



Manufacturer & Exporter of : FIBC, PP Fabric, Woven Sacks, Bopp Bags, Tarpaulin & Flexible Packaging

**COMSYN/BSE/2022-23**

**Date: 8<sup>th</sup> September, 2022**

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To,  
The General Manager,  
DCS-CRD  
BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street Mumbai- 400001(MH)

**BSE Scrip ID: COMSYN      BSE Scrip Code: 539986**

**Sub: Submission of 38<sup>th</sup> Annual Report along with the Notice of Annual General Meeting to be held on 30<sup>th</sup> September, 2022 through Video Conferencing (VC)/ Other Audio Visual Means (OVAM) at 2:00 P.M. pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015.**

Dear Sir/Ma'am,

Pursuant to provisions of regulation 34(1) of the SEBI (LODR) Regulations, 2015 related submission of 38<sup>th</sup> Annual Report along with Notice of Annual General Meeting to be held on Friday, 30<sup>th</sup> September, 2022 at the Registered Office of the Company at 2.00 P.M through Video Conferencing or Other Audio Visual Means (VC/OAVM).

We are pleased to submit the 38<sup>th</sup> Annual Report for the year 2021-22 of the Company containing the Balance Sheet as at 31<sup>st</sup> March, 2022, Statement of Changes in Equity and Profit and Loss and Cash Flow for the year ended 31<sup>st</sup> March, 2022 and the Boards' Report along with Corporate Governance Report and the Auditors' Report on that date and its annexures.

Further, we would like to intimate that, the company will commence dispatch of its Annual Report on 8<sup>th</sup> September, 2022.

The above-mentioned documents are available on the Company's website at [www.comsyn.com](http://www.comsyn.com).

You are requested to please take on record the above said document of the Company for your reference and further needful.

Thanking You,  
Yours Faithfully,  
**For, COMMERCIAL SYN BAGS LIMITED**

**CS SANDEEP PATEL  
COMPANY SECRETARY &  
COMPLIANCE OFFICER**

**Commercial Syn Bags Limited**

**CIN: L25202MP1984PLC002669**

**Registered Office: Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore -452001, M.P. INDIA**

**Ph. +91-731-2704007, 4279525 Fax: +91-731-2704130 E-Mail: [mails@comsyn.com](mailto:mails@comsyn.com), Visit at : [www.Comsyn.com](http://www.Comsyn.com)**

**COMSYN**

COMMERCIAL SYN BAGS LIMITED

*"Weaving strength thread by thread for better world"*



FIRMLY  
**ROOTED** AND  
**ESTABLISHED**



## CHAIRMAN'S MESSAGE

Dear Shareholders,

The past couple of years have been a period of intense action and reflection. We have seen a global pandemic, geopolitical tensions, supply chain disruptions, the rise of crypto currency and many other public and private upheavals. As the dust settles, and a clearer picture of the world ahead emerges, I believe we are standing at the threshold of a period of great opportunity and growth.

In the face of widespread change, your company has shown remarkable resilience and adaptability, coming out stronger than ever, after catastrophic events like the global financial crisis or the pandemic.

FY'22 was a year of good financial performance with growth in sales and strong cash flow generation from operations. Your Company achieved the highest ever revenue of Rs. 32158.53 Lakhs as compared to Rs. 21389.10 Lakhs in FY'21 (on standalone basis) registering a growth of 50.35%. The profit after tax also increases by 50.45% from Rs. 1208.58 Lakhs to Rs. 1818.28 Lakhs. The export sales continue to contribute more than 70% of total sales from manufacturing segment and Company's customer base is spread in all the continents except Antarctica.

The Company has acquired the assets of Geotech Worldwide, a division of Neo Corp International Limited lying at Plot No. A-12 & A-13 admeasuring 16,423 Sq. Mtrs, Indore Special Economic Zone, Pithampur Phase 2, Dhar, Madhya Pradesh under an e-auction from the Official Liquidator with the bid amount of Rs. 3051.46 Lakhs on 30th June, 2022. The Letter of Possession and Certificate of Sale is received from the Official Liquidator on 22nd July, 2022.

The Company has received Rs. 1057.88 Lakhs from the issue and conversion of convertible warrants on preferential basis to promoter, promoter group and other specified person categorized as public during this financial year.

Your Board of directors are pleased to recommend a Final Dividend of 21% i.e. Rs. 2.10 per equity shares of Rs. 10/- each on 1,27,09,900 Equity Shares for the Financial Year 2021-22 aggregating to Rs.266.90 Lakhs, subject to approval of shareholders. It needs to be considered that the equity shareholder upon conversion of the remaining warrants holders will also be eligible for participating in the dividend, if their warrants converted into equity shares on or before cut-off date 23rd September, 2022, being the equity shares so converted shall have parri passu rights with the existing shares of the Company.

Your Company always focuses on operational efficiency and reduction in cost for which it has also taken some initiatives in previous years. During the year under review 17.25 Lakhs units of Electricity were generated through 1.0 MW (1.2 MW peak (p) Solar Power Generating System at Ujaas Solar Park, Sitamau (MP) and used as captive consumption at Company's manufacturing units at Pithampur and 3.39 Lakhs unit were generated from the installed roof top solar plant at Unit – II.

During the year under review your Company has achieved turnover of 44989.28 MT vis a vis 39188.80 MT in financial year 2021-2022 under trading operations as DCA cum CS of ONGC Petro additions Limited (OPaL), and strengthened its presence in domestic market.

Our key focus is to build a profitable business, offer better returns to stakeholders, and create further value for our customers, employees and other stakeholders.

I would like to place on record my sincere appreciation to the Board of Directors for their guidance. Of course, the progress in any company cannot happen without our most valuable asset – our people. It is with pride that I talk about the strong culture in the Company where our individual accomplishments are directed towards achieving the Company milestones and marching together to fulfil our Vision. On behalf of the Board of Directors, I would like to acknowledge every single employee for actively contributing to our success.

I would also like to thank all our stakeholders, including customers, investors, business partners, bankers and Government, for their continued trust and support. We look forward to another year of triumphant performance, supported by our unrelenting pursuit of excellence.

*With best wishes,  
Sincerely,*

**Anil Choudhary**  
**Chairman & Managing Director**

## CORPORATE INFORMATION

### *Board of Directors*

<b>Name</b>	<b>Designation</b>
Shri Anil Choudhary	Chairman & Managing Director
Smt Ranjana Choudhary	Whole-time Director
Shri Virendra Singh Pamecha	Whole-time Director
Shri Hitesh Mehta	Independent Director
Shri Milind Mahajan	Independent Director
Shri Vijay Kumar Bansal	Independent Director

### *Other Key Managerial Personnel*

<b>Name</b>	<b>Designation</b>
Shri Ravindra Choudhary	Chief Executive Officer
Shri Abhishek Jain	Chief Financial Officer
Shri Sandeep Patel	Company Secretary & Compliance Officer
Shri Pramal Choudhary	Chief Operating Officer

### *Committees of the Board*

<i>Audit Committee</i>		<b>Position in the Committee</b>
<b>Name</b>	<b>Status</b>	
Shri Hitesh Mehta	Independent Director	Chairman
Shri Milind Mahajan	Independent Director	Member
Shri Virendra Singh Pamecha	Whole-time Director	Member

<i>Stakeholders' Relationship Committee</i>		<b>Position in the Committee</b>
<b>Name</b>	<b>Status</b>	
Shri Milind Mahajan	Independent Director	Chairman
Shri Hitesh Mehta	Independent Director	Member
Shri Anil Choudhary	Chairman and Managing Director	Member

<i>Nomination and Remuneration Committee</i>		<b>Position in the Committee</b>
<b>Name</b>	<b>Status</b>	
Shri Hitesh Mehta	Independent Director	Chairman
Shri Milind Mahajan	Independent Director	Member
Shri Vijay Kumar Bansal	Independent Director	Member

<i>Corporate Social Responsibility Committee</i>		<b>Position in the Committee</b>
<b>Name</b>	<b>Status</b>	
Shri Anil Choudhary	Chairman and Managing Director	Chairman
Smt Ranjana Choudhary	Whole-time Director	Member
Shri Hitesh Mehta	Independent Director	Member

<b>Statutory Auditor:</b> M/s Avinash Agrawal & Co., Chartered Accountants 33, Ravi Nagar, Shrinagar Ext., Indore (M.P.) - 452018	<b>Secretarial Auditor:</b> M/s Ishan Jain & Co., Company Secretaries 401- 402 Silver Ark Plaza, Janjirwala Square, Indore (M.P.) - 452001
<b>Internal Auditor:</b> M/s Dilip Rathor & Co., Chartered Accountants Dhamnod (M.P.) - 454552	<b>Name of Stock Exchange, Script Code &amp; ISIN No.:</b> BSE Limited: Scrip Code: 539986 ISIN:INE073V01015
<b>Bankers:</b> State Bank of India Bank of Baroda HDFC Bank Limited Kotak Mahindra Bank Ltd.	<b>Registered Office:</b> Commercial House, 3-4, Jaora Compound M.Y.H. Road, Indore (M.P.) - 452001 CIN: L25202MP1984PLC002669 Email: investors@comsyn.com Tel : +91 731- 4279525/26, Website: www.comsyn.com
<b>Share Transfer Agent:</b> <b>Bigshare Services Private Limited</b> 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai (M.H.) - 400059 Tel : + 91-22-6263 8200 Email: investor@bigshareonline.com Website: www.bigshareonline.com	<b>Works :</b> <b>Unit I:</b> Plot No.S-4/1, S-4/2, S-4/3, S-4/3A Sector 1,Pithampur (M.P.) <b>Unit II:</b> Plot No. S-2/1, S-3/1, S-3/2, Sector-1, Pithampur (M.P.) <b>Unit III:</b> Plot No. 309, Sector-1, Pithampur (M.P.) <b>Unit SEZ:</b> Indore Special Economic Zone, Plot No. 15 to 18, Phase-1, Sector-III, Pithampur (M.P.) <b>Solar Power Division:</b> PH No. 36, Village Galihara, Tehsil, Sitamau, District Mandsaur (M.P.) <b>Trading Division Warehouse:</b> 61/2, Sector F, Sanwer Road, Indore (M.P.)

