

List of top ten employees of the Company in terms of remuneration drawn and employed throughout the financial year 2023-24

Name	Designation	Remuneration (Rs)	Qualification	Experience	Date of Joining	Last Employment
Nikhil Agarwal	Chief Financial Officer	2.40 Lakhs	Company Secretary	7 Years	24-Dec-2020	Nayan Hardware Private Limited

For CDG Petchem Limited

Sd/-

Manoj Kumar Dugar

Managing Director

DIN : 00352733

Place: Hyderabad

Date: 13.08.2024

Annexure-VI

Information under section 134 of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 and forming a part of Directors' Report.

Conservation of Energy

The Company is striving to conserve energy by adopting innovative measures to reduce wastage and optimize consumption. The adoption of the above helps to control the proportionate increase in total energy usage consequent to overall increase in production. The total energy consumption is given as perform-A below:

FORM - A

Form for Disclosure of Particulars with respect to Conservation of Energy

PARTICULARS	2023-24	2022-2023
POWER & FUEL CONSUMPTION		
Electricity		

a) Purchased		
Units	152440	23,716
Total Amount (Rs.)	15,38,123.56	1,99,451.56
Rate Per Unit (Rs.)	10.09	8.41
b) Own Generation		
Though Diesel Generator	-	-
Units (Liters)	-	-
Total Cost (Rs.)	-	-
Coal (Specify quality and where used)	Nil	Nil
Furnace Oil	Nil	Nil
Natural Gas	Nil	Nil
Consumption per Unit of Production		
The consumption of raw material per kg	-	-

FORM B (See Rule 2)

Form for Disclosure of Particulars with respect to Technology Absorption (R&D)

- A. Research and Developed (R&D) - NIL
 B. Technology absorption, adoption and innovation - NIL
 C. Foreign Exchange Earnings and Outgo: NIL

By Order of Board of Directors

Sd/-

**Manoj Kumar Dugar
 Managing Director
 DIN: 00352733**

Sd/-

**Rajesh ChandanmalDugar
 Director
 DIN: 00730059**

**Place: Hyderabad
 Date: 13.08.2024**

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

[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 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended]

The Members,
CDG Petchem Limited
CIN: L5110TG2001PLC072532
Hyderabad -500 003
Telangana

We have conducted the secretarial audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by CDG PETCHEM LIMITED [Corporate Identification Number: L51100TG2011PLC072532] (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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 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 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment. (There were no External Commercial Borrowings transactions in the Company, during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2018;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable during the period under review) ;
 - d. The Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ; (Not applicable during the period under review);

- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ; (Not applicable during the period under review);
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the period under review); and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable during the period under review) ;
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) The Management has identified and confirmed the following Laws as being specifically applicable to the Company:
1. Acts and Rules relating to Environmental protection and energy conservation;
 2. Acts and Rules relating to hazardous substances and chemicals;
 3. Contract Labour (Regulation and Abolition) Act, 1970
 4. Employees State Insurance Act, 1948
 5. Employees Compensation Act, 1923
 6. Employees Provident Fund and Miscellaneous Provisions Act, 1952
 7. Indian Contract Act, 1872
 8. Income Tax Act, 1961 and Indirect Tax Laws
 9. Indian Stamp Act, 1999
 10. Minimum Wages Act, 1948
 11. Payment of Bonus Act, 1965
 12. Payment of Gratuity Act, 1972
 13. Payment of Wages Act, 1936.

We believe that the audit evidence which we have obtained is sufficient and appropriate to provide a basis for our audit opinion. In our opinion and to the best of our information and according to explanations given to us, we believe that the systems and mechanisms established by the Company are adequate to ensure compliance of laws as mentioned above. We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory auditor, tax auditor, and other designated professionals.

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;
- (ii) The Uniform Listing Agreement entered into with BSE Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and such other regulatory authorities for such acts, rules, regulations, standards etc. as may be applicable, from time to time issued for compliances under the pandemic situation, have been complied with by the Company as mentioned above.

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

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

Notes on Agenda which are circulated less than the specified period the necessary compliances under the Companies Act, 2013 and secretarial standard on Meeting of the Board of Directors are complied with. Further, the Circulars, Regulations and Guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India and other relevant regulatory authorities in view of the pandemic pertaining to Board/ Committee meetings, General Meetings and other provisions of the Act, Rules and Regulations have been complied with by the Company.

Based on the verification of the records and minutes, the decisions were carried out with the consent of the Board of Directors / Committee Members and no Director / Member dissented on the decisions taken at such Board / Committee Meetings.

We further report that based on the review of compliance mechanism established by the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

We further report that the above-mentioned Company being a Listed entity, this report is also issued pursuant to Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and circular No.CIR/CFD/CMD1/27/2019 dated 8th February, 2019 issued by Securities and Exchange Board of India.

We further report that as per the information and explanation provided by the Management, the Company has Material Unlisted Subsidiary(ies) Incorporated in India pursuant to Regulation 16 (c) and 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the period under review.

**For A. S. Ramkumar & Associates
Company Secretaries**

**Sd/-
Durga Bhavani Agarwal
Partner**

**Place: Hyderabad
Date: 13.08.2024**

**FCS :8324, CP No. 11608
UDIN: F008324F000971099
Peer Review Cer. No.: 622/2019**

This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure to the Secretarial Audit Report

The Members
CDG Petchem Limited
CIN: L5110TG2001PLC072532
Hyderabad -500 003
Telangana

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

1. Maintenance of secretarial records 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 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For A. S. Ramkumar & Associates
Company Secretaries

Sd/
Durga Bhavani Agarwal
Partner

Place: Hyderabad
Date: 13.08.2024

FCS :8324, CP No. 11608
UDIN: F008324F000971099
Peer Review Cert. No.: 622/2019

INDEPENDENT AUDITOR'S REPORT(Standalone)

To,

**The Members of,
CDG Petchem Limited (Formerly known as Urbaknitt Fabs Limited)
Report on the Audit of Standalone Financial Statements**

Opinion

We have audited the accompanying Standalone Financial statements of **CDG PETCHEM LIMITED (formerly known as Urbaknitt Fabs Limited) ("The Company")**, which comprise the Standalone Balance Sheet as at **31st March, 2024** and the Standalone Statement of Profit & Loss (including the statement of Other Comprehensive Income), the Standalone Cash Flow Statement and the Standalone Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of the 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 for the year ended 31st March, 2024 give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, and total comprehensive income (comprising of profit and other comprehensive income) its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the "Auditor's responsibilities for the Audit of 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our 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 on the standalone financial statements.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of Consolidated Financial Statements for the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Physical Inventory Verification	Principal Audit Procedures
<p>The auditor's responsibility is to ascertain whether the management has satisfactory procedures for physical verification of inventories, so that in the normal circumstances the programme of physical verification will cover all material items of inventories at least once during the year.</p> <p>As per relevant Guidance Note, Auditors are advised to witness implementation of physical verification programme; however, due to the unfavorable circumstances our presence was not possible.</p>	<p>Our audit procedures included but are limited to detailed written confirmations of inventories held by the stores in-charge of different locations.</p> <p>We have tested the effectiveness of controls present for inwards and issues for consumption.</p> <p>We have employed analytical procedures such reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the gross profit ratio for the previous year; comparison of significant ratios relating to inventories with the similar ratios for other company in the same industry.</p>

We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the annual report but does not include the Standalone financial statements and our auditor's 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 do 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 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Responsibilities of management and those charged with the governance for the standalone financial statement

The Company's Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the companies (Indian Accounting Standards) Rule, 2015, as amended. 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 financial controls 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 system 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 and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of reasonably knowledgeable user of Standalone Financials Results 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 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirement

(i) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(ii) A) As required by section 143(3) of the Act, we further 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 purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; our report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- (iii) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company does not have any pending litigations which would impact its financial position.
 - b. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - c. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
 - d. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
 - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Funding Party or
 - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
 - (iv) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (d) (i) and (d) (ii) contain any material miss-statement.
- v. With respect to the matter to be included in the Auditor’s Report under Section 197(16) of the Act:
 In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.
- vi. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

**For S. Bhalotia & Associates
 (Chartered Accountants)
 Firm’s Registration no.: 325040E**

Sd/-

**CA Binod Kumar Sahoo
 (Partner)**

**Membership No: 305406
 UDIN: 24305406BKCJWR3569**

Place: Hyderabad

Date: The 18th day of May, 2024

Annexure A to the Independent Auditor's report on the standalone financial statements of CDG Petchem Limited (Formerly known as Urbaknitt Fabs Limited) for the year ended 31st March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment;
- (b) The company does not own any intangible asset and hence the reporting requirement of this sub-clause does not apply to the company.
- (c) As per the information and explanation given to us, the Property, Plant and Equipment have been physically verified by the management at regular intervals, which in our opinion, is reasonable. According to the information and explanations given to us, based on the records examined by us, no material discrepancies were noticed on such verification
- (d) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- (e) According to the information and explanations given to us, based on the records examined by us, the company has not revalued any of its Property, Plant and Equipment (including Right to Use asset). As the company does not own any intangible asset, the reporting requirement of this sub-clause does not apply to intangible asset.
- (f) According to the information and explanations given to us, based on the records examined by us, no proceedings have been initiated or are pending against the company under Benami Transactions (Prohibition) Act, 1988 and rules made thereunder as the company does not hold any benami property.
- (ii) (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The company has maintained proper records of inventory as explained to us. There was no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets & fixed assets.
- (iii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties for the year ended 31st March, 2024 and therefore paragraph 3(iii)(a) of the order are not applicable to the company and hence not commented upon.
- (b) The company has not made any investment, provided guarantees or given security during the year and therefore the reporting requirements of clause 3(iii)(b) of the order is not applicable to the company.
- (c) The company has not sanctioned any loans and advances in the nature of loans, and has not stipulated the schedule of repayment of principal and payment of interest. Accordingly, clause 3(iii)(c) of the order is not applicable.

- (d) As the company has not sanctioned any loans and advances, thus no amounts are overdue for more than ninety days
- (e) As the company has not sanctioned any loans and advances, thus there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the over dues of existing loans given to the same party.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 with respect to the loans and investments made and provisions of section 185 with respect to loans to directors.
- (v) In our opinion and according to the information and explanations given to us, based on the examination of records, the company has not accepted deposits from public and there are no amounts which are deemed to be deposits and hence the provisions of sections 73 to 76 or any other provisions of the Companies Act and the rules made there under are not applicable to the company.
- (vi) According to information and explanation given by the management, the maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Act, for any of the activities carried on by the company and hence para3(vi) of the Order is not applicable to the company.
- (vii) (a) According to the information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues including Income-tax, Tax deducted at sources, Service Tax, and other material statutory dues applicable to it, with the appropriate authorities and based on information and explanation given to us, and examination of records, there are no outstanding of statutory dues as at 31st March 2024 for a period of more than six months from the date they became payable.
- (b) Statutory dues that have not been deposited on account of any dispute, are as follows:

Name of the Statute	Section Code	Authority where dispute is pending	Period to which it relates	Amount (Rs. in lakhs)
Income Tax Act, 1961	143 (3)	Assessing Officer	Assessment year 2018-19	16.26

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any ban or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management and on the basis of our examination of the records of the Company, the Company has utilized the sanctioned limits under the term

loan for the purpose they were granted for, but the working capital limits were partly utilized by the company for acquiring Fixed Assets which is in contravention to the provisions of this clause.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable

(x) (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.