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## NOTICE

Notice is hereby given that 38th Annual General Meeting of the members of **COMMERCIAL SYN BAGS LIMITED** will be held on **Friday, the 30th day of September, 2022** at 2:00 P.M. through Video Conferencing (VC)/Other Audio Visual Means (OAVM) at registered office of the company situated at Commercial House, 3-4, Jaora Compound, M.Y.H. Road, Indore (M.P.) 452001 which shall be deemed as the venue for the Meeting and the proceedings of the AGM to be made thereat, to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Standalone and Consolidated Audited Financial Statements containing the Balance Sheet as at 31st March 2022, the Statement of Profit & Loss, Cash Flow, Changes in Equity and notes thereto of the company for the financial year ended 31st March 2022 and the Report of the Board's and Auditors thereon as on that date.
2. To consider and declare dividend on the 1,27,09,900 equity shares of Rs. 10/- each of the Company for the financial year ended 31st March, 2022.
3. To appoint a director in place of **Smt. Ranjana Choudhary (DIN:03349699)** who is liable to retire by rotation at this Annual General Meeting and being eligible offers her self for re-appointment.

### SPECIAL BUSINESS:

4. To approve revision in the terms of appointment and remuneration of **Shri Anil Choudhary (DIN: 00017913)**, Chairman and Managing Director of the company.

To consider and if thought fit, to convey assent or dissent to the following Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of section 190, 196, 197, 203 read with the provisions of Schedule V of the Companies Act, 2013, the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 and other applicable provisions if any of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being enforce) read with Regulation 17(6) of the SEBI (LODR) Regulations, 2015 and as recommended by Nomination and Remuneration Committee of the Board and subsequent to the approval of Board of Directors, the consent of the Members of the Company be and is hereby accorded for revision of tenure of appointment to 3 (three) years and revision in the remuneration payable to Shri Anil Choudhary (DIN: 00017913), Chairman and Managing Director w.e.f. 1st October, 2022 for the remaining part of his tenure i.e. upto 19th February, 2024 which is as follows:

#### a. Basic Remuneration

- Remuneration upto Rs. 10,00,000/- (Rupees Ten Lakhs) per month.

#### b. Other Perquisites

- Commission @ 2% of the net Profits of the Company;
- Mediclaim and accidental insurance, the annual premium of which shall not exceed Rs. 1,00,000;
- Leave Travel Concession for self and family once in a year upto Rs. 10,00,000;
- Other perquisites as may be allowed under Income Tax.

**FURTHER RESOLVED THAT** in addition of his aforesaid remuneration, Shri Anil Choudhary, Chairman and Managing Director shall also be entitled for the following benefits which shall not be considered for the purpose of calculation of the maximum permissible remuneration as it covers under the exempted category.

1. **Employers Contribution to PF:** As per the Rules of the Company.

2. **Gratuity:** As per the rules of the Company, subject to the maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
3. **Earned Privilege Leave:** As per the rules of the Company subject to the condition that the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every year of completed services at the end of the tenure.

#### **FACILITIES TO PERFORM THE COMPANY'S WORK:**

1. **Car:** The Company shall provide a car with driver for the Company's business and if no car is provided, reimbursement of the conveyance/car expenses shall be made as per actual on the basis of claims submitted by him.
2. **Telephone, Internet and Cell:** Free use of telephone, internet at his residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Chairman and Managing Director.

**FURTHER RESOLVED THAT** in the event of there being any loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to Shri Anil Choudhary shall be minimum remuneration payable by the Company.

**FURTHER RESOLVED THAT** there shall be clear relation of the Company with Shri Anil Choudhary as "the Employer-Employee" and each party may terminate the above said appointment with six months' notice in writing or salary in lieu thereof.

**FURTHER RESOLVED THAT** Shri Anil Choudhary, the Chairman & Managing Director shall also be entitled to reimbursement of actual entertainment, travelling time to time to perform his duties as per rules of the Company.

**FURTHER RESOLVED THAT** the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and to decide breakup of his remuneration within the permissible limits in its absolute discretion as may considered necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company without any requirement to seek further approval of the members of the company."

5. **To approve the increase in the existing limit u/s 180(1)(c) of the Companies Act, 2013 for providing authority to Board for borrow money(ies)exceeding the aggregate limit of paid-up share capital, free reserves and Securities Premium.**

To consider and if thought fit, to convey assent or dissent to the following **Special Resolution:**

**"RESOLVED THAT** in supersession of all earlier resolutions passed on the matter and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof, for the time being in force), and the relevant regulations/directions as may be prescribed by the Reserve Bank of India from time to time (including any amendment(s), modification(s) thereof) and the Articles of Association of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors or to such person/s or such committee (by whatever name called), as may be authorized by the Board in this regard, to borrow at any time or from time to time by obtaining loans, overdraft facilities, lines of credit, commercial papers, external commercial borrowings (loans/bonds), INR denominated offshore bonds or in any other forms from the directors, Banks, Financial Institutions, Insurance Companies, Mutual Funds or other Corporate or other eligible investors, including by way of availing credit limits through Non-Fund based limits i.e. Bank Guarantee, Letter of Credit, etc. or by any other means as deemed fit by it, against the security of term deposits, movables, immovable or such other assets as may be required or as unsecured, at any time or from time to time, any sum or sums of money(ies) which together with monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), exceeding the aggregate of paid-up share capital of the Company, its free reserves and Securities Premium, provided that the total amount so borrowed by the Board shall not at any time exceed Rs 400.00 Crores (Rupees Four Hundred Crores only);

**FURTHER RESOLVED THAT** the Board of Directors or such person/s or such committee (by whatever name called), as may be authorized by the Board in this regards, be and are hereby authorized to arrange or settle the terms and conditions on

which all such monies are to be borrowed from time to time as to interest, repayment, security or otherwise howsoever as it may think fit and to do all other acts, deeds, matters and things as may be deemed necessary and incidental for giving effect to the above, including execution of all such documents, instruments and writings, as may be required.”

**6. To approve the authorization to Board u/s 180(1)(a) of the companies Act, 2013 for disposal of an undertaking or otherwise by way of creation of such mortgages, charges and hypothecations of the properties of the company.**

To consider and if thought fit, to convey assent or dissent to the following **Special Resolution**:

**"RESOLVED THAT** in supersession of the earlier resolutions passed by the Company in this regard and pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, rules made thereunder (including any statutory modification or re-enactment thereof) and other applicable provisions, if any, consent of the members be and is hereby accorded for disposal of undertaking(s) including providing security to secure the loan/advance amount as may be granted to the Company by way of creation of mortgages, charges, lien, pledge, and hypothecations on the assets of the company as may be considered necessary, in addition to the existing charges, mortgages, charge, lien, pledge and hypothecation on the assets if any created by the Company, on the moveable or immovable assets/properties of the Company, both present and future, in such manner as the Board of Directors or to such person/s or such committee (by whatever name called), as may be authorized by the Board in this regards as they may deem fit, in favor of financial institutions, investment institutions, banks, mutual funds, trusts, other bodies corporate (hereinafter referred to as the "Lending Agencies") and/or other instruments to secure borrowings of the Company availed/to be availed by way of rupee term loans/INR denominated offshore bonds/foreign currency loans, debentures, bonds and other instruments shall not at any time exceed Rs. 400.00 Crores (Rupees Four Hundred Crores only);

**FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, the Board or such person/s or such committee (by whatever name called), as may be authorized by the Board in this regards, be and are hereby authorized to finalize and settle and further to execute such documents/ deeds/ writings/ papers/ agreements as may be required and to do all such acts, deeds, matters and things, as they may, in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise with respect to creation of mortgage/ charge as aforesaid.”

**7. To approve the increase in the limits for providing loans, guarantee, security etc. to other body corporate u/s 185 of the companies Act, 2013.**

To consider and if thought fit, to convey assent or dissent to the following **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Section 185 read with section 186 and 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any amendment, modification or re-enactment thereof), consent of the members of the Company be and is hereby accorded to the Board of directors of the Company for providing any advance(s), loan(s) including any loan represented by book debts, and/or to give guarantee or to provide any security on the assets of the Company in connection with loan taken by the companies/body corporates in which any director of the company is directly or indirectly concerned and/or interested from time to time subject to the maximum amount of Loans/Advances and or guarantee and securities not exceeding Rs.25.00 Crores (Rupees Twenty Five Crores only) at any point of time.”

**Date: 05th September, 2022**

Place: Indore

**Commercial Syn Bags Limited**

CIN: L25202MP1984PLC002669

Registered Office: Commercial House,

3-4, Jaora Compound

M.Y.H. Road Indore (M.P.) - 452001

**By Orders of the Board of Director**

**Sandeep Patel**

**Company Secretary**

**ACS 54908**



**NOTES:**
**For e-voting and Joining Virtual meetings.**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 issued by the Ministry of Corporate Affairs (MCA) followed by Circular No. 20/2020 dated 5th May, 2020, Circular No. 2/2021 dated 13th January, 2021 and Circular No. 2/2022 dated 5th May, 2022, physical attendance of the Members to the AGM venue is not required and the AGM be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM only and no physical presence at the meeting is required.
2. Pursuant to the Circular No. 14/2020 dated 8th April, 2020 followed by Circular No. 2/2021 dated 13th January, 2021, issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. 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.
3. 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, May 05, 2020, January 13, 2021 and circular No. 2/2022 dated May 5, 2022 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 and independent agency for providing necessary platform for Video Conferencing/OAVM and necessary technical support as may be required. Therefore, the facility of casting votes by a member using remote e-voting system as well as e-voting on the day of AGM will be provided by CDSL.
4. 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. However, this number does not include large Shareholders (Shareholders holding 2% or more share capital), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Secretarial Auditors, Scrutinizers etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.comsyn.com](http://www.comsyn.com). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Ltd. at [www.bseindia.com](http://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](http://www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020, MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020, MCA Circular No. 2/2021 dated 13th January 2021 and MCA Circular No. 2/2022 dated 5th May 2022.
8. In continuation of the MCA General Circular No.20/2020, dated 5th May, 2020, general circular No 02/2021 Dt. 13th Jan 2021, General Circular No 19/2021 Dt. 8th Dec 2021 & 21/2021 dated 14th Dec 2021 and after due examination, it has been

decided to allow companies whose AGMs were due to be held in the year 2022, or become due in the year 2022, to conduct their AGMs on or before 31.12.2022, in accordance with the requirements as specified in General Circular No. 20/2020 dated 05.05.2020.

9. The recorded transcript of the forthcoming AGM shall also be made available on the website of the Company [www.comsyn.com](http://www.comsyn.com) as soon as possible after the Meeting is over.
10. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available for remote e-voting:-

<b>Commencement of remote e-voting</b>	<b>9.00 am (IST) on Tuesday, 27th September, 2022</b>
<b>End of remote e-voting</b>	<b>5.00 pm (IST) on Thursday, 29th September, 2022</b>

Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently.

11. The company has notified closure of Register of Members and Share Transfer Books from **Saturday, 24th September 2022 to Friday, 30th September, 2022** (both days inclusive) for the AGM.
12. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e., **Friday, 23rd September 2022** only shall be entitled to avail the facility of remote e-voting as well as e- voting at the AGM.
13. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e., **Friday, 23rd September 2022.**
14. CS Ishan Jain, Company Secretary in Practice (F.R. No.: S2021MP802300, M. No. FCS 9978 & C.P. No. 13032), proprietor of M/s Ishan Jain & Co., Company Secretaries, Indore has been appointed as the Scrutinizer to scrutinize the e-voting at the AGM and remote e-voting process in a fair and transparent manner.
15. Members desirous of obtaining any information concerning Accounts and Operations of the Company are requested to address their questions in writing to the Company at least 7(Seven) days before the date of the Meeting at its email id [investors@comsyn.com](mailto:investors@comsyn.com) so that the information required may be made available at the Meeting.
16. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the Company on all working days, except Saturday, between 2:00 P.M and 4:00 P.M up to the date of the meeting.
17. The Members are requested to:
  - a) Quote their ledger folio number in all their correspondence.
  - b) Send their Email address to RTA for prompt communication and update the same with their DP to receive softcopy of the Annual Report of the Company.
  - c) Intimate changes, if any, in their registered addresses immediately.
18. Members are requested to notify immediately any change in their address and also intimate their active E-Mail ID to their respective Depository Participants (DPs) in case the shares are held in demat form and in respect of shares held in physical form to the Registrar and Share Transfer Agent Big share Services Pvt. Ltd, 1stFloor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra, 400059 having email Id [investor@bigshareonline.com](mailto:investor@bigshareonline.com) to receive the soft copy of all communication and notice of the meeting etc., of the company.
19. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Board Report.

20. The Register of Directors and Key Managerial Personnel and their shareholding, and the Register of Contracts or Arrangements in which the directors are interested, maintained under the Companies Act, 2013 will be available for inspection by the Members electronically during the 38th AGM. Members seeking to inspect such documents can send an email to investors@comsyn.com.
21. Due dates for transfer of unclaimed/unpaid dividends as at 31st March, 2022 and due date for transfer thereafter to IEPF are as under:

<b>F. Y. Ended</b>	<b>Declaration Date</b>	<b>Due Date for transfer to IEPF</b>	<b>Amount remains unpaid/ unclaimed as at 31.03.2022 (Rs.)</b>
2019-20	29/09/2020	07/12/2027	40.00
2020-21	30/09/2021	05/11/2028	9,363.00

22. As per SEBI Circular dated 20th April, 2018 such shareholders holding shares of the company in the physical form are required to provide details of the Income Tax Permanent Account No. and Bank Account Details to the Share Transfer Agent (RTA) of the Company, Bigshare Services Pvt. Ltd, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra, 400059 having email Id investor@bigshareonline.com.
23. In compliance with the aforesaid MCA Circulars dated 5th May, 2020 and SEBI Circular dated May 12, 2020, followed by May 13, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice of the AGM and Annual Report 2021-22 will also be available on the Company's website - www.comsyn.com, websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL <https://www.evotingindia.com>. However, if any specific request received from the members for demanding of the physical copy of the Annual Report will be provided by the company.
24. Members joining the meeting through VC, who have not already cast their vote by means of remote e-voting, shall be able to exercise their right to vote through e-voting at the AGM. The Members who have cast their vote by remote e-voting prior to the AGM may also join the AGM through VC but shall not be entitled to cast their vote again.
25. SEBI has mandated submission of PAN by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN details to their depository participants. Members holding shares in physical form are requested to submit their PAN details to the company's RTA.
26. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number ('PAN'), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
- For shares held in electronic form to their Depository Participant only and not to the Company's RTA. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and its RTA provide efficient and better service to the Members.
27. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4. The said form can be downloaded from the Standard documents for Investors available on the Company's website [www.comsyn.com](http://www.comsyn.com) and is also available on the website of the RTA. It may be noted that any service request can be

processed only after the folio is KYC Compliant.

28. SEBI vide its notification dated January 24, 2022, has amended Regulation 40 of the SEBI Listing Regulations and has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
29. Pursuant to Finance Act, 2020, dividend income if any declared by the Company will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company shall be required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Ankit Consultancy Private Limited, the Share Transfer Agent (in case of shares held in physical mode) and to the concerned depositories. (in case of shares held in demat mode)

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to investors@comsyn.com. by 11:59 p.m. IST on or before **23rd September, 2022**. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to investors@comsyn.com.. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on or before **Friday, 23rd September 2022**.

30. The Explanatory Statement pursuant to section 102 of the Companies Act, 2013, which sets out details relating to special business at the meeting is annexed and forms part of the Notice.
31. Pursuant to Article of Association of the company, any members who wishes to relinquish their right to receive dividend may apply to the company in the form as provided on the website of the company www.comsyn.com on or before **23rd September, 2022**.
32. As the 38th AGM is being held through VC, the route map is not required to annexed to this Notice
33. **Voting through Electronic Means:**

**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 voting period begins on **27th September, 2022 (Tuesday) (I.S.T. 9.00 A.M.) and ends on 29th September, 2022 (Thursday) (I.S.T. 5.00 P.M)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **23rd September, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of SEBI (LODR) 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.**

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is 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.</li> <li>If the user is not registered for Easi / Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e voting is in progress and able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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</li> </ol>

Type of shareholders	Login Method
	<p>provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	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.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free No. 1800225533
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

- (v) 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](http://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](http://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:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
<b>PAN</b>	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"> <li>• 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.</li> </ul>
Dividend Bank Details <b>OR</b> 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"> <li>• 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.</li> </ul>

- 7) After entering these details appropriately, click on “SUBMIT” tab.
- 8) 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.
- 9) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- 10) Click on the EVSN for the relevant “Commercial Syn Bags Limited” on which you choose to vote.
- 11) 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.
- 12) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- 13) 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.

- 14) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- 15) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- 16) 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.
- 17) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- 18) 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](http://www.evotingindia.com) and register themselves in the “Corporate” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 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; [investors@comsyn.com](mailto:investors@comsyn.com) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

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

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

- 1) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investors@comsyn.com/investor@bigshareonline.com.
- 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.1800225533.All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, 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 contact at toll free no.1800225533.
- 4) Members can also update your mobile number and email id I the user profile details of the folio which may be used for sending future communications. Any person, who acquires shares of the Company and become member of the Company after mailing of the notice and holding shares as on the cut-off date i.e., Thursday, 22nd September 2022 may obtain the login ID and password by sending a request at investor@bigshareonline.com.
- 5) In the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Thursday, 22nd September 2022 only shall be entitled to avail the facility of remote e-voting as well as e- voting at the AGM.

- 6) The Chairman shall, at the AGM at the end of discussion on the resolutions on which voting is to be held, allow e-voting to all those members who are present / logged in at the AGM but have not cast their votes by availing the remote e-voting facility.
- 7) The results of the voting on the resolutions along with the report of the scrutinizer shall be declared and placed on the website of the company <http://www.comsyn.com> and on the website of CDSL immediately after the declaration of the result by the chairman or a person authorized by him in writing. The result shall also be immediately forwarded to the BSE Ltd.
- 8) For any other queries relating to the shares of the Company, you may contact the RTA at the following address:
- M/s. Bigshare Services Pvt. Ltd.
  - 1stFloor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra, 400059
  - Tel:022-40430200/62638200 Email-investor@bigshareonline.com.

Details of the Director Seeking Appointment/Re-Appointment in the Ensuing Annual General Meeting

### Brief Resume

#### 1. Smt. Ranjana Choudhary:

Smt. Ranjana Choudhary aged 41 years is the Whole-time Director of the Company is a Graduate in Commerce and master's degree in computer management from North Maharashtra University, Jalgaon, (M.H.). She has an experience of more than 10 years of experience in the field of administration, management and plastic packaging industry years in Manufacturing Industry.

<b>Name of Directors</b>	<b>Smt. Ranjana Choudhary</b>
<b>Designation</b>	<b>Whole -time Director</b>
DIN	03349699
Date of Birth	04/05/1981
Date of Appointment (previous Appointment)	Re -Appointed as Whole Time Director w.e.f. 01/06/2022 for a period of 5 years.
Expertise in specific area	She has more than 10 years of experience in the field of administration, management and plastic packaging industry
Qualification	B.Com, Masters Degree in Computer Management from North Maharashtra University, Jalgaon, (M.H.)
List of Outside Directorship held	Nil
Chairman / Member of the Committees of the Board of Directors of the Company	Member of Corporate Social Responsibility Committee
No. & % of Equity Shares held	2,21,600 (1.74%)
Disclosures of relationships between directors and KMPs inter -se.	Smt. Ranjana Choudhary is Sister -in -Law of Shri Ravindra Choudhary the CEO.