(xii) The company is not a Nidhi company and hence the provisions para 3(xii) (a) to (c) of the Order referred to in Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act does not apply to the company.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the period under audit without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act 1934 Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (xvii) Company has incurred cash losses of Rs 77.02 lakhs/- in the financial year 2023-24.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. Further, Receivables outstanding for more than two years, are considered unsecured and good are subject to external confirmation, as per the opinion of the management no provision required in this regard. 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) Considering the losses in previous years, the company is not required to spent under CSR activities during the year hence the clause 3(xx)(a) & (b) is not applicable.

**For S. Bhalotia & Associates
(Chartered Accountants)
Firm's Registration no.: 325040E**

**Sd/-
CA Binod Kumar Sahoo
(Partner)
Membership No: 305406
UDIN: 24305406BKCJWR3569**

**Place: Hyderabad
Date: The 18th day of May, 2024**

Annexure B to the Independent Auditor’s report on the standalone financial statements of CDG Petchem Limited (Formerly known as Urbaknitt Fabs Limited) for the year ended 31st March 2024.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

We have audited the internal financial controls with reference to Standalone Financial Statement of **M/s. CDG PETCHEM LIMITED (formerly known as Urbaknitt Fabs Limited) (“The Company”)** as of 31 March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S. Bhalotia & Associates
(Chartered Accountants)
Firm's Registration no.: 325040E**

**Place: Hyderabad
Date: The 18th day of May, 2024
UDIN: 24305406BKCJWR3569**

**Sd/-
CA Binod Kumar Sahoo
(Partner)
Membership No: 305406**

CDG PETCHEM LIMITED			
(Formerly Urbaknitt Fabs Limited)			
Cin: L51100TG2011PLC072532			
Statement of Assets and Liabilities as at March 31, 2024			
			(₹ Lakhs)
Particulars	Note	As at 31st March 2024	As at 31st March 2023
ASSETS			
Non-current Assets			
(a) Property, Plant and Equipment and intangible Assets			
- Property, Plant and Equipment	5	473.79	531.43
(b) Financial Assets			
- investments	6	5.30	5.30
(c) Other Non-current Assets			
	7	14.23	14.23
		493.32	550.96
Current Assets			
(a) inventories			
	8	57.11	259.03
(b) Financial Assets			
- Trade receivables	9	391.82	349.06
- Cash and Bank Balances	10	13.54	6.43
- Other Financial Assets	11	30.28	55.74
(c) Other Current Assets			
	12	55.42	70.58
		548.18	740.85
Total Assets		1,041.50	1,291.81
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital			
	13	307.75	307.75
(b) Other Equity			
	14	(222.63)	(130.99)
Total Equity		85.12	176.76
Liabilities			
Non Current Liabilities			
(a) Financial liabilities			
- Borrowings	15	365.62	458.78

(b) Deferred tax Liabilities(Net)	16	22.66	26.07
Current liabilities		-	-
(a) Financial Liabilities		-	-
- Borrowings	17	546.67	585.59
- Trade Payables	18	-	-
- Total Outstanding dues of Micro and Small Enterprises		0.02	11.54
- Total Outstanding dues Other than Micro and Small Enterprises		3.13	-
- Other Financial Liabilities	19	3.67	17.45
(b) Other Current Liabilities	20	13.08	11.78
(c) Provisions	21	1.54	3.84
Total Liabilities		956.38	1,115.05
Total equity and liabilities		1,041.50	1,291.81

AS PER OUR REPORT OF EVEN DATE ATTACHED		For and on behalf of the BOD	
For S. Bhalotia & Associates		of CDG Petchem Limited	
Chartered Accountants			
FRN : 325040E			
Sd/-		Sd/-	Sd/-
CA. Binod Kumar Sahoo		Manoj Kumar Dugar	Rajesh Kumar Dugar
Partner		Managing Director & Chairman	Director
Membership No : 305406		(Din:00352733)	(Din 00730059)
Place: Hyderabad		Sd/-	Sd/-
Date : 18-05-2024		Purva Palshikar	Nikhil Agarwal
UDin : 24305406BKCJWR3569		Company Secretary	Chief Financial Officer

CDG PETCHEM LIMITED				
CIN: L51100TG2011PLC072532				
<u>Statement of Profit and Loss for the Period Ended 31st March, 2024</u>				
			(₹' Lakhs)	
Particulars		Note	For the Year 31st March, 2024	For the Year 31st March, 2023
I	Income			
	Revenue from operations	22	1,539.98	2,381.26
	Other income	23	67.83	22.81
	Total Income		1,607.82	2,404.07

II	Expenses		-	-
	Cost of Materials Consumed	24	1,468.94	2,260.18
	Changes in inventories of Finished Goods, Stock in Trade & Work-in-Progress	25	43.22	-12.41
	Employee benefits expense	26	18.73	29.68
	Finance costs	27	96.38	70.24
	Depreciation & Amortisation Expense	5	14.62	22.30
	Other expenses	28	60.99	78.48
	Total Expenses		1,702.86	2,448.46
III	Profit before tax (I-II)		(95.05)	-44.39
IV	Tax Expense:		-	-
	Current Tax		-	-
	income tax relating to previous year		-	-
	MAT credit entitlement		-	-
	Total Tax Expense		(3.41)	-2.96
V	Profit /(Loss) for the period after tax (V+VIII)		(91.64)	(41)
VI	Other Comprehensive income		-	-
A	Items that will not be reclassified to profit or loss		-	-
B	Items that will be reclassified to profit or loss		-	-
	Other Comprehensive income for the year, net of tax (A+B)		-	-
VII	Total Other Comprehensive income for the year		(91.64)	-41.42
VII			-	-
I	EARNINGS PER EQUITY SHARE			
	Basic and Diluted		(0.00)	-0.13
AS PER OUR REPORT OF EVEN DATE ATTACHED			For and on behalf of the BOD	
For S. Bhalotia & Associates			of CDG Petchem Limited	
Chartered Accountants				
FRN : 325040E			Sd/-	Sd/-
Sd/-			Manoj Kumar Dugar	Rajesh Kumar Dugar
CA. Binod Kumar Sahoo			Managing Director & Chairman	Director
Membership No : 305406				
Place: Hyderabad			Sd/-	Sd/-
Date : 18-05-2024			Purva Palshikar	Nikhil Agarwal

UDin : 24305406BKCJWR3569

Company Secretary

Chief Financial
Officer

CDG PETCHEM LIMITED		
CIN: L51100TG2011PLC072532		
		(₹' Lakhs)
PARTICULARS	Year Ended 31st March 2024	Year Ended 31st March 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit (Loss) before Tax	(95.05)	(44.39)
Adjustments for Non-Operating Activities:	-	-
Depreciation	14.62	22.30
Loss/ (Profit) on Sale of Assets	(67.61)	7.76
Finance Cost	96.38	70.24
Interest Received	-	(0.03)
	43.38	100.27
Operating Profit before Working Capital Changes	(51.67)	55.89
Adjustments for Working Capital Changes:	-	-
Inventories	201.92	(157.93)
Trade Receivables	(42.76)	358.17
Other financial Assets	25.46	(52.95)
Other Assets	15.15	(39.41)
Provisions for Expenses	(2.30)	3.55
Trade Payables	(8.40)	(26.36)
Other financial liabilities	(13.78)	15.70
Other Current Liabilities	1.30	(402.29)
Non Current Financial Assets	-	0.35
Cash Generation From Operations	176.60	(301.18)
Direct Taxes Paid/(Refund) (Net)	-	(3.12)
A. Net Cash from Operating Activities	124.93	(248.41)
CASH FLOW FROM INVESTING ACTIVITIES	-	-
Acquisition of Fixed Assets (including capital work in progress)	(32.64)	(107.23)

Proceeds from Sale of Fixed Assets	143.27	183.61
Interest Received	-	0.03
Sale of Subsidiary	-	4.90
B. Net Cash from Investing Activities	110.63	81.31
CASH FLOW FROM FINANCING ACTIVITIES	-	-
Financial costs Incurred	(96.38)	(70.24)
Loan Taken/Repayment of Borrowings	(132.08)	239.25
C. Net Cash from Financing Activities	(228.46)	169.01
Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)	7.11	1.91
Cash and Cash Equivalent (Opening)	6.43	4.53
Cash and Cash Equivalent (Closing)	13.54	6.43

AS PER OUR REPORT OF EVEN DATE ATTACHED		
For S. Bhalotia & Associates	For and on behalf of the BOD	
Chartered Accountants	of CDG Petchem Limited	
FRN : 325040E		
	Sd/-	Sd/-
Sd/-	Manoj Kumar Dugar	Rajesh Kumar Dugar
CA. Binod Kumar Sahoo	Managing Director & Chairman	Director
Partner	(DIN:00352733)	(DIN 00730059)
Membership No .: 305406		
Place: Hyderabad	Sd/-	Sd/-
Date : 18-05-2024	Purva Palshikar	Nikhil Agarwal
UDin : 24305406BKCJWR3569	Company Secretary	Chief Financial Officer

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS (STANDALONE)

1. Corporate Information

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) (“the company”) is a Company registered under the Companies Act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE). The company was incorporated on 7th February 2011, having its registered office at Plot no 10 & 11, MCH No 1-8-304 to 307/10, Pattigadda Road Hyderabad 500003 TG. The company’s CIN No. is L51100TG2011PLC072532. The company is engaged in the manufacture of Knitted Fabrics, Mattresses and Pillows; along with Trading & Distribution of Minerals, Plasticizers, Construction, Plastic Raw Materials and Pharma Chemicals.

2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2024, the Company prepared its financial

statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

3. Use of estimates and judgments:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

4. Significant Accounting Policies:

(a) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

(b) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company.

Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

(c) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives, the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

(e) Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

(f) Depreciation and amortization:

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

(g) 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 realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized 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.

(h) Financial assets

Financial assets comprise of cash and cash equivalents.

Initial recognition:

All financial assets are recognised initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the assets.

Subsequent Measurement:

(i) Financial assets measured at amortised cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortised cost using effective interest rate (EIR) method. The EIR amortization is recognize as finance income in the Statement of Profit and Loss.

The Company while applying above criteria has classified the following at amortized cost:

- Trade receivable
- Cash and cash equivalents
- Other Financial Asset

Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

De-recognition of Financial Assets:

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(i) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(j) Inventories

Finished Goods, work-in-process and wastage to be valued at cost or net realizable value, whichever is lower.

Raw Material and Stores and Spares are valued at lower of cost or net realizable value after providing for obsolescence.

Cost comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and conditions. Cost formula used is weighted average cost.

(k) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

(l) Financial liabilities**Initial recognition and measurement:**

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortised cost.

Subsequent measurement:

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities:

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 the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(m) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(n) Employee Benefits

Employee benefits are charged to the Statement of Profit and Loss for the year.

Provident Fund

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognized, when the contributions to the respective funds are due. There are no other obligation other than the contribution payable to the respective funds.

Gratuity

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

Expense in respect of other short term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(o) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Minimum Alternative Tax (MAT)

MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

(p) Leases

As a lessee

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

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.