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT  
TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 4**

Shri Anil Choudhary (DIN: 00017913) was re-appointed as Managing Director w.e.f. 20th February 2021 for a term of 5 (five) years upto 19th February, 2026 at remuneration of Rs 7,00,000 per month and other benefits.

The NRC and the Board at their meeting held on 5th September, 2022 considered revision in the tenure from 5 (Five) years to 3 (Three) years and remuneration payable to Shri Anil Choudhary, Chairman and Managing Director of the company for the remaining tenure of appointment on the terms and conditions and remuneration as set out in the Item No. 4 of the notice and recommend to pass necessary Special resolution at the Meeting.

Shri Anil Choudhary is financially interested in the resolution to the extent of the remuneration as may be paid to him. Further, that Mr. Pramal Choudhary (Chief Operating Officer) being his relatives may be deemed as concerned or interested otherwise in the resolutions. Except that none of the other directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

Shri Anil Choudhary is a promoter and also holds 5,99,275 equity shares of Rs. 10/- each consisting of 4.72% of the total paid up capital of the Company.

The Information as required under section II, Part 2 of the Schedule V with reference to point no. 4 & 5 are being given as under:

**I. General Information:**

(1)	Nature of industry	The company is a manufacturer of FIBC, Bulk Bags, Poly-tarpaulin, woven sacks/bags, etc and the company is also having solar power project which is used for captive consumption.
(2)	Date or expected date of commencement of commercial production	N.A., already existing in business
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A., already existing in business
(4)	Financial performance based on given indicators	The Company has achieved gross turnover of Rs. 32158.53 Lakhs for the year ended 31st March, 2022 and earned profits before Tax Rs. 2088.23 Lakhs.
(5)	Foreign investments or collaborations, if any.	31,725 equity shares were hold by the NRI, which are about 0.25% of the total paid up share capital of the company. However, there is no foreign collaboration in the Company.

**II. Information about the appointee:**

(1)	Background details	Shri Anil Choudhary has an experience of more than three decades in plastic packaging industry. He is entrusted with the responsibility of looking after the overall management and operations of the Company. He is the guiding force behind the strategic decisions of the COMSYN and has given his significant contribution and support in managing the business affairs for the growth and success of the Company.
(2)	Past remuneration	Rs. 7.00 Lakhs per month and other benefits
(3)	Recognition or awards	NIL
(4)	Job profile and her suitability	<p>Shri Anil Choudhary is the Promoter, Chairman &amp; Managing Director of the Company. He has been the director of Company since incorporation.</p> <p>Shri Anil Choudhary is responsible for the overall management of the Company with the assistance of two whole-time directors and is functioning under the superintendence and control of the Board of directors, Shri Anil Choudhary is looking the affairs of purchase, procurement, production, business expansion activities etc. of the Company.</p> <p>Looking into his contribution and rapid growth under his dynamic leadership, his appointment shall be most suitable for the further growth and success of the company and will provide value addition to overall stakeholders of the company.</p>
(5)	Remuneration proposed	Rs. 10.00 Lakhs per month and other benefits as set out in resolution mentioned in Item No-4
(6)	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration proposed is comparable with remuneration for equivalent position in a unit of comparable size and complexity.
(7)	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	<p>Withdraws remuneration from the company in capacity of the Chairman and Managing Director of the Company. He is also relative of Mr. Ravindra Choudhary (Chief Executive Officer) and Mr. Pramal Choudhary (Chief Operating Officer).</p> <p>Mr. Anil Choudhary also holds 599275 equity shares about 4.72% of the paid up share capital, therefore he may also be considered interested being the member of the company towards the dividend as may be received by him.</p>

**III. Information about the appointee:**

(1)	Reasons of loss or inadequate profits	There is no loss however, there may be inadequate profits due to adverse market position and matter of demand and supply or due to change in government policy, and then the profits may be inadequate in a particular period.
(2)	Steps taken or proposed to be taken for improvement	The Company is continuing efforts to introduce higher value products and broaden its operating base.
(3)	Expected increase in productivity and profits in measurable terms	The Company expect to increase its turnover and profits every year.

**Item No. 5& 6**

Due to the increasing business operations, expansion projects and future growth plans, the Company would necessitate borrowing from time to time from the banks, financial institutions or any other lending institutions, firms, bodies corporate or persons, both in the national and international markets, as may be considered suitable by the Board. However as per the provisions of section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot, apart from temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business except with the consent of the Shareholders in General Meeting by way of special resolution, borrow monies in excess of the aggregate of the paid-up capital and free reserves of the Company.

The Members of the Company at their Meeting held on 18th September, 2019 has authorized the Board to borrow monies, from time to time, upto Rs. 200.00 Crores apart from temporary loans obtained or to be obtained from the Company's banker in the ordinary course of business. The Board is of the view that the company may require funds for the working capital and CAPEX which may require additional long term / short term funds by way of borrowings therefore, it would be appropriate and in the best interest of the Company to increase the borrowing powers by the members to the Board of Director or committee thereof or the person as may be authorized by the Board or Committee thereof from time to time to borrow monies, whether secured or otherwise (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), from time to time on behalf of the company to Rs. 400.00 Crores (Rs. Four Hundred Crores) over and above the paid-up capital of the Company and its free reserves of the Company.

As explained above consequent to the proposed increase in the borrowing limits of the Company it would be necessary to revise the approval for creation of charge on properties of the Company given by the members in their General Meeting held for creation of security and charge on the assets of the Company which may mean or include whole or substantially the whole of undertaking of the Company which inter alia provides powers to the secured lenders to dispose of the securities for realization of their loan amount, therefore it is required to seek consent of shareholders by way of special resolution.

As per section 110 of the Companies Act, the approval of members under section 180(1)(c) of the Companies Act, 2013 can be taken through the Postal Ballot Process. However, the Company is providing remote e-voting facility at the ensuing Annual General Meeting, therefore as per Notification No. S.O. 630(E) dated 9th Feb., 2018, the Board of directors of the company seek approval of the members by way of the remote e-voting at the annual general meeting.

Therefore, the Board recommends the Special Resolution as mentioned at item No.5 and 6 of this Notice for your approval.

None of the Directors and Key Managerial Personal and their relatives is either directly or indirectly concerned or interested, in the proposed resolutions. However, the directors and their relatives may be considered as financially interested to the extent

of the interest as may be received by them on the unsecured loan, if any, as may be provided by them to the Company from time to time.

**Item No. 7**

Your Board would like to inform that pursuant to section 185 of the Companies Act, 2013 company may give advances, loans including any loan represented by book debts or give any guarantee or provide any security in connection with any loan taken by any company and/or body corporate in whom any or all the director(s) of the company are considered as concerned or interested subject to the approval of members by way of Special Resolution.

Therefore in view of the requirements of other companies or the body corporates in which one/or more directors may be concerned or interested, may be required to provide its financial support by way of providing short term or long term loans, advances and/or to provide guarantee or security on the assets of the Company on behalf of such companies/body corporate to such other bank/financial institution which provides loans and advances whether fund based or non-fund based credit facilities as the case may be from time to time in view of the business requirements of such companies to support them.

The Board considered that it may need to provide the advances, loans or to provide guarantee or security on their behalf as under:

Sr. No.	Name of the Company /Body Corporate in which directors are interested	Name of the interested directors /KMPs	Maximum amount upto which loan/ guarantee/ security may be provided by the company.
1.	C K Associates Realty LLP	1. Anil Choudhary - CMD	Upto Rs. 25.00 Crores aggregating at any point of time as may be provided to all or any of them as may be considered by the Board.
2.	Super Sack Private Limited	2. Ranjana Choudhary - WTD	
3	Comsyn Foundation	3. Ravindra Choudhary - CEO	

However, before providing aforesaid loans, advances or guarantee and securities the Board shall ensure that: -

- 1) The said loan will be used by entities in their normal course of business.
- 2) The same is in Compliance under section 186 and 188 of the Companies Act, 2013.
- 3) The related entity will check their limit as prescribed under section 180 of the Companies Act, 2013 if applicable

Shri Anil Choudhary, Chairman and Managing Director, Smt Ranjana Choudhary Whole Time Director, Shri Ravindra Choudhary Chief Executive Officer along with their relatives may be deemed to be concerned or interested financial to the extent of the loans, advances, guarantee, or securities furnished by the Company.

The Board recommends the Special Resolution as mentioned at Item No.7 of this Notice for your approval.

**Date: :5th September 2022**

Place: Indore

**Commercial Syn Bags Limited**

CIN: L25202MP1984PLC002669

Registered Office: Commercial House,

3-4, Jaora Compound

M.Y.H. Road Indore (M.P.) - 452001

**By Orders of the Board of Director**

**Sandeep Patel**

**Company Secretary**

**ACS 54908**

## BOARDS' REPORT

To,  
 The Members of,  
**Commercial Syn Bags Limited**

Your Directors take pleasure in presenting the **38th Annual Report** along with the Audited Standalone and Consolidated Financial Statements for the year ended 31st March, 2022.

### HIGHLIGHTS OF FINANCIAL PERFORMANCE ON STANDALONE BASIS

- Total Income for the year was Rs. 32,606.39 Lakhs as compared to Rs. 21,391.04 Lakhs in the previous year.
- Revenue from operations for the year was Rs.32,158.53 Lakhs as compared to Rs. 21,389.10 Lakhs in the previous year.
- Profit before tax for the year was Rs. 2,088.23 Lakhs as compared to Rs. 1,460.32 Lakhs in the previous year.
- Profit after tax for the year was Rs. 1,818.28 Lakhs as compared to Rs. 1,208.58 Lakhs in previous year in the previous year.

### SUMMARISED PROFIT AND LOSS ACCOUNT

(Rs. In Lakhs except EPS)

Particulars	STANDALONE		CONSOLIDATED	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Revenue from Operations (Net)	32,158.53	21,389.10	32,259.13	21,372.01
Other Income	447.86	1.94	361.27	(6.96)
<b>Total Income</b>	<b>32,606.39</b>	<b>21,391.04</b>	<b>32,620.40</b>	<b>21,365.05</b>
<b>Profit before Interest, Depreciation &amp; Tax (EBIDTA)</b>	<b>3,487.65</b>	<b>2,616.89</b>	<b>3,722.15</b>	<b>2,630.39</b>
Less: Interest	578.20	404.35	658.09	413.72
Less: Depreciation	821.22	752.22	944.92	765.85
<b>Profit before Tax</b>	<b>2,088.23</b>	<b>1,460.32</b>	<b>2,119.14</b>	<b>1,450.82</b>
Less: (a) Current Tax	372.90	276.59	276.59	276.65
(b) Deferred Tax	379.64	(24.86)	276.65	(24.12)
<b>Net Profit for the Year</b>	<b>1,818.28</b>	<b>1,208.58</b>	<b>1,830.79</b>	<b>1,198.29</b>
<b>EPS (Equity Shares of Rs. 10/- each)</b>				
<b>Basic</b>	15.48	10.23	15.48	10.14
<b>Diluted</b>	14.54	10.23	14.64	10.14

### STATE OF THE COMPANY'S AFFAIRS & REVIEW OF OPERATIONS

The Company is carrying business of manufacturer, producers, processors, importers, exporters, buyers and sellers of FIBC, BOPP, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging etc. from its various

Plants located at Pithampur, District Dhar, (M.P).The Company is also having Solar Power Plant at Sitamau, District Mandasaur (M.P.) for its captive consumption. The company is working in 2 (Two) Segments i.e., Manufacturing Segment and Trading Segment. In addition to that the Company is also having solar plant for captive consumption.

#### IMPACT OF COVID-19

The impact assessment of Covid-19 is a continuing process having some uncertainties associated with its nature and duration accordingly the impact may be different from that estimated as at the date of approval of these financial results. The company will continue to monitor any material changes to future economic conditions, if any.

#### CREDIT RATING

ICRA Limited vide their letter number ICRA/Commercial Syn Bags Limited/29072022/1 dated 29th July, 2022; have assigned the following ratings to the bank loan facilities of Rs. 86 Crores and further Enhancement of Rs. 55 Crores availed by the Company:

<b>Total Bank Loan Facilities Rated</b>	<b>Rs.141.00 Crores(Rs. One Hundred Forty-One Crores)</b>
<b>Long Term – Term Loan</b>	<b>ICRA[BBB+/Stable]</b>
<b>Short-Term - Non-Fund-based Working Capital limits</b>	<b>ICRA [A2]</b>

#### DIVIDEND

Your Board of directors are pleased to recommend a dividend @ 21% (Rs.2.10per equity shares of Rs. 10/- each on 1,27,09,900 Equity Shares(as on the date of the Board Report) for the Financial Year 2021-22 aggregating to Rs.266.90Lakhs (Previous year @ 20% i.e.Rs.2.00/-per equity shares of Rs. 10/- each aggregating to Rs.236.34 Lakhs).The aforesaid final dividend if any approved by the members shall be payable to those members whose names appears in the records (subject to the consideration of the request for relinquishment of the rights for participate in the final dividend, if any) of the depositories as on the cut-off date 23rd September, 2022.

It needs to be considered that the equity shareholder upon conversion of the remaining warrants holders will also be eligible for participating in the dividend, if their warrants converted into equity shares on or before cut-off date 23rd September, 2022, being the equity shares so converted shall have paripassu rights with the existing shares of the Company.

Such members of the company who wishes to relinquish their rights to participate in the dividend @ 21% (Rs.2.10) per share for the year 2021-22 are requested to fill up the form as available on the website of the company [www.comsyn.com](http://www.comsyn.com) and send it to the Company Secretary of the company by way of email at [cs@comsyn.com](mailto:cs@comsyn.com)/[investors@comsyn.com](mailto:investors@comsyn.com) or [investor@bigshareonline.com](mailto:investor@bigshareonline.com) or by the Registered Post or by hand as the case may be on or before 23rd Sept., 2022.

#### DIRECTORS' RESPONSIBILITY STATEMENT

To the best of the knowledge and belief and according to the information and explanations obtained by them, your Directors confirms the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- In the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed;
- Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2022 and of the profit of the company for the year ended on that date;
- 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;
- The annual financial statements have been prepared on a going concern basis;



- e. Proper internal financial controls were in place and the financial controls were adequate and operating effectively; and
- f. Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

### CAPITAL STRUCTURE AND LISTING AT STOCK EXCHANGE

The paid-up Equity Share Capital of the Company as on 31st March 2022 was Rs.1240.24 Lakhs divided into 1,24,02,400 equity shares of Rs.10/- each.

The members of the company at their 37th Annual General Meeting has passed the following resolutions:-

- 1) Increase in Authorized Share Capital of the company from Rs. 1300.00 Lakhs to Rs. 1500.00 Lakhs by creation of 20.00 Lakhs equity shares of Rs. 10/- each.
- 2) Authority to Board of Directors for issuance of 15,00,000 warrants of Rs.130/- each convertible into 1 (One) equity shares of Rs. 10/- each for every warrant at a premium of Rs. 120/- per share on Preferential Basis within a period of 18 months from the date of allotment of the warrants to the Promoter, Promoter Group and other Specified Persons categorized as Public.

The Board of Directors at their meeting held on 15th Oct., 2021 has made preferential allotment of 15,00,000 warrants of Rs.130/- each convertible into 15,00,000 equity shares of Rs.10/- each at a premium of Rs.120/- per share to promoter, promoter group and other specified person categorized as public (Non-Promoters) upon receipt of upfront amount of Rs. 32.50 per warrant from the respective allottees.

The Board of Directors at their meeting held on 26th March, 2022 has allotted 5,85,000 equity shares of Rs. 10/- each at a premium of Rs. 120/- per share to the warrant holders belonging to the promoter and promoter group on exercising their option for conversion of 5,85,000 warrants of Rs. 130/- each on receipt of balance amount of Rs. 97.50 per warrant. The company has also received Listing Approval and Trading Approval from BSE Ltd.

Consequently, after the allotment of above stated shares, the Paid-up Capital has been increased from Rs.1181.74 Lakhs divided into 118.174 Lakhs equity shares of Rs. 10/- each to Rs.1240.24 Lakhs divided into 124.024 Lakhs equity shares of Rs. 10/- each.

After closing of the financial year 2021-22, The Board of Directors at their meeting held on 24th June, 2022 has further allotted 3,07,500 equity shares of Rs. 10/- each at a premium of Rs. 120/- per share to the warrant holders belonging to the Other specified Persons (Categorized as Public) on exercising their option for conversion of 3,07,500 warrants of Rs.130/- each on payment of balance amount of Rs. 97.50 per warrant. The company has also received Listing Approval and Trading Approval from BSE Ltd.

Consequently, after the allotment of above stated shares, the Paid-up Capital has been increased from 1240.24 Lakhs divided into 124.024 Lakhs equity shares of Rs. 10/- each to Rs. 1270.99 Lakhs divided into 127.099 Lakhs equity shares of Rs. 10/- each as on the date of this Board Report.

Now, the total 6,07,500 warrants of Rs.130/- each is outstanding which may be exercised on or before 14th April, 2023 on payment of balance amount Rs. 97.50 per warrant for conversion into equity share of Rs. 10/- each at a premium of Rs. 120/- per share. In case if warrant holder does not exercise their option to convert their warrants to equity shares within the stipulated time, the company shall forfeit such warrant if any.

### TRANSFER TO RESERVES

There is no mandatory requirement for transfer of the profits to the general reserves, therefore, to provide an open-ended opportunity to utilize the profits towards the Company activities, during the year under review the Board have not considered appropriate to transfer any amount to the general reserves or any other reserves. However, the company has received Share premium amount of Rs.702.00 Lakhs pursuant to conversion of 5,85,000 warrants into 5,85,000 equity shares of Rs. 10/- each. (Previous year -Nil) which has been credited to the Security Premium Account being the part of the Capital Reserves.

## FINANCE

Cash and cash equivalent of the Company as at 31st March, 2022 is Rs.62.16 Lakhs (Previous year Rs. 237.75 Lakhs). Your Company continues to focus on management of its working capital. Further, receivables, inventories and other working capital parameters are kept under continuous monitoring. Your company has availed the various credit facilities from the Bankers of the Company for short term and long-term financial requirements from time to time. Further, the company has also issued 15,00,000 convertible warrants after receipt of upfront amount of Rs. 32.50 per warrants aggregating Rs. 487.50 Lakhs and further at the time of allotment of 5,85,000 equity shares of Rs. 10/- each upon conversion of 5,85,000 warrants, the company has received Rs.97.50 per shares aggregating Rs.570.37 Lakhs aggregating Rs. 1057.87 Lakhs which is utilized as per the terms of the issue.

## DEPOSITS

Your Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March 2022. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

S.No.	Particulars	Amt in Rs.
1.	Details of Deposits accepted during the year	Nil
2.	Deposits remaining unpaid or unclaimed at the end of the year	Nil
3.	Default in repayment of deposits At the beginning of the year Maximum during the year At the end of the year	N.A.
4.	Deposits not in compliance with law	N.A.
5.	NCLT/ NCLAT orders w.r.t. depositors for extension of time and penalty imposed	N.A.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has made investment and provided loans and guarantees to Comsyn India Pvt. Ltd., ( Wholly Owned Subsidiary of the Company). Further, the company has made investment and also provided loan to Other Body Corporate which is within the limit as prescribed under the provisions section 186 of the Companies Act, 2013. Details of the Loans and investment made by the company in other Body Corporate including Subsidiaries has been given in the financial statements attached with the Annual Report.