Leasehold land: Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

(q) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

(r) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

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 assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(s) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(t) Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Standalone Financial Statements
(All amounts in Indian Rupees, unless otherwise stated)

Note 5: Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment

(₹ ' Lakhs)

Particulars	Rate	Useful Life (in years)	Gross Block- at cost				Depreciation				Net Block	
			As at April 01, 2023	Additions	Disposals	As at 31st March 2024	Upto 31st March, 2023	For the period	On deletions	As at 31st March 2024	As at 31st March 2024	As at 31st March 2023
Land	-	-	194.58	-	-	194.58	-	-	-	-	194.58	194.58
Building	3%	30	136.00	-	-	136.00	9.89	2.15	-	12.04	123.96	126.11
Plant and Machinery	15%	15	213.19	32.64	143.27	170.16	19.93	10.77	5.37	25.33	144.83	193.26
Computers		3	3.11	-	-	3.11	3.11	-	-	3.11	-	-
Electrical Installation and Equipment	10%	10	23.68	-	-	23.68	14.88	2.76	-	17.63	6.04	8.80
Furniture and Fixtures	19%	10	5.43	-	-	5.43	2.95	0.52	-	3.46	1.97	2.48
Vehicles		8	10.87	-	-	10.87	7.32	1.29	-	8.61	2.26	3.55
Office Equipment		5	12.95	-	-	12.95	10.30	2.50	-	12.79	0.15	2.65
Total (A)			599.80	32.64	143.27	556.78	68.37	19.99	5.37	82.98	473.79	531.43
Previous Year		-	757.33	107.23	264.77	599.80	119.46	22.30	73.39	68.37	531.43	637.87

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Standalone Financial Statements
 (All amounts in Indian Rupees, unless otherwise stated)

6. Investments		(₹ ' Lakhs)	
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Equity Instruments (Unquoted-at cost) (In Subsidiary Co.)			
Morbido Merchandise Private Limited (C.Y 51,000 Equity shares, P.Y 1,00,000 Equity Shares of Rs 10/- each fully paid up)	5.30	5.30	
	-		
Total	5.30	5.30	
7. Other non-current assets			
Particulars	As at 31st March, 2024	As at 31st March, 2023	
(Unsecured, Considered Good)	-		
Capital Advances	-	-	
Other Financial Assets	-		
Security Deposits:-	-		
Rent Deposit	9.75	9.75	
Water Deposit	-	0.02	
Electricity Deposit	0.50	3.75	
Other Deposit	3.98	0.71	
Total	14.23	14.23	
8. Inventory			
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Finished Goods	47.11	9.58	
Finished Stock of Traded Goods	10.00	90.75	
Work-in-Progress/at job work	-	-	
Raw Material	-	-	
Total	57.11	100.33	
Refer Note No 4(j)			
9. Trade Receivables			
Particulars	As at 31st March, 2024	As at 31st March, 2023	
Unsecured	-		
Considered Good	-		
Less than 6 Months	216.04	161.88	
6 months to 1 Year	41.62	11.82	
1 - 2 Years	67.98	70.23	
2 - 3 Years	16.33	18.63	
More than 3 years	49.86	86.50	
Total	391.82	349.06	

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) Notes forming part of the Standalone Financial Statements (All amounts in Indian Rupees, unless otherwise stated)		
10. Cash and Bank Balances		(₹ ' Lakhs)
Particulars	As at 31st March, 2024	As at 31st March, 2023
Cash in Hand	5.95	3.95
Balances with Banks	-	
- In Current Accounts	7.59	2.49
Total	13.54	6.43
11. Other Financial Assets		
Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured, Considered Good)	-	
Advance to Suppliers	30.25	55.72
Other Advances & Receivables	0.03	0.03
Total	30.28	55.74
12. Other Current Assets		
Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured, Considered Good)	-	
Balances with Government Authorities	42.13	58.08
Income Tax Refundable	13.29	12.50
Total	55.42	70.58

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) Cin: L51100TG2011PLC072532						
13. Equity Share Capital						(₹ ' Lakhs)
	As at March 31st, 2024			As at March 31st, 2023		
	Number of shares	Amount		Number of shares	Amount	
Authorized Capital 50,00,000 equity shares of Rs. 10/- each	5,000,000	500.00		5,000,000	500.00	
Issued, Subscribed and Paid-up Capital 30,77,500 equity shares of Rs. 10/- each fully paid up	3,077,500	307.75		3,077,500	307.75	
a) Terms / Rights attached to Equity Shares						
The company has only one class of issued equity shares having a par value of Rs.10/- per share. Each shareholder is entitled to one vote per share. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.						
b) Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year:						
Particulars	As at March 31st, 2024			As at March 31st, 2023		
	Number of Shares	Amount		Number of Shares	Amount	
Equity Shares of Rs.10/- each fully paid up						
Shares outstanding at the beginning of the year	3,077,500	307.75		3,077,500	307.75	
Shares Issued during the year	-	0.00		-	0.00	
Shares outstanding at the end of the year	3,077,500	307.75		3,077,500	307.75	
c) Details of shareholders holding						
Name of the shareholder	As at March 31st, 2024			As at March 31st, 2023		
	Number of shares	% of holding	% Change during the year*	Number of shares	% of holding	% Change during the year*
Promoters' Share Holding						
Tara Devi Dugar	369,325	12.00%	0.00	369,325	12.00%	0.00
Renu R Dugar	300,362	9.76%	0.00	300,362	9.76%	0.00
Rajesh Kumar Dugar	276,975	9.00%	0.00	276,975	9.00%	0.00
Manoj Kumar Dugar	256,525	8.34%	0.00	256,525	8.34%	0.00
Divay Dugar	246,255	8.00%	0.00	246,255	8.00%	0.00
Chirag Dugar	246,250	8.00%	0.00	246,250	8.00%	0.00
Renu M Dugar	215,360	7.00%	0.00	215,360	7.00%	0.00
Other Share Holder Holding More than 5%						
Balram Chainrai & Anita Chainrai Advani	294,000	9.55%	0.00	294,000	9.55%	0.00
Total	1,911,052			1,911,052		
The shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal ownership of shares.						

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) Notes forming part of the Standalone Financial Statements (All amounts in Indian Rupees, unless otherwise stated)		
14 Other equity	(Rupees in Lakhs)	(₹ ' Lakhs)
Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 1 April, 2021(A)	(80.88)	(80.88)
Additions during the year:		
Profit for the year	(8.69)	(8.69)
Total Comprehensive Income for the year 2021-22 (B)	(8.69)	(8.69)
Balance at 31 March 2022 (C=A+B)	(89.57)	(89.57)
Balance at 1 April 2022(D)	(89.57)	(89.57)
Additions during the year:		
Profit for the year	(41.42)	(41.42)
Adjustment of Goodwill	-	-
Other Comprehensive Income (net of tax)	-	-
Total Comprehensive Income for the year 2022-23 (E)	(41.42)	(41.42)
Tax on dividends	-	-
Balance at 1 April 2023(G)	(130.99)	(130.99)
Additions during the year:		
Profit for the year	(91.64)	(91.64)
Adjustment of Goodwill	-	-
Other Comprehensive Income (net of tax)	-	-
Total Comprehensive Income for the year 2023-24 (H)	(91.64)	(91.64)
Balance as at 31st March 2024(I=G+F)	(222.63)	(222.63)
Description of nature and purpose of reserve is as follows		
Retained Earnings: Retained earnings comprise of net accumulated profit/(loss) of the company, after declaration of dividend.		
15 Borrowings	(Rupees in Lakhs)	
Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured		
Term Loan from ICICI Bank*	23.33	70.00
*Term Loan:		
Primary Security: Charge over Fixed Assets & Current Assets of the company both current & future.		
Collateral Security: Charge over property located at Plot No 3 and 4 in Sy No 41, Situated at Kapnoor Li Stage Industrial Area, Humnabad Road Kalaburgi Tq and District Kalaburgi, Beside Deccan Herald and Orjavani Press, Gulbarga, Karnataka, India, 585101.		
Terms of Repayment: repayable in 18 quarterly instalments payable on last date of quarter after moratorim period of 6 months		
Interest Rate: repo rate plus spread per annum payable on the last date of each month.		
*ECLGS Loan:		
Primary Security: Charge over Fixed Assets & Current Assets of the company both current & future.		
Collateral Security: Charge over property located at Plot No 3 and 4 in Sy No 41, Situated at Kapnoor Li Stage Industrial Area, Humnabad Road Kalaburgi Tq and District Kalaburgi, Beside Deccan Herald and Orjavani Press, Gulbarga, Karnataka, India, 585101.	132.22	140.00
Terms of Repayment: repayable in 60 quarterly instalments payable on last date of quarter after moratorim period of 2 months		
Interest Rate: @ I-EBLR(7.7%)+ Spread		
Unsecured		
Loans from Related Parties	210.06	248.78
	365.62	458.78
Less: Current maturities of vehicle loan	-	-
Total (A-B)	365.62	458.78

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) Notes forming part of the Standalone Financial Statements (All amounts in Indian Rupees, unless otherwise stated)		
16	Deferred Tax Liability (Net)	(₹' Lakhs)
	Particulars	As at 31st March, 2024
		As at 31st March, 2023
	(A)Deferred Tax (Asset)/Liability at the beginning of the year	35.05
	Add/Less: Deferred Tax (Asset)/ Liability for the year, on account of depreciation	(3.41)
		31.64
	Less: (B) MAT Credit Entitlement	(8.98)
	Total (A-B)	22.66
		26.07
17	Borrowings	
	Particulars	As at 31st March, 2024
		As at 31st March, 2023
	Secured	
	Working Capital Loan from ICICI Bank*	500.00
	Current Maturities of Long Term Debts- Secured*	46.67
	Total	546.67
		585.59
17a		
S No	Particulars of Loans	Purpose (as per Loan Agreement)
		Whether used for the purpose stated in the loan Agreement
1	Working Capital Loan From bank with ECLGS	The facility shall be used for working capital requirements
		No
2	Term Loan	The facility shall be used for Purchase of Land at Gulbarg
		Yes
18	Trade payables	
	Particulars	As at 31st March, 2024
		As at 31st March, 2023
	For Goods & Services Less than 1 Year	
	- Total Outstanding dues of Micro and Small Enterprises	0.02
	- Total Outstanding dues Other than Micro and Small Enterprises	3.13
	Total	3.14
		11.54
19	Other Financial Liabilities	
	Particulars	As at 31st March, 2024
		As at 31st March, 2023
	Creditors for expenses	0.33
	Creditors for Capital Goods	-
	Statutory dues payable	3.34
	Total	3.67
		17.45
20	Other Current Liabilities	
	Particulars	As at 31st March, 2024
		As at 31st March, 2023
	Audit Fees Payable	0.50
	Advance from Customers	12.58
	Other Liabilities	0.59
	Total	13.08
		11.78
21	Provisions	
	Particulars	As at 31st March, 2024
		As at 31st March, 2023
	Provision for Employee Benefit	-
	Provision for Expenses	1.54
	Total	1.54
		3.84

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) Notes forming part of the Standalone Financial Statements (All amounts in Indian Rupees, unless otherwise stated)		
22. Revenue from operations		(₹ ' Lakhs)
Particulars	For the Year ending 31st March, 2024	For the Year ending 31st March, 2023
Sales of Finished goods	120.05	252.25
Sales of Traded goods	1,420.58	2,550.73
Less: Discount	(0.65)	(0.61)
	1,539.98	2,802.37
Less: Duties & Taxes	-	(421.11)
Total	1,539.98	2,381.26
23: Other Income		
Particulars	For the Year ending	For the Year ending 31st March, 2023
Interest Income	-	0.03
Profit on sale of Asset	67.61	1.68
Rent Received	-	20.13
Excess provisions of previous year written back	-	0.90
Discount Received	0.22	0.09
Total	67.83	22.81
24: Cost of Materials Consumed		
Particulars	For the Year ending 31st March, 2024	For the Year ending 31st March, 2023
Opening Stock of raw material	15.87	13.18
Add:- Purchase of Raw Materials	9.66	1,822.47
Add:-Purchase of Traded Goods	1,300.57	583.23
(Less):- Closing Stock of Raw Material		(158.70)
Total	1,326.10	2,260.18
25: Changes in Inventories of Finished Goods, Stock in Trade & Work- in Progress		
Particulars	For the Year ending 31st March, 2024	For the Year ending 31st March, 2023
Increase/Decrease in stock of Finished Goods & Semi-finished Goods		-
Inventories (at opening)		-
Finished Goods	9.58	34.59
Finished Stock of Traded Goods	90.75	53.33
Work-in-Progress	-	-
Total (A)	100.33	87.92
Inventories (at close)		-
Finished Goods	47.11	9.58
Finished Stock of Traded Goods	10.00	90.75
Work-in-Progress	-	-
Total (B)	57.11	100.33
Total (A-B)	43.22	(12.41)