## CSR INITIATIVES

In view of the profits, your Company is required to undertake “Corporate Social Responsibility” (CSR) activities during the year 2021-22 as required under the provisions of section 135 of the Companies Act, 2013 and the rules made there under. As part of its initiatives under CSR the Company has carried various activities, which are in accordance with CSR Policy of the Company read with the Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as “Annexure A”.

## OCCUPATIONAL HEALTH & SAFETY (OH&S)

This initiative involved positive engagement of personnel on plant at every level. With regard to contractor safety, the two key focus areas identified were:

- **Facility Management for the contractors’ employees**

The Facility Management initiative was implemented to ensure adequate welfare facilities for contract labor such as washrooms with bathing facilities, rest rooms, availability of drinking water etc.

- **Equipment, Tools & Material Management.**

The Equipment, Tools & Material Management program ensured that the tools used by the contractors were safe. The process of screening of contractors was made more stringent to ensure that the contractors were aligned with the Company’s objectives

to ensure 'Zero Harm'.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a Policy for prevention of Sexual Harassment at the workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("SHOW"). As per the requirement of the SHOW and Rules made thereunder, your company has constituted Internal Complaints Committees (ICC). All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Internal Complaints Committee comprises of the following:

Mrs. Ranjana Choudhary: Chairperson

Ms. Smriti Keshari: Member

Ms. Harsha Mankar: Member

Statement showing the number of complaints filed during the financial year and the number of complaints pending as on the end of the financial year is shown as under:-

<b>Category</b>	<b>No. of complaints pending at the beginning of F.Y. 2021-22</b>	<b>No. of complaints filed Field during the F.Y. 2021-22</b>	<b>No. of complaints disposed off during the F.Y. 2021-22</b>	<b>No. of complaints Pending as at the end of F.Y. 2021-22</b>
Sexual Harassment	Nil	Nil	Nil	Nil

Since, no complaint is received during the year which is appreciable as the management of the company endeavor to provide safe environment for the female employees of the company.

### **RISK MANAGEMENT POLICY AND INTERNAL CONTROL ADEQUACY**

The Company is operating in manufacturing and trading of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner and Flexible Packaging etc. The major risks factors involved in the manufacturing and trading process is constantly maintaining high quality standards, fluctuations in the price of raw materials, risks from international competitors, fluctuations in currency rates, etc. Other than this, the Government Policy, local area authority, Taxation Policy may adversely affect the profitability of the Company subject to various process and clearance etc. as may be decided by the concerning State Government. Further, general market conditions relating to the demand, supply, and price relating to the products of the company also affect the business operations of the Company.

### **INTERNAL FINANCIAL CONTROL & ITS EFFECTIVENESS**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The Company has appointed Internal Auditors and the scope and authority of the Internal Audit (IA) function is defined in the procedure and appointment letter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

Based on the report of internal audit and process, the company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon, if any, are presented to the Audit Committee of the Board.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a vigil mechanism named Vigil Mechanism/Whistle Blower Policy to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are annexed to the Board Report as “Annexure B” and are also posted on the website of the Company <https://comsyn.com/wp-content/uploads/2021/12/Vigil-Mechanism-Whistle-Blower-Policy.pdf>.

## PERFORMANCE OF SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES

Your company is having only one Wholly Owned Subsidiary (WOS) Comsyn India Private Limited which is having project for manufacturing of Fabric and other related product with the installation of Extrusion Plant and Circular Looms. Apart from this there is no other associate or joint venture. Pursuant to provisions of Section 129(3) of the Companies Act, 2013 a statement containing salient features of the financial statements of the Company’s subsidiary in Form AOC-1 is annexed herewith as “Annexure-C.”

## BOARD OF DIRECTORS, THEIR MEETINGS & KMPs

### Constitution of the Board

The Board of directors are comprising of total 6 (Six) Directors, which includes 3 (Three) Independent and 1 (One) Women director. The Chairman of the Board is also Promoter and Managing Director. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the Company, which plays significant roles for the business policy and decision-making process and provide guidance to the executive management to discharge their functions effectively.

### Board Independence

Our definition of ‘Independence’ of Directors or Regulation is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having total 6 (Six) Directors in the Board out of them the following directors are Independent Directors during the period under review:

1. Mr. Hitesh Mehta (DIN: 00427646)
2. Mr. Milind Mahajan (DIN:00155762)
3. Mr. Vijay Kumar Bansal (DIN:09002441)

The Independent Directors were appointed for a term of 5 (Five) consecutive years and shall not be liable to retire by rotation.

## DECLARATION BY THE INDEPENDENT DIRECTORS

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. Your Board of directors is of the opinion that all the Independent Directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2021-22. All the Independent Directors have also registered themselves with Independent Directors’ Databank.

The Independent Directors have complied with the Code for Independent Directors as prescribed in Schedule IV to the Act. Further as per the provisions of Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 the directors are not aware of any circumstance or situation, which exists or may be reasonable anticipated that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence and that they are independent of the management.

### Directors liable to retire by rotation seeking appointment/re-appointment:

Smt. Ranjana Choudhary (DIN:03349699) Whole-time Director, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. Your directors recommend passing necessary resolution as set out in notice of Annual General Meeting.

### Executive Directors and Key Managerial Personnel and their changes

Mr. Anil Choudhary, Chairman & Managing Director, Mrs. Ranjana Choudhary, Mr. Virendra Singh Pamecha, Whole-time Directors, Mr. Ravindra Choudhary, CEO, Mr. Abhishek Jain, CFO and CS Sandeep Patel, Company Secretary & Compliance Officer have been categorized as Key Managerial Personnel within the meaning of Section 203 of the Companies Act, 2013.

During the Financial Year 2021-22, there was no changes in the Directors and Key Managerial Personnel (KMP) except the following which was taken place in the 37th Annual General Meeting held on 30th Sept., 2021:

1. Confirmation for appointment of Shri Vijay Kumar Bansal (DIN: 09002441) as a Director in the category of Independent Director for a First Term of 5 (Five) Consecutive years w.e.f. 14th February, 2021 not liable to retire by rotation;
2. Re-appointment of Shri Milind Mahajan, (DIN: 00155762) as an Independent Director for a Second Term of 5 (Five) consecutive years w.e.f. 10th May, 2022 not liable to retire by rotation;
3. Re-appointment of Smt. Ranjana Choudhary (DIN: 03349699) as a Whole-time Director w.e.f. 1st June, 2022 liable to retire by rotation.

### MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business:

The notice of Board meetings is given well in advance to all the Directors. Meetings of the Board are held in Indore, at the Registered Office of the Company. The Agenda of the Board/Committee meetings alongwith the relevant Board papers is circulated at least a week prior to the date of the meeting. However, in case of urgent business needs, notice and agenda of Board/Committee meetings were circulated on shorter notice period with consent and presence of Independent Directors at the Meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met 11 (Eleven) times in the Financial Year 2021-22 viz. 5th June, 2021, 16th June, 2021, 14th August, 2021, 4th September, 2021, 21st September, 2021, 25th September, 2021, 9th October, 2021, 15th October, 2021, 13th November, 2021, 14th February, 2022 and 26th March, 2022. The maximum interval between any two meetings did not exceed 120 days.

### Separate Meeting of Independent Directors

As stipulated by the Code of Independent Directors under the Companies Act, 2013; a separate meeting of the Independent Directors of the Company was held on 13th November, 2021 to review the performance of Non-Independent Directors (including the Chairman) and the entire Board. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its' Committees which is necessary to effectively and reasonably perform and discharge their duties.

### COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), is uploaded on company's website, <https://comsyn.com/wp-content/uploads/2021/12/RevisedNOMINATION-AND-REMUNERATION-POLICY-2-1.pdf>

### ANNUAL EVALUATION BY THE BOARD

The evaluation framework for assessing the performance of directors comprises of the following key areas:

- i. Attendance of Board Meetings and Board Committee Meetings.
- ii. Quality of contribution to Board deliberations.
- iii. Strategic perspectives or inputs regarding future growth of company and its performance.

- iv. Providing perspectives and feedback going beyond the information provided by the management.
- v. Commitment to shareholder and other stakeholder interests.

The evaluation involves self-evaluation by the Board Member and subsequently assessment by the Board of directors. A member of the Board will not participate in the discussion of his/her evaluation.

### COMMITTEES OF THE BOARD

In accordance with the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 and other purposes the Board has the following Five (5) committees:

- (a) Audit Committee;
- (b) Nomination and Remuneration Committee;
- (c) Stakeholders' Relationship Committee;
- (d) Corporate Social Responsibility Committee (CSR); and
- (e) Corporate Compliance Committee.

A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this report.

### RELATED PARTY TRANSACTIONS

All Related Party Transactions (RPT) that were entered into during the Financial Year 2021-22 were on Arm's Length Basis and were in the Ordinary Course of business. There we recertain material RPT as specified in section 188 of the Companies Act, 2013 for which prior approval of members in the Annual General Meeting held on 30th September 2021 was obtained. Form AOC-2 is enclosed as "Annexure D" in this Board Report.

All RPT were approved by the Audit Committee on omnibus basis or otherwise and also by the Board and for certain items the company has taken specific approval of members in the respective meetings. The Company has RPT Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions. The company is not having any material RPT as defined under Regulation 23 of the SEBI (LODR) Regulations.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

### AUDITORS, THEIR REPORT AND COMMENTS BY THE MANAGEMENT

#### Statutory Auditors & Their Report

M/s Avinash Agrawal & Co., Chartered Accountants, (ICAI Firm Registration No. 022666C), the Statutory Auditors were appointed for a term of consecutive 5 (Five) years at 35th Annual General Meeting of the Company held on 18th September, 2019 till the 40th Annual General Meeting of the company to be held in the calendar year 2024 as per the provisions of Section 139 of the Companies Act, 2013, read with Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board.

#### Secretarial Auditors & Their Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s Ishan Jain & Co., Practising Company Secretaries (Firm Reg. No. S2021MP802300; FCS 9978; CP 13032) to undertake the Secretarial Audit for the year, 2021-22. The Report of the Secretarial Auditors in the Form MR-3 is annexed herewith as "Annexure E" of this report. Your Board is pleased to inform that there is no such

observation made by the Auditors in their report which needs any explanation by the Board.