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) Notes forming part of the Standalone Financial Statements (All amounts in Indian Rupees, unless otherwise stated)		
25(a): Details of closing inventory of:		(₹ ' Lakhs)
Particulars	For the Year ending 31st March, 2024	For the Year ending 31st March, 2023
Raw Materials (Broad heads)		
Polythene bags	-	0.69
Du build bag fabric	-	1.09
Raw material	-	156.93
Ayushlin-L (HDPE Tube)	-	-
Total	-	158.70
Finished Goods (Broad heads)		
Tarpaulin	-	0.84
Finished Goods-Cord	-	0.39
Finished Goods-Fabric	-	8.35
Total	-	9.58
Finished Stock of Traded Goods (Broad heads)		
Knitting Mesh Fabric	-	35.41
Tent	-	0.10
Polyvinyl Alcohol 0599 (PVA 0599)-39053000	-	20.52
Cord (Ropes)	-	-
Tarpaulin	-	-
PV Woven sacks	-	0.64
PVC Suspension Resin_Wet Resin-39041020	-	11.78
Fabric	-	-
Micro Silica Dubuild D 850	-	22.30
Total	-	90.75
Work-in-Progress (Broad heads)		
Packing Material	-	-
Plastic Strips	-	-
Total	-	-
26: Employee benefit expenses		
Particulars	For the Year ending 31st March, 2024	For the Year ending 31st March, 2023
Salaries and Wages	9.37	20.68
Staff welfare	0.35	-
Directors Remuneration	9.00	9.00
Total	18.73	29.68

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) Notes forming part of the Standalone Financial Statements (All amounts in Indian Rupees, unless otherwise stated)		
27: Finance cost	(₹' Lakhs)	
Particulars	For the Year ending 31st March, 2024	For the Year ending 31st March, 2023
Bank Charges	0.01	0.20
Interest Expense	65.77	67.53
Other Borrowing Costs	30.60	2.51
Interest on car loan	-	-
Interest on Term Loan	-	-
Interest on Working Capital Loan	-	-
Total	96.38	70.24
28: Other expenses		
Particulars	For the Year ending 31st March, 2024	For the Year ending 31st March, 2023
Manufacturing Expenses		
Power and Fuel	10.46	2.00
Consumables Stores and Spares Consumed	-	-
Carriage Inward	0.02	2.75
Factory expenses	22.28	-
Total Manufacturing Expenses (A)	32.75	4.74
Administrative Expenses	-	
Professional and Consultancy Charges	4.76	5.14
Insurance Charges	1.85	1.42
Printing & Stationery	0.10	0.86
Donation	0.83	-
-Plant & Machinery	0.43	3.12
-Others	0.90	0.82
Profit/Loss on sale of Asset	-	9.44
Rent, Rates and Taxes	0.28	2.22
Audit Fees	0.50	0.50
Postage & Courier Charges	0.04	0.15
Annual Issuer Fees (CDSL)	2.44	3.32
Rent	8.03	19.38
Travelling Expenses	0.92	1.75
Miscellaneous Expenses	1.41	5.28
Total Administrative Expenses (B)	22.47	53.38
Selling & Distribution Expenses	-	
Freight Outward	3.31	11.29
Advertisement/ Business Promotion Expenses	0.79	2.24
Commission on Sales	1.67	6.84
Total Selling & Distribution Expenses (C)	5.76	20.36
Total (A+B+C)	60.99	78.48

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS

29. Related Party Disclosure

(a) Name of the Related Parties and related party relationship

Enterprises owned or significantly influenced by key management personnel or their relatives:

- (i) M/s. Ayushman Merchants Private Limited.
- (ii) M/s. Ayushman Solutions Private Limited.
- (iii) M/s. Dugar Polymers Limited.
- (iv) Defodil Dealcom Private Limited.
- (v) Morbido Merchandise Private Limited.
- (vi) Du-Luk Polymers Private Limited.
- (vii) Basudeo Enterprises Private Limited.
- (viii) Dugar Ventures LLP

Key Managerial Personnel

- (i) Mr. Manoj Kumar Dugar
- (ii) Mr. Chirag Dugar

Subsidiary Company: M/s Morbido Merchandise Private Limited.

(b) The following transactions were carried out with related parties in the ordinary course of business during the year:

Figures in lakhs

S No.	Nature of Transaction	Name of the Related Parties	2023-24	2022-23
1	Purchase of Goods	Ayushman Merchants Pvt Ltd	41.70	0.55
		Dugar Polymers Limited	5.99	46.02
		Du-Luk Polymers Pvt Limited		-
		Morbido Merchandise Pvt Ltd	6.92	61.33
		Total		107.90
2	Sale of Goods	Ayushman Merchants Pvt Ltd	409.98	181.80
		Dugar Polymers Limited	2.006	14.94
		Morbido Merchandise Pvt Ltd	1.63	439.13
		Defodil Dealcom Private Limited		18.29
		Total	413.61	654.16
3	Remuneration	Manoj Dugar	9.00	9.00
		Total	9.00	9.00
4	Interest (on delayed payment)	Morbido Merchandise Pvt Ltd		-
5	Interest Payable	Dugar Ventures LLP	30.59	16.83
		Total	30.59	16.83

Figures in lakhs

Sl.No.	Nature of Transaction	Name of the Related Parties	2023-24	2022-23
6	Advance taken/(given)	a. Dugar Ventures LLP		
		Opening Balance(incl interest payable)	248.78	213.63
		Add: (Given)/taken during the year	59.00	29.50
		Less: Repaid During the year	(128.31)	(9.50)
		Add: Interest payable/ (receivable)	30.59	15.15
		Closing balance	210.06	248.78
7	Advances Taken/(Given) for materials	Morbido Merchandise Pvt Ltd		-
8	Sale of Property, Plant & Equipment	Ayushman Merchants Pvt Ltd		181.74

Disclosure required under Section 186(4) of the Companies Act 2013:

Disclosure pursuant to Securities Exchange Board of India (Listing Obligation and Disclosure Requirement and Regulation 2015) and Section 186 of the Companies Act 2013 is disclosed in note no: 30

30. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

31. Earnings Per Share (EPS)

Figures in lakhs

Particulars	2023-24	2022-23
Net Profit/(loss) after Tax	(91.64)	(41.42)
Net Profit/ (loss) after Tax available for equity share holders - For Basic and Diluted EPS	(91.64)	(41.42)
Weighted Average No. Of Equity Shares For Basic/Diluted EPS (No.s)	30.77	30.77
Nominal Value of Equity Shares	10	10/-
Basic/Diluted Earnings Per Equity Share	(2.98)	(1.34)

32. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31-03-2024	As at 31-03-2023
	lakhs	lakhs
Contingent Liabilities	-	-
Commitments:		
Guarantees issued by banks	-	-

33. Segment Reporting:

The Company has primary business of trading and manufacturing of knitted products and chemicals, which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

34. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

- i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
- ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2024 and 2023 is the carrying amounts.

C. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

Figures in lakhs

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-24					
Borrowings	-	500	365.62		865.62
31-Mar-23					
Borrowings	-	585.59	458.78		1,044.36
		585.59	458.78		1,044.36

35. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Figures in lakhs

Particulars	31 Mar 2024	31 Mar 2023
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) (A) Note 15 & 17	865.62	1,044.36
Other Payable (current and non-current, excluding current maturity of long term borrowings) (B) Note 18,19, 20 & 21	21.43	44.61
Less Cash and Cash Equivalents (C) Note 10	13.54	6.43
Net Debt (D) = (A) + (B) – (C)	873.51	1,082.54
Equity Share capital (E) Note 13	307.75	307.75
Other Equity (F) Note 14	(222.26)	(130.99)
Total Capital (G) = (E) + (F)	85.12	176.76
Capital and Net debt (H) = (D) + (G)	958.63	1,259.30
Gearing ratio (in %) (I) = ((D)/(H)*100)	91.12	85.96

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Standalone Financial Statements
(All amounts in Indian Rupees, unless otherwise stated)

36) Trade Payables Ageing Schedule

(₹ ' Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31.03.2024					-
(i) MSME	0.00				0.00
(ii) Others	0.31				0.31
(iii) Disputed dues – MSME					-
(iv) Disputed dues - Others					-
Total					0.31
As at 31.03.2023					
(i) MSME	11.54	-	-	-	11.54
(ii) Others	-	-	-	-	-
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	11.54	-	-	-	11.54

37) Summary of reconciliation of quarterly returns filed by the Company with banks & the books of accounts

Particulars		Stock Balances	Debtors	Creditors
Date	Details			
30.06.2023	As per books	755.04	1,393.32	618.98
	Submitted to the Bank	1,242.66	1,393.99	619.57
	Difference	-487.62	-0.67	-0.59
30.09.2023	As per books	573.68	1,158.83	483.58
	Submitted to the Bank	1,426.39	1,107.23	477.81
	Difference	-852.71	51.60	5.77
31.12.2023	As per books	313.24	1,009.38	229.19
	Submitted to the Bank	1,298.24	1,065.24	228.12
	Difference	-985.00	-55.86	1.07
31.03.2024	As per books	394.49	1,144.90	19.23
	Submitted to the Bank	880.96	1,145.37	6.40
	Difference	-486.48	-0.47	12.83

pending of updation of bank entries and figures in the Books of Accounts at the time of submission to the bank, and the statement such submitted was prepared with provisional figures.

38. Trade Payable & Trade Receivables balances are subject to confirmation.
39. Goods and Services Tax has been reduced from sales in the Statement of Profit & Loss.
40. Outstanding dues to the Micro, Small & Medium Enterprises as defined under the Micro, Small & Medium Enterprises Development Act, 2006, has been disclosed to the extent information obtained from the vendors.
41. Previous year's figures have been regrouped and rearranged, wherever found necessary.