The Board of Directors at their Meeting held on 25th May, 2022, have further re-appointed M/s Ishan Jain & Co., Practicing Company Secretaries (Firm Reg. No. S2021MP802300; FCS 9978; CP 13032) to undertake the Secretarial Audit for the Financial Year 2022-23.

#### **Cost Auditors and Records**

Your Company was not required to appoint a Cost Auditor for the year 2021-22. As per the Rule (1) of Companies (Cost Records and Audit) Rules, 2014 as applicable. However, the company has maintained the Cost Records as per the Companies (Cost Records and Audit) Rules, 2014.

#### **DISCLOSURE FOR FRAUDS REPORTED BY THE AUDITORS**

As per the provisions of section 134(3) of the Companies Act, 2013 read with Rule 13(4) of the Companies (Audit and Auditors) Rules, 2014 no frauds were reported by the Auditors to Audit Committee/Board during the year under review. Further that there were no frauds committed against the Company and persons which are reportable under section 141(12) by the Auditors to the Central Government.

#### **CORPORATE GOVERNANCE**

Your Company firmly believes and adopts the highest standard of practice under Corporate Governance. A separate section on Corporate Governance and a certificate obtained from Auditors of the Company and Practicing Company Secretary related Disqualification of Directors form part of Corporate Governance Report.

#### **CODE OF CONDUCT**

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company and same is hosted on the website of the company at following link: [https://comsyn.com/wp-content/uploads/2021/12/CSBL\\_Code-of-Conduct-for-BODKMPs-Senior-Management\\_.pdf](https://comsyn.com/wp-content/uploads/2021/12/CSBL_Code-of-Conduct-for-BODKMPs-Senior-Management_.pdf)

#### **CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the applicable provisions of the Companies Act, 2013 and rules made thereunder read with Indian Accounting Standards, specified under the Companies (Indian Accounting Standards) Rules, 2015, the consolidated financial statements of the Company as at and for the year ended 31st March, 2022, forms part of the Annual Report and is also available on the website of the company [www.comsyn.com](http://www.comsyn.com).

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure F".

#### **ANNUAL RETURN**

In compliance with the provisions of Section 92 of the Companies Act, 2013, the Annual Return of the Company for the financial year ended 31st March, 2022 has been uploaded on the website of the Company and the web link of the same <https://comsyn.com/wp-content/uploads/2022/09/MGT-7-Annual-return.pdf>

#### **RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES**

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the details of Top 10 employees given in the “Annexure G.”

During the year, none of the employees received remuneration in excess of Rs. One Crore Two Lakhs or more per annum, or Rs. Eight Lakhs Fifty Thousand per month for the part of the year, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

There are two employees who are drawing remuneration in excess of the remuneration of Whole-time Director of the company and also hold 2% of the shareholding along with their spouse is as follows:-

Particulars	Shri Pramal Choudhary	Shri Ravindra Choudhary
Designation	Chief Operating Officer	Chief Executive Officer
Remuneration Received	Rs. 42,00,000	Rs. 33,00,000
Nature of Employment	Permanent	Permanent
Qualification and Experience	MBA and Experience of 11 years	Diploma in Finance and Tax Management and Diploma in Import Export Management and Experience of 10 years
Date of Commencement of Employment	01.03.2010	01.07.2011
Age	34 years	47 years
Last Employment held by such employee before joining the company	-	-
% of Equity Shares held by employee	3.21	3.03
Relationship with Directors	Relative of Mr. Anil Choudhary, CMD	Relative of Mrs. Ranjana Choudhary, WTD

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

There have been no material changes and commitments affecting the financial position of the Company which have occurred between financial year ended on 31st March, 2022, to which the financial statements relate and the date of this report except the following:

- The company has issued and allotted 3,07,500 equity shares of Rs.10 each/- at a premium of Rs. 120/- on 24th June 2022 upon exercise of option for conversion of 3,07,500 warrants of Rs. 130/- each allotted on preferential basis. Further, BSE Ltd. has granted listing and trading approval for 3,07,500 equity shares allotted pursuant to conversion on 4th July,2022 and 12th July,2022 respectively as a result the paid-up capital of company has increased to Rs. 12,70,99,000 divided into 1,27,09,900 equity shares of Rs.10/- each.
- The Company made a bid in the E-Auction Process of Neo Corp International Limited (under Liquidation) and have successfully acquired Option A assets and also received the letter of possession along with Certificate of sale of assets of Geotech Worldwide, a division of Neo Corp International Limited on 22nd day of July, 2022 from the Mr. Santanu T. Ray, the Liquidator of Neo Corp International Limited for possession of assets mentioned in Option A of 6th Auction Notice i.e. Sale of



the Leasehold Land, Building & Allied Structures, Plant & Machinery lying at Plot No. A-12 & A-13 admeasuring 16,423 Sq. Mtrs, Indore Special Economic Zone, Pithampur Phase 2, Dhar, Madhya Pradesh.

### **INDUSTRIAL RELATIONS**

During the year under review your Company enjoyed cordial relationship with workers and employees at all levels.

### **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no change in nature of business activities during the period under review.

### **BUSINESS TRANSFER**

There is no transfer of Business during the period under review.

### **PREVENTION OF INSIDER TRADING**

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company and amended Code/Policy were also hosted on the website of Company.

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

### **FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS**

The Company has in place a Familiarization Program for Independent Directors to provide insights into the company to enable the Independent Directors to understand its business in depth and contribute significantly to the company's success. The Company has devised and adopted a policy on Familiarization Program for Independent Directors and is also available at the company's website at [www.comsyn.com](http://www.comsyn.com).

### **PROVISION OF VOTING BY ELECTRONIC MEANS THROUGH REMOTE EVOTING AND EVOTING AT THE AGM**

Your Company is providing E-voting facility as required under section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015. The ensuing AGM will be conducted through VC/OVAM and no physical meeting will be held and your company has make necessary arrangements with CDSL to provide facility for remote e-voting and voting at the AGM. The details regarding e-voting facility is given with the notice of the Meeting.

### **CAUTIONARY STATEMENT**

The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

### **GENERAL**

#### **Your Directors state that during the year under review:**

- a. The company has not filed any application or there is no application or proceeding pending against the company under the Insolvency and Bankruptcy Code, 2016 during the year under review;
- b. There is no requirement to conduct the valuation by the bank and no Valuation done at the time of one-time Settlement during the period under review;

- c. Neither the Managing Director nor the Whole-time Directors receive any remuneration or commission from its subsidiary.
- d. The Company has complied with the applicable Secretarial Standards under the Companies Act, 2013.
- e. There are no voting rights exercised by any employee of the Company pursuant to the section 67(3) read with the Rule 16 of the Companies (Share Capital and Debenture) Rules, 2014

#### ACKNOWLEDGEMENTS

Your Directors thanks the various Central and State Government Departments, Organizations and Agencies and bankers to the Company for the continued help and co-operation extended by them. The Directors also gratefully acknowledge support of all other stakeholders of the Company viz. customers, members, dealers, vendors, and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

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**Place :** Indore

**Date :** 05th September, 2022

**For and on behalf of the Board**

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

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**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**
**1. A brief outline on CSR Policy of the Company.**

Commercial Syn Bags Limited ("The Company"), we are constantly aware of our role in society, as that of a mentor and a builder of the lives of the peoples of our society, and therefore, its future. Hence, as a corporate entity, we at the Company strive at every stage to integrate the larger economic, environmental and social objectives with our core operations and growth. We endeavor to evolve our relationship with all our stakeholders for the common good and validate our commitment in this regard by adopting appropriate business processes and strategies.

**2. Composition of CSR Committee:**

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Anil Choudhary	Chairman / Managing Director	2	2
2	Shri Hitesh Mehta	Member/ Independent Director	2	2
3	Smt. Ranjana Choudhary	Member/ Whole Time Director	2	2

**3. Web-link** where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: <https://comsyn.com>

CSR Committee link : <https://comsyn.com/investor-relation/committees-of-board/>

CSR Policy link : <https://comsyn.com/wp-content/uploads/2021/12/Corporate-Social-Responsibility-Policy.pdf>

CSR Projects link : <https://comsyn.com/wp-content/uploads/2021/12/CSBL-CSR-Project-Report.pdf>

**4. Details of Impact assessment of CSR projects** carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.: N/A

**5. Details of the amount available for set off** in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set off for the financial year, if any (in Rs.)
1.	NA	Nil	Nil

**6. Average Net Profit of the Company as per section 135 (5):**

Net Profit/(loss): Rs 1468.50 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5): **Rs. 29.37 Lakhs**  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
 (c) Amount required to be set off for the financial year, if any: Nil  
 (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 29.37 Lakhs

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs. In Lakhs): <b>Rs.11.38</b>				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
17.99	11.38	30/04/2022	NA	NA	NA

**b) Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation-Direct(Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Reg. No.
1.	School Project	(ii)	Pithampur and Indore	MP	Dhar/Indore	3 Years	100.00 Lakhs	0.00	76.38 Lakhs	No	Comsyn Foundation	-
	<b>TOTAL</b>						<b>100.00 Lakhs</b>	<b>0.00</b>	<b>76.38 Lakhs</b>			

**c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)		
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (Amount in Lakhs).	Mode of implementation-Direct (Yes/No)	Mode of implementation- Through implementing agency.		
				State	District			Name	CSR registration number	
1.	Contribution to animal welfare	(iv)	Yes	MP	Indore	6.11	No	Ahilyamata Gaushala	CSR00001246	
2.	Contribution to Health Care	(i)	Yes	MP	Indore	1.25	No	Samta Foundation	CSR00002029	
3.	Contribution to Measures for reducing inequalities faced by socially and economically backward groups	(iii)	Yes	MP	Indore	2.42	No	Friends of Tribal Society	CSR00001898	
4.	Contribution to Promoting education	(ii)	Yes	MP	Indore	0.51	No	Seva Bharti	CSR00005939	
5.	Contribution to Promoting education	(ii)	Yes	MP	Indore	0.10	No	Deaf enabled Foundation	CSR00003268	
6.	Contribution to animal welfare	(iv)	Yes	MP	Indore	7.6	No	Krishnasakhi Social Welfare Society	CSR00001246	
	<b>TOTAL</b>						<b>17.99</b>			

**d) Amount spent in Administrative Overheads.: Nil**
**e) Amount spent on Impact Assessment, if applicable.: NA**
**f) Total amount spent for the Financial Year (8b+8c+8d+8e).: Rs. 17.99 Lacs**
**g) Excess amount for set off, if any**

SI. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	29.37
(ii)	Total amount spent for the Financial Year	17.99
(iii)	Excess amount spent for the financial year [(ii)-(i)]	00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

SI No.	Preceding Financial Year	Amount transferred to Unspent CSR account u/s 135(6)	Amount Spent in the reporting Financial Year	Amount transferred to any fund specified under schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
				Name of the funds	Amount (in Rs.)	Date of Transfer	
1.	NA	NA	NA	NA	NA	NA	NA
2.	NA	NA	NA	NA	NA	NA	NA
3.	NA	NA	NA	NA	NA	NA	NA
	<b>TOTAL</b>	NA	NA	NA	NA	NA	NA

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration.	Total amount allocated for the project (Rs. In Lakhs)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed/ Ongoing
1.	EDUCATION (01)	School Project	13/02/2021	36 months	100.00 Lakhs	0.00	0.05 Lakhs	On Going

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).
- Date of creation or acquisition of the capital asset(s): NA
  - Amount of CSR spent for creation or acquisition of capital asset.: NA
  - Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: NA
  - Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA
11. Reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The company has identified a project in which the company will incur CSR expenses. Since, the said project is long term in nature due to which the company could not spend the amount.

Place : Indore

Date : 25th May, 2022

For and on behalf of the Board

Anil Choudhary  
 Chairman & Managing Director  
 DIN : 00017913

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

[Under Regulation 22 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

### 1. PREFACE

- 1.1 Section 177 of the Companies Act, 2013 requires every listed company and such class or classes of companies, as may be prescribed to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management Executives (“the Code”), which lays down the principles and standards that should govern the actions of the Company and its employees. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, would be a matter of serious concern for the Company. Such a vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and also make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.2. In the Rules under Companies Act, 2013, among others, a company which has borrowed money from banks and public financial institutions in excess of Rs.50 crores need to have a vigil mechanism.
- 1.3. Under these circumstances, **COMMERCIAL SYNBAGS LIMITED**, being a Limited Company proposes to establish a Whistle Blower Policy/Vigil Mechanism and to formulate a policy for the same.

### 2. DEFINITIONS

- 2.1. “Alleged wrongful conduct” shall mean violation of law, Infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.
- 2.2. “Audit Committee” means a Committee constituted by the Board of Directors of the Company in accordance guidelines of Companies Act, 2013.
- 2.3. “Board” means the Board of Directors of the Company.
- 2.4. “Company” means the company, “Commercial Syn Bags Ltd” and all its offices.
- 2.5. “Code” means Code of Conduct for Directors and Senior Management Executives adopted by Commercial Syn Bags Ltd.
- 2.6. “Employee” means all the present employees and Whole Time Directors of the Company (Whether working in India or abroad).
- 2.7. “Protected Disclosure” means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title “SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.
- 2.8. “Subject” means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- 2.9. “Vigilance and Ethics Officer” means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- 2.10. “Whistle Blower” is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

### 3. POLICY OBJECTIVES

- 3.1. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism

provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

- 3.2. This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations against people in authority and / or colleagues in general.

#### **4. SCOPE OF THE POLICY**

- 4.1. This Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees.

#### **5. ELIGIBILITY**

All Employees of the Company are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

#### **6. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.**

- 6.1. All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English or in Hindi.
- 6.2. The Protected Disclosure should be submitted in a closed and secured envelope and should be super scripted as “Protected disclosure under the Whistle Blower policy”. Alternatively, the same can also be sent through email with the subject “Protected disclosure under the Whistle Blower policy”. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants, and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- 6.3. Anonymous/Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- 6.4. The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer/Chairman of the Audit Committee/ CEO/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 6.5. All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/ CEO/ Chairman in exceptional cases. The contact details of the Vigilance and Ethics Officer;

Chairman of the Audit Committee

Shri Hitesh Mehta

Email: hitesh1950@gmail.com

- 6.6. Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman/ CEO of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman, CEO and the Chairman of the Audit Committee are as under:

Chairman & Managing Director

Shri Anil Choudhary

Email: anil@comsyn.com

Chief Executive Officer (CEO)

Shri Ravindra Choudhary

Email: ravi@comsyn.com

Chairman of the Audit Committee

Shri Hitesh Mehta (Independent Director)

Email: hitesh1950@gmail.com

- 6.7. On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ CEO / Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:
- a) Brief facts;
  - b) Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
  - c) Whether the same Protected Disclosure was raised previously on the same subject;
  - d) Details of actions taken by Vigilance and Ethics Officer / Chairman/ CEO for processing the complaint
  - e) Findings of the Audit Committee
  - f) The recommendations of the Audit Committee/ other action(s).
- 6.8. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

## 7. INVESTIGATION

- 7.1. All protected disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- 7.2. The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- 7.3. Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.
- 7.4. Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- 7.5. Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- 7.6. Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 7.7. Unless there are compelling reasons not to do so, subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 7.8. Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 7.9. The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.



**8. DECISION AND REPORTING**

- 8.1. If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- 8.2. The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 8.3. In case the Subject is the Chairman/CEO of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.
- 8.4. If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 8.5. A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.

**9. SECRECY / CONFIDENTIALITY**

- 9.1. The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:
  - 9.1.1. Maintain confidentiality of all matters under this Policy
  - 9.1.2. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
  - 9.1.3. Not keep the papers unattended anywhere at any time
  - 9.1.4. Keep the electronic mails / files under password.

**10. PROTECTION**

- 10.1. No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 10.2. A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 10.3. The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

- 10.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 10.5 Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules/ certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.
- 11. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**
- The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.
- 12. COMMUNICATION**
- A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.
- 13. RETENTION OF DOCUMENTS**
- All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.
- 14. AMENDMENT**
- The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

“Annexure-C”

**FORM AOC-1***(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)***Statement containing salient features of the financial statement of subsidiaries/associate****companies/joint ventures as on 31.03.2022****Part “A”: Subsidiaries**

S. No.	Name of Subsidiary	Comsyn India Pvt. Ltd.
1	The date since when subsidiary was acquired (Incorporated)	26.08.2020
2	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	Not Applicable
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	INR
4	Paid up share capital	15.00
5	Reserves & surplus	11.60
6	Total Assets	2784.06
7	Total Liabilities	2757.46
8	Investments	NIL
9	Turnover including other income	2129.65
10	Profit/(Loss) before taxation	37.06
11	Provision for taxation	18.40
12	Profit/(Loss) after taxation	18.66
13	Proposed Dividend	0.00
14	Extent of shareholding (in percentage)	100%

- Names of subsidiaries which are yet to commence operations: Not Applicable
- Names of subsidiaries which have been liquidated or sold during the year: Not Applicable

**Part “B”: Associates and Joint Ventures***Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures***NOT APPLICABLE -**

The Company does not have any Associates and Joint Ventures as on 31st March, 2022.

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

**Place: Indore**  
**Date : 5th September, 2022**

“Annexure-D”

**Form AOC-2**
**Particulars of contracts/arrangements entered into by the Company with related parties -**

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

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

**1. Details of contracts or arrangements or transactions not at arm's length basis**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
			NIL				

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount (in `) paid as advances, if any
(a)	(b)	(c)	(d)	(e)	(f)
Shri Pramal Choudhary COO - Relative of Shri Anil Choudhary, C MD	Remuneration by way of salary & perquisites Rs. 42.00 Lakhs to COO .	Long Term	Remuneration upto Rs. 72.00 Lakhs p. a.	By Board on 04.09.2021 and Members on 30 <sup>th</sup> 30.09.2021	0.00
Shri Ravindra Choudhary C EO (KMP) Relative of Mrs. Ranjana Choudhary WTD	Remuneration by way of salary & perquisites Rs. 33.00 Lakhs to CEO.	Long Term	Remuneration upto Rs. 72.00 Lakhs p.a.	By Board on 04.09.2021 and Members on 30 <sup>th</sup> 30.09.2021	0.00

**For and on behalf of the Board**
**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**
**Place : Indore**
**Date : 5th September,2022**

“Annexure-E”

**FORM MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
 The Members,  
**Commercial Syn Bags Limited,**  
 Commercial House,  
 3-4, Jaora Compound  
 M. Y.H. Road, Indore M.P. 452001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by Commercial Syn Bags Limited (hereinafter called (“the Company”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minutes 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, the explanations and clarifications given to us and representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs and SEBI warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the Financial year ended 31st March, 2022 (“Audit Period”) 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, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and By-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, [Overseas Direct Investment and External Commercial Borrowings not applicable to the Company during the Audit Period];
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’): —
  - (a) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
  - (b) The SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
  - (c) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (d) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.
- (ii) Provisions of the following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company under the financial year under report: -

- (a) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (b) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
  - (c) The SEBI (Delisting of Equity Shares) Regulations, 2009; and
  - (d) The SEBI (Buyback of Securities) Regulations, 1998.
- (vi) The Company is having business of manufacturing of FIBC, PP Fabric, Woven sacks & Tarpaulin, Trading Activities and Generation of the Solar Energy (for Captive consumption) therefore, as such no specific law relating to its manufacturing and business activities are applicable to the Company.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The SEBI (LODR) Regulations, 2015 as amended from time to time.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, however, some forms were filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees.

**We further report that**

The