AS PER OUR REPORT OF EVEN DATE ATTACHED

For S. Bhalotia & Associates
Chartered Accountants
FRN: 325040E

Sd/-
CA. Binod Kumar Sahoo
Partner
Membership No: 305406
Place: Hyderabad
Date: 18-05-2024
UDIN:24305406BKCJWR3569

For and on behalf of the BOD of CDG PETCHEM LIMITED

Sd/-
Manoj Kumar Dugar
Managing Director & Chairman
(DIN: 00352733)

Sd/-
Purva Palshikar
Company Secretary

Sd/-
Rajesh Kumar Dugar
Director
(DIN: 00730059)

Sd/-
Nikhil Agarwal
Chief Financial Officer

Independent Auditors' Report on Consolidated Financial Statements

To the Members,

CDG PETCHEM LIMITED (Formerly known as **Urbaknitt Fabs Limited**)

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **CDG Petchem Limited** (Formerly known as **Urbaknitt Fabs Limited**) (herein after referred to as "The Holding Company") and its subsidiary **Morbido Merchandise Private Limited** (collectively referred to as "the Group"), comprising of the consolidated balance sheet as at 31 March 2024, the consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement, the consolidated statement of changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of other financial information of the subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31 March 2024, and their consolidated profit including other comprehensive Income, their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the "Consolidated Financial Statements" section of our report. We are independent of the group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the rules there under, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of Consolidated Financial Statements for the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

<p>Physical Inventory Verification</p> <p>The auditor’s responsibility is to ascertain whether the management has satisfactory procedures for physical verification of inventories, so that in the normal circumstances the programme of physical verification will cover all material items of inventories at least once during the year.</p> <p>As per relevant Guidance Note, Auditors are advised to witness implementation of physical verification programme; however, due to the unfavorable circumstances our presence was not possible.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures included but are limited to detailed written confirmations of inventories held by the stores in-charge of different locations.</p> <p>We have tested the effectiveness of controls present for inwards and issues for consumption.</p> <p>We have employed analytical procedures such reconciliation of quantities of opening stock, purchases, consumption and closing stock; comparison of current year gross profit ratio with the gross profit ratio for the previous year; comparison of significant ratios relating to inventories with the similar ratios for other company in the same industry.</p>
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We have determined that there are no other key audit matters to communicate in our report.

Other Information

The Holding Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Consolidated financial statements and our auditor’s report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management’s Responsibility and those charged with Governance for the Consolidated Financial Statements

The holding company’s Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (“the Act”) that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 (hereinafter referred to as “the Act”) read with Rule 7 of the Companies (Accounts) Rules, 2014 the Companies (Indian Accounting Standards) Rules,2015, as amended. The respective Board of Directors of the Companies included in Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the

purpose of preparation of the consolidated financial statements by the Directors of the holding company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing financial reporting process of the Group.

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

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

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

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

Obtain an understanding of internal financial controls 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 Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the

direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

We communicate with those charged with governance of Holding Company and such other entities included in the Consolidated Financial Statements of which are independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "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, based on our audit, we report, to the extent applicable, 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 purpose of our audit of aforesaid consolidated financial statements.

b. In our opinion proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept by the Company so far as appears from our examination of those books and the reports of the group company.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement dealt with by this Report are in agreement with relevant books of account and records maintained for the purpose of preparation of consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 Companies (Indian Accounting Standards) Rules, 2021, as amended;

e. On the basis of written representations received from the directors of Holding Company as on March 31, 2024, and taken on record by the Board of Directors of Holding Company and the report of the statutory auditors of subsidiary company, incorporated in India, none of the directors of the Group Companies, incorporated in India, is disqualified as on March 31, 2024, 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 consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

B. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a) The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group, to the consolidated financial statements

b) The Group did not have any long-term contracts including derivative contracts as at March 31, 2024; as such the question of commenting on any material foreseeable losses thereon does not arise

c) There has been no delaying in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company and its Subsidiary Company, incorporated in India.

d) i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies incorporated in India or
- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies incorporated in India shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries

(iii) Based on such audit Procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d)(i) and (d)(ii) contain and material mis-statement.

C. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Holding Company and its subsidiaries which are incorporated in India to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiaries which are incorporated in India, is not in excess of the limit laid down under Section 197 of the Act.

3) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries, associates and joint ventures/joint operations which are companies incorporated in India whose financial statements have been audited under the Act, the company, subsidiaries, associates and joint ventures/joint operations have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we and respective auditors of the above referred subsidiaries, associates and joint ventures/joint operations did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company and above referred subsidiaries, associates and joint ventures/joint operations as per the statutory requirements for record retention

For S. Bhalotia & Associates
(Chartered Accountants)
Firm's Registration no.: 325040E

Place: Hyderabad
Date: The 18th day of May, 2024

Sd/-
CA Binod Kumar Sahoo
(Partner)
Membership No: 305406
UDIN: 24305406BKCJWS7111

Annexure A to the Independent Auditor's report on the consolidated financial statements of CDG Petchem Limited for the year ended 31 March 2024.

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) With respect to the matters specified in paragraphs 3(xxix) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that the following qualifications or adverse remarks are given in CARO reports:

Name	CIN	Holding Company/ subsidiary	Clause number of the CARO report which is qualified or adverse
CDG Petchem Ltd	L51100TG2011PLC072532	Holding	(vii) & (ix)(c)

For S. Bhalotia & Associates
(Chartered Accountants)
Firm's Registration no.: 325040E

Place: Hyderabad
Date: The 18th day of May, 2024

Sd/-
CA Binod Kumar Sahoo
(Partner)
Membership No: 305406
UDIN: 24305406BKCJWS7111

Annexure B to the Independent Auditor’s Report on the consolidated financial statements of CDG PETCHEM LIMITED for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

(Referred to in paragraph A(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In conjunction with our audit of the consolidated financial statements of the Company for the year ended 31 March, 2024, we have audited the internal financial controls over financial reporting of **CDG PETCHEM LIMITED (formerly known as Urbaknitt Fabs Limited) (“The Holding Company”)** and one of its subsidiary company, **MORBIDO MERCHANDISE PRIVATE LIMITED** (together referred to as “the Group”), which are the companies incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company and its subsidiary company, to whom reporting under clause (i) of sub section 3 of section 143 of the Act in respect of the adequacy of the internal financial controls over financial reporting is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S. Bhalotia & Associates
(Chartered Accountants)
Firm's Registration no.: 325040E**

**Place: Hyderabad
Date: The 18th day of May, 2024**

**Sd/-
CA Binod Kumar Sahoo
(Partner)
Membership No: 305406
UDIN: 24305406BKCJWS7111**

CDG PETCHEM LIMITED			
CIN: L51100TG2011PLC072532			
Consolidated Statement of Assets and Liabilities as on 31st March , 2024			(₹' Lakhs)
Particulars	Note	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	6	485.76	548.66
(b) Other non-current assets	7	20.43	20.43
		506.19	569.09
Current Assets			
(a) Inventories	8	61.84	260.43
(b) Financial assets			
- Investments	9	0.66	0.93
- Trade receivables	10	952.00	1,026.00
- Cash and bank balances	11	18.70	12.46
- Others financial assets	12	100.20	67.01
(c) Other current assets	13	55.96	72.52
		1,189.36	1,439.35
Total Assets		1,695.55	2,008.43
Equity			
(a) Equity share capital	14	307.75	307.75
(b) Other Equity	15	(219.32)	(145.73)
Equity attributable to owners		88.43	162.02
Non-controlling interest		24.85	6.55
Sub - Total Equity		113.28	168.57
LIABILITIES			
Non Current Liabilities			
(a) Financial liabilities			
- Borrowings	16	426.20	513.46
(b)Deferred tax liabilities (net)	17	21.96	26.04
Current Liabilities			

(a) Financial Liabilities			
- Borrowings	18	729.83	1,043.43
- Trade Payables	19		
Total Outstanding dues of Micro and Small Enterprises		323.12	1.22
Total Outstanding dues Other than Micro and Small Enterprises		3.13	217.70
- Other financial liabilities	20	4.71	17.98
(b) Other current liabilities	21	71.33	12.03
(c) Provisions	22	1.99	8.01
		1,582.27	1,839.87
Total Equity and Liabilities		1,695.55	2,008.43

AS PER OUR REPORT OF EVEN DATE ATTACHED

For S. Bhalotia & Associates

For and on behalf of the BOD of CDG Petchem Limited

Chartered Accountants

FRN : 325040E

Sd/-

CA. Binod Kumar Sahoo

Partner

Membership No : 305406

Place: Hyderabad

Date: 18-05-2024

UDIN : 24305406BKCJWS7111

Sd/-

Manoj Kumar Dugar

Managing Director & Chairman

(DIN:00352733)

Sd/-

Purva Palshikar

Company Secretary

Sd/-

Rajesh Kumar Dugar

Director

(DIN:00730059)

Sd/-

Nikhil Agarwal

Chief Financial Officer

CDG PETCHEM LIMITED

CIN: L51100TG2011PLC072532

Consolidated Statement of Profit and Loss for the Period Ended 31 March, 2024

(₹' Lakhs)

Particulars		Note	For the period ending March 31, 2024	For the period ending March 31, 2023
I	Income			
	Revenue from operations	23	4,052.75	5,085.36
	Other Income	24	73.73	45.56

	Total Revenue		4,126.47	5,130.92
II	Expenses			
	Cost of Materials Consumed	25	3,896.25	4,794.29
	Changes in Inventories of Finished Goods, Stock in Trade & Work- in Progress	26	39.88	36.49
	Employee benefits expense	27	24.38	33.43
	Finance costs	28	131.48	134.88
	Depreciation & Amortisation Expense	6	19.88	27.54
	Other expenses	29	73.96	145.86
	Total Expenses		4,185.83	5,172.49
III	Profit Before Tax (I-II)		-59.36	-41.57
IV	Tax Expense:			
	Current Tax		-	-
	Deferred Tax		-4.08	-3.51
	MAT Credit Entitlement		-	-
	Total Tax Expense		-4.08	-3.51
V	PROFIT BEFORE SHARE IN PROFIT/ (LOSS) IN MINORITY INTEREST(III-IV)		-55.28	-38.06
VI	Less-Minority Interest		18.30	1.65
VII	Tax Expense of discontinuing operation			
VII	Profit /(Loss) for the period from discontinuing operation after tax (VI-VII)	I		
IX	Profit /(Loss) for the period after tax (V+VIII)		-73.59	-39.71
X	Other Comprehensive Income			
A	Items that will not be reclassified to profit or loss			
B	Items that will be reclassified to profit or loss			
	Other Comprehensive Income for the year, net of tax (A+B)			
XI	Total Other Comprehensive Income for the year (IX+X)		-73.59	-39.71
XII	Total Comprehensive Income for the year attributable to:		-73.59	-39.71
	-Owners of the company		-73.59	-39.71
	-Non-controlling interest		18.30	1.65
			-55.28	-38.06
XIII	EARNINGS PER EQUITY SHARE (Face value Rs.10/- each)			

Basic and Diluted		-1.80	-0.00
AS PER OUR REPORT OF EVEN DATE ATTACHED	For and on behalf of the BOD		
Chartered Accountants	of CDG Petchem Limited		
FRN : 325040E			
	Sd/-		Sd/-
Sd/-	Manoj Kumar Dugar		Rajesh Kumar Dugar
CA. Binod Kumar Sahoo	Managing Director & Chairman		Director
Partner	(DIN:00352733)		(DIN:00730059)
Membership No : 305406			
Place: Hyderabad	Sd/-		Sd/-
Date: 18-05-2024	Purva Palshikar		Nikhil Agarwal
UDIN : 24305406BKCJWS7111	Company Secretary		Chief Financial Officer

CDG PETCHEM LIMITED			
CIN: L51100TG2011PLC072532			
Consolidated Cashflow Statement for the Year ended 31st March, 2024			
			(₹ Lakhs)
PARTICULARS		Year Ended 31st March 2024	Year Ended 31st March 2023
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit (Loss) before Tax	(59.36)	(41.57)
	Adjustments for Non-Operating Activities:		-
	Depreciation	19.88	27.54
	Loss/ (Profit) on Sale of Assets/Investments	(67.61)	7.76
	Finance Cost (Including Preference dividend)	131.48	134.88
	Interest Received	(0.16)	(1.16)
		83.59	169.03
	Operating Profit before Working Capital Changes	24.23	127.46
	Adjustments for Working Capital Changes:	-	-
	Inventories	198.59	(109.03)
	Change in Current Investments	0.27	18.81
	Trade Receivables	74.00	341.59
	Other financial Assets	(33.19)	354.72
	Other Assets	-	(5.25)

Trade Payables	107.33	179.11
Other financial liabilities	(13.26)	4.28
Other Liabilities	59.30	(695.74)
Current Borrowings	(313.60)	(119.56)
Other non current assets	16.56	-
Cash Generation From Operations	89.97	(23.35)
Direct Taxes Paid (Net)	-	2.23
Net Cash from Operating Activities	114.19	106.35
CASH FLOW FROM INVESTING ACTIVITIES	-	-
B. Acquisition of Fixed Assets (including capital work in progress)	(32.64)	(107.23)
Proceeds from Sale of Fixed Assets	143.27	183.61
Interest Received	0.16	1.16
Sale of Subsidiary	-	4.90
Net Cash from Investing Activities	110.79	82.44
CASH FLOW FROM FINANCING ACTIVITIES	-	-
C. Finance cost incurred	(131.48)	(134.88)
Long Term Borrowings from Others	(87.27)	(59.98)
Net Cash from Financing Activities	(218.74)	(194.86)
Net Increase (Decrease) in Cash and Cash Equivalent (A+B+C)	6.24	(2.08)
Cash and Cash Equivalent (Opening)	12.46	21.27
Cash and Cash Equivalent (Closing)	18.70	19.20

AS PER OUR REPORT OF EVEN DATE ATTACHED

For S. Bhalotia & Associates

Chartered Accountants

FRN : 325040E

Sd/-

CA. Binod Kumar Sahoo

Partner

Membership No : 305406

Place: Hyderabad

Date: 18-05-2024

UDIN : 24305406BKCJWS7111

For and on behalf of the BOD

of CDG Petchem Limited

Sd/-

Manoj Kumar Dugar

Managing Director & Chairman

(DIN:00352733)

Sd/-

Purva Palshikar

Company Secretary

Sd/-

Rajesh Kumar Dugar

Director

(DIN 00730059)

Sd/-

Nikhil Agarwal

Chief Financial Officer

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS

1. Corporate Information

CDG PETCHEM LIMITED (Formerly known as Urbaknitt Fabs Limited) (“the company”) is a Company registered under the companies act, 1956. It is a public limited company domiciled in India and is listed on the Bombay Stock Exchange (BSE). It was incorporated on 7th February, 2011 having its registered office at Plot no 10 & 11, MCH No 1-8-304 to 307/10, Pattigadda Road Hyderabad TG 500003. The company’s CIN No. is L17120TG2011PLC072532. The company is engaged in the manufacture of Knitted Fabrics, Mattresses and Pillows; along with Trading & Distribution of Minerals, Plasticizers, Construction and Pharma Chemicals.

2. Basis of preparation

The financial statements are separate financial statements prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended March 31, 2024, the Company prepared its financial statements in accordance with accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied consistently over all the periods presented in these financial statements.

3. Basis of Consolidation

The consolidated Ind AS financial statements comprise of the M/S CDG PETCHEM LIMITED (Formerly as Urbaknitt Fabs Limited) and its subsidiary company, M/S Morbido Merchandise Private Limited (referred to as “the company”) as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); Exposure, or rights, to variable returns from its involvement with the investee, and the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including: The contractual arrangement with the other vote holders of the investee; Rights arising from other contractual arrangements; The Group’s voting rights and potential voting rights, and the size of the group’s holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member’s financial statements in preparing the consolidated financial statements to ensure conformity with the group’s accounting policies. The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March 2024.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent’s investment in each subsidiary and the parent’s portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it: Derecognizes the assets (including goodwill) and liabilities of the subsidiary; Derecognizes the carrying amount of any non-controlling interests; Derecognizes the cumulative translation differences recorded in equity; Recognizes the fair value of the consideration received; Recognizes the fair value of any investment retained; Recognizes any surplus or deficit in profit or loss, and Reclassifies the parent's share of components previously recognized in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

4. Use of estimates and judgments:

Use of estimates and judgments: The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

5. Significant Accounting Policies:

(a) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has elected to apply Ind AS accounting for business combinations prospectively from April 1, 2016. As such, Indian GAAP balances relating to business combinations entered into before that date, including goodwill, have been carried forward with minimal adjustment. The same first time adoption exemption is also used for associates and joint ventures. Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

(b) Revenue Recognition

Revenue is recognized and measured at the fair value of the consideration received or receivable, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018.

The Company has evaluated and there is no material impact of this amendment on the Financial Statement of the Company.

Other income:

Other income is comprised primarily of interest income, dividend income, gain / loss on investments and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities. Interest income is recognized using the effective interest method. Dividend income is recognized when the right to receive payment is established.

(c) Property, Plant and Equipment

Property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss (if any). All significant costs relating to the acquisition and installation of property, plant and equipment are capitalized. Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. The identified components are depreciated over their useful lives; the remaining asset is depreciated over the life of the principal asset.

Depreciation for identified components is computed on straight line method based on useful lives, determined based on internal technical evaluation. Freehold land is carried at cost.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(d) Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both is classified as investment property. Investment Property is measured at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment Properties are depreciated using the straight-line method as per the provisions of Schedule II of the Companies Act, 2013 or based on useful life estimated on the technical assessment.

(e) Intangible Assets

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

(f) Depreciation and amortization:

Depreciation is provided on the straight-line method over the useful lives as prescribed under Part C of Schedule II of the Companies Act 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

(g) 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 realized or intended to be sold or consumed in normal operating cycle;

- Held primarily for the purpose of trading;
- Expected to be realized 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.

(h) Financial assets

Financial assets comprise of cash and cash equivalents.

(i) Initial recognition:

All financial assets are recognized initially at fair value. Purchases or sales of financial asset that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the company commits to purchase or sell the assets.

(j) Subsequent Measurement:

Financial assets measured at amortized cost: Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the Statement of Profit and Loss.

(k) The Company while applying above criteria has classified the following at amortized cost:

- a) Trade receivable
- b) Cash and cash equivalents
- c) Other Financial Asset

(l) Impairment of Financial Assets:

Financial assets are tested for impairment based on the expected credit losses.

(m) De-recognition of Financial Assets:

A financial asset is primarily de-recognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

(n) Impairment of Non-Financial Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(o) Inventories

Finished Goods, work-in-process and wastage to be valued at cost or net realizable value, whichever is lower.

Raw Material and Stores and Spares are valued at lower of cost or net realizable value after providing for obsolescence.

Cost comprises of all cost of purchase, cost of conversion and other cost incurred in bringing the inventory to their present location and conditions. Cost formula used is weighted average cost.

(p) Cash and Cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less. Deposits with banks are subsequently measured at amortized cost and short term investments are measured at fair value through statement of profit & loss account.

(q) Financial liabilities**Initial recognition and measurement:**

All financial liabilities are recognized initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. These liabilities are classified as amortized cost. A preference share that provides for mandatory redemption by the issuer for a fixed or determinable amount at a fixed or determinable future date, or gives the holder the right to require the issuer to redeem the instrument at or after a particular date for a fixed or determinable amount, is a financial liability.

Subsequent measurement:

These liabilities include are borrowings and deposits. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

De-recognition of financial liabilities:

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

(r) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

(s) Employee Benefits

Employee benefits are charged to the Statement of Profit and Loss for the year.

Provident Fund

Retirement benefits in the form of Provident Fund are defined contribution scheme and such contributions are recognized, when the contributions to the respective funds are due. There is no other obligation other than the contribution payable to the respective funds.

Gratuity

The Company has not created any gratuity fund. However adequate provisions have been made in the accounts for gratuity liability. The benefit vests upon completion of five years of continuous service and once vested it is payable to employees on retirement or on termination of employment. In case of death while in service, the gratuity is payable irrespective of vesting.

Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees.

Short-term employee benefits

Expense in respect of other short term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

(t) Income Taxes

Income tax expense is comprised of current and deferred taxes. Current and deferred tax is recognized in net income Current income taxes for the current period, including any adjustments to tax payable in respect of previous years, are recognized and measured at the amount expected to be recovered from or payable to the taxation authorities based on the tax rates that are enacted or substantively enacted by the end of the reporting period.

Deferred income tax

Deferred income tax assets and liabilities are recognized for temporary differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax base using the tax rates that are expected to apply in the period in which the deferred tax asset or liability is expected to settle, based on the laws that have been enacted or substantively enacted by the end of reporting period. Deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable income nor the accounting income.

Minimum Alternative Tax (MAT)

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that company will pay normal Income Tax during the specified period.

(u) Leases**As a lessee**

Leases of property, plant and equipment where the company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the company is a lessor is recognized 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.

Lease-hold land:

Leasehold land that normally has a finite economic life and title which is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted for as leasehold land use rights (referred to as prepaid lease payments in Ind AS 17 "Leases") and is amortized over the lease term in accordance with the pattern of benefits provided.

(v) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

(w) Fair value measurement

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date. Fair value hierarchy:

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 assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(x) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(y) Cash dividend to equity holders of the Company

The Company recognizes a liability to make cash distributions to equity holders of the Company when the distribution is authorized and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Standalone Financial Statements
(All amounts in Indian Rupees, unless otherwise stated)

Note 5: Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment

(₹ ' Lakhs)

Particulars	Rate	Useful Life (in years)	Gross Block- at cost				Depreciation				Net Block	
			As at April 01, 2023	Additions	Disposals	As at 31st March 2024	Upto 31st March, 2023	For the period	On deletions	As at 31st March 2024	As at 31st March 2024	As at 31st March 2023
Land	-	-	194.58	-	-	194.58	-	-	-	-	194.58	194.58
Building	3%	30	136.00	-	-	136.00	9.89	2.15	-	12.04	123.96	126.11
Plant and Machinery	15%	15	213.19	32.64	143.27	170.16	19.93	10.77	5.37	25.33	144.83	193.26
Computers		3	3.11	-	-	3.11	3.11	-	-	3.11	-	-
Electrical Installation and Equipment	10%	10	23.68	-	-	23.68	14.88	2.76	-	17.63	6.04	8.80
Furniture and Fixtures	19%	10	5.43	-	-	5.43	2.95	0.52	-	3.46	1.97	2.48
Vehicles		8	10.87	-	-	10.87	7.32	1.29	-	8.61	2.26	3.55
Office Equipment		5	12.95	-	-	12.95	10.30	2.50	-	12.79	0.15	2.65
Total (A)			599.80	32.64	143.27	556.78	68.37	19.99	5.37	82.98	473.79	531.43
Previous Year		-	757.33	107.23	264.77	599.80	119.46	22.30	73.39	68.37	531.43	637.87

CDG PETCHEM LIMITED (CONSOLIDATED)
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Consolidated Financial Statements
(All amounts in Indian Rupees, unless otherwise stated)

7 Other non-current assets (₹ ' Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered Good)		
Capital Advances	0.00	0.00
Other Financial Assets:-		
Rent Deposit	10.69	11.74
Water Deposit	0.00	0.02
Electricity Deposit	0.50	3.75
Other Deposit	9.24	4.93
Total	20.43	20.43

8 Inventory

Particulars	As at March 31, 2024	As at March 31, 2023
Finished Goods	47.11	9.58
Finished Stock of Traded Goods	10.00	90.75
Work-in-Progress/at job work	0.00	0.00
Stock of Raw Material	0.00	158.70
Stock In Trade	4.73	1.40
Total	61.84	260.43

Refer Note No. 5(o)

9 Investments

Particulars	As at March 31, 2024	As at March 31, 2023
Investments		
In quoted Equity shares	0.66	0.93
Total	0.66	0.93

10 Trade Receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured		
Considered Good		
Considered Doubtful		
Total (A)	-	
Less than 6 Months	282.12	294.86
6 months to 1 Year	41.62	32.74
1 - 2 Years	80.47	131.72
2 - 3 Years	317.21	490.51
More than 3 years	230.57	86.50
Total	952.00	1036.33

CDG PETCHEM LIMITED (CONSOLIDATED)
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Consolidated Financial Statements
 (All amounts in Indian Rupees, unless otherwise stated)

11 Cash and Bank Balances

(₹ ' Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash & Cash equivalents		
Cash in Hand	10.92	9.47
Balances with Banks		
In Current Accounts	7.78	2.99
Other Bank balance	0.00	0.00
Total	18.70	12.46

12 Other Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered Good)		
Advance to Suppliers	100.00	66.51
Other Advances	0.20	0.50
Total	100.20	67.01

13 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered Good)		
Balances with Government Authorities	42.13	58.08
Income Tax Refundable	13.83	14.44
Total	55.96	72.52

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Consolidated Financial Statements
(All amounts in Indian Rupees, unless otherwise stated)

14. Equity Share Capital				(₹ ' Lakhs)
Particulars	As at March 31st, 2024		As at March 31st, 2023	
	Number of shares	Amount	Number of shares	Amount
Authorized Capital				
50,00,000 equity shares of Rs. 10/- each	5,000,000	500	5,000,000	500
Issued, Subscribed and Paid-up Capital				
30,77,500 equity shares of Rs. 10/- each fully paid up	3,077,500	308	3,077,500	308

a) Terms / rights attached to Equity Shares

The Company has only one class of issued equity shares having a par value of Rs.10/- per share. Each shareholder is entitled to one vote per charge in the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Reconciliation of Shares Outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31st, 2024		As at March 31st, 2023	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares of Rs.10/- each fully paid up				
Shares outstanding at the beginning of the year	3,077,500	308	3,077,500	308
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,077,500	308	3,077,500	308

c) Details of shareholders holding more than 5%

Name of the shareholder	As at March 31st, 2024		As at March 31st, 2023	
	Number of shares	% of holding	Number of shares	% of holding
Promoters' Shareholding				
Tara Devi Dugar	369,325	12.00%	369,325	12.00%
Renu R Dugar	300,362	9.76%	300,362	9.76%
Rajesh Kumar Dugar	276,975	9.00%	276,975	9.00%
Manoj Kumar Dugar	256,525	8.34%	256,525	8.34%
Divay Dugar	246,255	8.00%	246,255	8.00%
Chirag Dugar	246,250	8.00%	246,250	8.00%
Renu M Dugar	215,360	7.00%	215,360	7.00%
Total	1,911,052		1,911,052	

The shareholding information has been extracted from the records of the Company including register of shareholders/ members and is based on legal ownership of shares.

CDG PETCHEM LIMITED (Formerly Urbaknitt Fabs Limited) Notes forming part of the Consolidated Financial Statements (All amounts in Indian Rupees, unless otherwise stated)			
15 Other Equity			(₹ ' Lakhs)
Particulars	Reserves and Surplus	Total	
	Retained Earnings		
Balance as at 1 April, 2021 (A)	125.73	125.73	
Additions during the year:			
Profit for the year	(231.76)	(231.76)	
Total Comprehensive income for the year 2021-22 (B)	(231.76)	(231.76)	
Transfer in/Out General Reserve			
Balance at 31 March 2022 (C=A+B)	(106.03)	(106.03)	
Balance at 1 April 2022 (D)	(106.03)	(106.03)	
Additions during the year:			
Profit for the year	(39.71)	(39.71)	
Total Comprehensive income for the year 2022-23 (E)	(39.71)	(39.71)	
Balance at 1 April 2023 (G)	(145.73)	(145.73)	
Additions during the year:			
Profit for the year	(73.59)	(73.59)	
Adjustment of Goodwill			
Other Comprehensive income (net of tax)			
Total Comprehensive income for the year 2023-24 (H)	(73.59)	(73.59)	
Transfer in/Out General Reserve			
Dividends			
Tax on dividends			
Balance as at 31 March 2024 (I=G+H)	(219.32)	(219.32)	
Retained Earnings: Retained earnings comprise of net accumulated profit/(loss) of the company,			
15.1 Non- controlling interest			
Minority Interest	As at March 31, 2024	As at March 31, 2023	
Share Capital	4.90	4.90	
Surplus in Statement of Profit & Loss	18.30	1.65	
Total of Minority Interest	23.20	6.55	
16 Non - Current Borrowings			
Particulars	As at March 31, 2024	As at March 31, 2023	
Secured			
(repayable in equal 60 number of instalment at an average rate of 9.61% & repayable in 60 EMIs of Rs 50,399/- each)			
Term Loan from Bank*	33.91	124.68	
*Primary Security: Charge over Fixed Assets & Current Assets of the company both current & future. Collateral Security: Charge over property located at Plot No 3 and 4 in Sy No 41, Situated at Kapnoor Li Stage Industrial Area, Humnabad Road Kalaburgi Tq and District Kalaburgi, Beside Deccan Herald and Orajavani Press, Gulbarga, Karnataka, India, 585101. Terms of Repayment: repayable in 18 quarterly instalments payable on last date of quarter after moratorim period of 6 months Interest Rate: repo rate plus spread per annum payable on the last date of each month.			
*GECL Loan: Primary Security: Charge over Fixed Assets & Current Assets of the company both current & future. Collateral Security: Charge over property located at Plot No 3 and 4 in Sy No 41, Situated at Kapnoor Li Stage Industrial Area, Humnabad Road Kalaburgi Tq and District Kalaburgi, Beside Deccan Herald and Orajavani Press, Gulbarga, Karnataka, India, 585101. Terms of Repayment: repayable in 60 quarterly instalments payable on last date of quarter after moratorim period of 2 months Interest Rate: @ I-EBLR(7.7%)+ Spread	132.22	140.00	
*Primary Security: Exclusive charge over Current Assets of the company. Collateral Security: Exclusive charge over Plot of residential land situated at Survey No 341/3, Dadra Village owned by Chandantara Commercial Pvt Ltd Residential vacant land situated at S No 340/2, S no 348/2, S No 350/1, S No 350/2, ,S no 349/1 & S No 351/1/2 situated at Dadra Terms of Repayment: Principal amount outstanding to be repaid in 36 EMIs after moratorium period of 12 months Interest rate: @ I-EBLR(7.7%)+ Spread			
Loan from Subsidiary Co. Less: Loan From Holding co.			
Total (A)	426.20	513.46	
(B) Less: Current maturities of vehicle loan	-	-	
Total (A-B)	426.20	513.46	

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Consolidated Financial Statements
(All amounts in Indian Rupees, unless otherwise stated)

(₹ ' Lakhs)		
17	Deferred tax liability (NET)	
	Particulars	As at March 31, 2024
		As at March 31, 2023
	(A) Deferred tax liability	
	Opening Balance	35.02
	Add: Deferred tax for the year	(4.08)
		30.94
	(B) MAT Credit Entitlement	(8.98)
	Total (A-B)	21.96
		26.04
18	Current Borrowings	
	Particulars	As at March 31, 2024
		As at March 31, 2023
	Secured	
	Working Capital Loan From bank*	683.17
	Current Maturities of Long Term Debts- Secured*	46.67
	Total	729.83
		1,043.43
	Cash credit from Scheduled Banks is secured by hypothecation of stock, trade receivables and first pari-passu charge on specific fixed assets of the company.	
18a		
S No	Particulars of Loans	Purpose (as per Loan Agreement)
1	Working Capital Loan From bank with ECLGS	The facility shall be used for working capital requirements
2	Term Loan	The facility shall be used for Purchase of Land at Gulbarg
19	Trade Payables	
	Particulars	As at March 31, 2024
		As at March 31, 2023
	Less than 1 year	
	For Goods & Services	
	- Total Outstanding dues of Micro and Small Enterprises	323.12
	- Total Outstanding dues Other than Micro and Small Enterprises	3.13
	Total	326.24
		229.24
20	Other Current Financial Liabilities	
	Particulars	As at March 31, 2024
		As at March 31, 2023
	Statutory Dues Payable	4.38
	Creditors for expenses	0.33
	Creditors for Capital Goods	-
	Total	4.71
		17.98
21	Other Current Liabilities	
	Particulars	As at March 31, 2024
		As at March 31, 2023
	Advance from Customers	70.58
	Other Liabilities	-
	Audit Fees Payable	0.75
	Total	71.33
		12.03
22	Provisions	
	Particulars	As at March 31, 2024
		As at March 31, 2023
	Provision for Employee Benefits	-
	Provision for Expenses	1.99
	Total	1.99
		8.01

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Consolidated Financial Statements
(All amounts in Indian Rupees, unless otherwise stated)

23 Revenue from operations

(₹ ' Lakhs)

Particulars	For the period ending March 31, 2024	For the period ending March 31, 2023
Sales of Finished goods	120.05	252.25
Sales of Traded goods	3,934.65	5,741.52
Less: Trade Discount	0.65	(0.61)
	4,054.05	5,993.16
Less: Duties & Taxes	(1.30)	(907.80)
Total	4,052.75	5,085.36

24 Other income

Particulars	For the period ending March 31, 2024	For the period ending March 31, 2023
Commission	-	-
Excess provisions of previous year written back	-	0.90
interest Received	0.16	1.16
Discount Received	5.64	0.65
Dividend received	0.00	0.09
Rent Received	-	19.38
insurance Claim	-	21.20
Sundry Balances Written off	-	0.52
Other income	0.32	-
Total	73.73	45.56

25 Cost of Materials Consumed

Particulars	For the period ending March 31, 2024	For the period ending March 31, 2023
Opening Stock	158.70	13.18
Add:- Purchase of Raw Materials	9.66	1,822.47
Add:- Purchase of Traded Goods	3,727.89	3,117.34
Less:- Closing Stock of Raw Material	-	(158.70)
Total	3,896.25	4,794.29

26 Changes in inventories of Finished Goods, Stock in Trade & Work- in Progress

Particulars	For the period ending March 31, 2024	For the period ending March 31, 2023
Increase/Decrease in stock of Finished Goods & Semi-finished Goods	-	-
Inventories (at opening)	-	-
Finished Goods	10.98	34.59
Work-in-Progress	-	-
Total (A)	101.73	138.22
Inventories (at close)	-	-
Finished Goods	51.84	10.98
Finished Stock of Traded Goods	10.00	90.75
Work-in-Progress	-	-
Total (B)	61.84	101.73
Total (A-B)	39.88	36.49

CDG PETCHEM LIMITED
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(All amounts in indian Rupees, unless otherwise stated)

26(a): Details of closing inventory of:

(₹ ' Lakhs)

Particulars	For the period ending March 31, 2024	For the Year ending 31st March, 2023
Raw Materials (Broad heads)		
Polythene bags	-	0.69
Du build bag fabric	-	1.09
Raw material	-	156.93
Ayushlin-L (HDPE Tube)		
Total	-	158.70
Finished Goods (Broad heads)		
Tarpaulin	-	0.84
Finished Goods-Cord	-	0.39
Finished Goods-Fabric	-	8.35
Plastic Strip	-	-
Shadenet	-	-
Construction Chemicals	4.73	1.40
Total	4.73	10.98
Finished Stock of Traded Goods (Broad heads)		
Knitting Mesh Fabric	-	35.41
Master Batch Black PE Based		
PP Fibrillated Yarn		
Tent	-	0.10
Polyvinyl Alcohol 0599 (PVA 0599)-39053000	-	20.52
PVC Suspension Resin_Wet Resin-39041020	-	11.78
Aqupol		
Cord (Ropes)		
Tarpaulin		
Micro Silica Dubuild D 850	-	22.30
Fabric		
PP Woven Sacks	-	0.64
Total	-	90.75

27 Employee benefit expenses

Particulars	For the period ending March 31, 2024	For the period ending March 31, 2023
Salaries and Wages	12.38	20.68
Directors Remuneration	12.00	12.75
Total	24.38	33.43

28 Finance cost

Particulars	For the period ending March 31, 2024	For the period ending March 31, 2023
Bank Charges	0.91	0.62
interest Expense	99.97	130.17
Other Borrowing Cost	30.60	4.09
Total	131.48	134.88

CDG PETCHEM LIMITED
(Formerly Urbaknitt Fabs Limited)
Notes forming part of the Consolidated Financial Statements
(All amounts in Indian Rupees, unless otherwise stated)

29 Other Expenses	(₹ ' Lakhs)	
Particulars	For the period ending March 31, 2024	For the period ending March 31, 2023
Manufacturing Expenses		
Power and Fuel	10.46	2.00
Consumables Stores and Spares Consumed	-	-
Carriage inward	0.02	2.75
Factory expenses	21.03	-
Total Manufacturing Expenses (A)	31.50	4.74
Administrative Expenses		
Professional and Consultancy Charges	5.43	6.11
Software Development Expenses	-	-
insurance Charges	9.98	17.72
Printing & Stationery	0.11	0.89
Donation	0.83	-
Repairs & Maintenance	-	-
-Plant & Machinery	0.43	3.12
-Others	0.90	5.37
Profit on sale of Asset	-	9.44
Rent, Rates and Taxes	3.57	4.48
Audit Fees	0.75	0.75
Postage & Courier Charges	0.04	0.17
Annual Issuer Fees (CDSL)	2.44	3.32
Travelling Expenses	0.92	2.34
Communication Expenses	0.16	0.21
Futures & Options loss	-	24.13
Foreign Exchange Fluctuation Loss	0.11	6.61
Short term capital loss	-	1.37
Rent	8.03	19.38
Sundry balance written off	0.27	-
Unrealised loss on Equity shares	0.58	0.15
Miscellaneous Expenses	1.43	5.59
Total Administrative Expenses (B)	35.97	111.14
Selling & Distribution Expenses		
Freight Outward	3.96	20.89
Advertisement/ Business Promotion Expenses	0.86	2.25
Commission on Sales	1.67	6.84
Total Selling & Distribution Expenses (C)	6.49	29.97
Total (A+B+C)	73.96	145.86

30. Related Party Disclosure

(a) Name of the Related Parties and related party relationship

Enterprises owned or significantly influenced by key management personnel or their relatives:

- (i) Ayushman Merchants Private Limited
- (ii) Ayushman Solutions Private Limited
- (iii) Dugar Polymers Limited
- (iv) Defodil Dealcom Private Limited
- (v) Morbido Merchandise Private Limited
- (vi) Du-Luk Polymers Private Limited
- (vii) Express Vintrade Private Limited
- (viii) Dugar Ventures LLP

Key Managerial Personnel

- (i) Mr. Manoj Dugar
- (ii) Mr. Chirag Dugar.
- (iii) Mrs. Renu M Dugar

(b) The following transactions were carried out with related parties in the ordinary course of business during the year:

Figures in Lakhs

Sl.No.	Nature of Transaction	Name of the Related Parties	2023-24	2022-23
1	Purchase of Goods	Ayushman Merchants Pvt Ltd	41.70	80.34
		Dugar Polymers Ltd	16.15	48.50
		Du-Luk Polymers Pvt Ltd		-
		Defodil Deal com pvt ltd		18.38
		Total		147.22
2	Sale of Goods	Ayushman Merchants Pvt Ltd	688.68	181.80
		Dugar Polymers Ltd	9.95	37.14
		Defodil Dealcom Pvt Ltd		145.42
		Total		364.36
3	Remuneration	Mr. Manoj Dugar	9.00	9.00
		Mr. Chirag Dugar	3.00	3.75
		Total		12.75
4	Interest Payable	Defodil Dealcom Pvt Ltd		-
		Dugar Ventures LLP	30.59	16.83
		Ayushman Merchants Private Limited		-
		Total	30.59	16.83

S No	Nature of Transaction	Name of the Related Parties	2023-24	2022-23
5	Advance given/Taken	a. Dugar Ventures LLP		
		Opening Balance	248.78	213.63
		Add: Given/(taken)during the year	59.00	29.50
		Less: Repaid During the year	(128.310	(11.18)
		Add: Interest payable/ (receivable)	30.59	16.83
		Closing balance	210.06	248.78
		Ayushman Merchants Pvt ltd		
	Advance given/Taken	Opening Balance	(125.54)	
		Add: Given/(taken)during the year	309.32	191.45
		Less: Repaid During the year	(125.77)	{65.91)
		Add: Interest payable/ (receivable)		
		Closing balance	58.00	(125.54)
6	Sale of Property, Plant & Equipment	Ayushman Merchants Pvt ltd		181.74
7	Closing balance (Payable)	Ayushman Merchants Pvt ltd		125.67

31. In the opinion of Board of Directors and to the best of their knowledge and belief, the value on realization of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which the same are stated in the Balance Sheet.

32. Earnings Per Share (EPS)

Figures in Lakhs

Particulars	2023-24	2022-23
Net Profit after Tax	(55.28)	(38.05)
Net Profit after Tax available for equity share holders – For Basic and Diluted EPS	55.28)	(38.05)
Weighted Average No. Of Equity Shares For Basic/Diluted EPS (No's)	3077500	30,77,500
Nominal Value of Equity Shares	10	10
Basic/Diluted Earnings Per Equity Share	1.79	(1.24)

33. Contingent Liabilities and Commitments (to the extent not provided for)

Particulars	As at 31-03-2024	As at 31-03-2023
	Rupees in lakhs	Rupees in lakhs
Contingent Liabilities	-	-
Commitments:		
Guarantees issued by banks	-	-

34. Disclosure required under Section 186(4) of the Companies Act 2013

For details of loans, advances and guarantees given and securities provided to related parties refer Note 31.

35. CIF Value of Imports

Figures in lakhs

Particulars	2023-24	2022-23
Raw material / Traded Goods	-	
TOTAL	-	

36. Earnings in Foreign Currency

Figures in lakhs

Particulars	2023-24		2022-23	
	USD	INR	USD	INR
Commission Earned		-		
Total		-		

37. Segment Reporting:

The Company has primary business of trading and manufacturing of knitted products and chemicals, which as per Indian Accounting Standard – 108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

38. Financial risk management objectives and policies

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inventory, trade and other receivables, cash and cash equivalents and land advances and refundable deposits that derive directly from its operations. The Company is exposed to market risk, credit risk and liquidity risk.

D. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Company does not enter into any interest rate swaps.

E. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

- i. Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Company's credit risk in this respect.
- ii. Receivables resulting from other than sale of properties: The firm has established credit limits for customers and monitors their balances on ongoing basis. Credit Appraisal is performed before leasing agreements are entered into with customers. The risk is also marginal due to customers placing significant amount of security deposits for lease and fit out rentals.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's Finance department in accordance with the Company's policy. Investments of surplus funds are reviewed and approved by the Company's Board of Directors on an annual basis. The Company's maximum exposure to credit risk for the components of the statement of financial position at 31 March 2018 and 2017 is the carrying amounts.

F. Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Figures in lakhs

Year Ended	On Demand	3 to 12 Months	1 to 5 Years	>5 Years	Total
31-Mar-24					
Borrowings		729.83	426.20		1156.03
31-Mar-23					
Borrowings	-	1,043.43	513.46		1,556.89
	-	1043.43	513.46		1.556.89

39. Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents.

Figures in Lacs

Particulars	31 Mar 2024	31 Mar 2023
Borrowings (Long term and Short term including Current maturity of Long term Borrowings) (A) Note 16 & 18	1156.03	1,556.89
Other Payable (current and non-current, excluding current maturity of long term borrowings) (B) Note 19,20,21 & 22	404.27	256.93
Less: Cash and Cash Equivalents (C) Note 11	18.70	12.46

Net Debt (D) = (A) + (B) – (C)	1541.50	1,801.37
Equity Share capital (E) Note 14	307.75	307.75
Other Equity (F) Note 15	(219.32)	(144.08)
Total Capital (G) = (E) + (F)	88.43	163.66
Capital and Net debt (H) = (D) + (G)	1630.03	1,965.03
Gearing ratio (in %) (I) = ((D)/(H))*100	94.57	91.67

40. Salient features of the financial statement of subsidiaries/ associate companies

Part “A”: Subsidiaries

Name of the Subsidiary	Morbido Merchandise Pvt Limited	
	2023-24	2022-23
1. Share Capital	10	10.00
2. Reserves & Surplus	24.46	(12.89)/-
3. Total Assets	660.34	732.25
4. Total Liabilities	660.34	732.25
5. Investments		-
6. Turnover	2522.62	3,130.59
7. Profit before taxation	36.69	2.82
8. Provision for taxation/Deferred tax	.67	0.55
9. Profit after taxation	37.35	3.37
10. Proposed Dividend		-
11. % of shareholding	51	51

Note:

The above mentioned Subsidiary has reporting period as same as holding company.

The above mentioned Subsidiary is not a foreign subsidiary company.

PART “B” : Associates

There are no Associates

41. Salient features of the financial statement of subsidiaries/ associate companies

Name of the Subsidiary	Morbido Merchandise Pvt Limited	
	2023-24	2022-23
1. Share Capital	10	10.00
2. Reserves & Surplus	24.46	(12.89)/-
3. Total Assets	660.34	732.25
4. Total Liabilities	660.34	732.25
5. Investments		-
6. Turnover	2522.62	3,130.59
7. Profit before taxation	36.69	2.82
8. Provision for taxation/Deferred tax	.67	0.55
9. Profit after taxation	37.35	3.37
10. Proposed Dividend		-
11. % of shareholding	51	51

Note:

The above mentioned Subsidiary has reporting period as same as holding company.

The above mentioned Subsidiary is not a foreign subsidiary company.

41. Previous year's figures have been regrouped and rearranged, wherever found necessary

For S. Bhalotia & Associates
Chartered Accountants
FRN: 325040E

Sd/-
CA. Binod Kumar Sahoo

Partner
Membership No: 305406
Place: Hyderabad
Date: 18-05-2024
UDIN:24305406BKJWS7111

For and on behalf of the BOD of CDG PETCHEM LIMITED

Sd/-
Manoj Kumar Dugar
Managing Director & Chairman

(DIN: 00352733)

Sd/-
Rajesh Kumar Dugar
Director

(DIN: 00730059)

Sd/-
Purva Palshikar
Company Secretary

Sd/-
Nikhil Agarwal
Chief Financial Officer

A Unit of Chandantara Dugar Group

CDG PETCHEM LIMITED

cdgpetchem.in / procurepoint.in

2023-2024

Manufacture, Import, Supply, Distribution

Plastic Raw Material | Sheets, Pipes & Rods
Single Use Products | Chemicals
Plasticizers & Additives
Packaging Films | E Commerce

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*"Our Journey Continues. Together,
We Elevate Standards and Achieve Greatness"*

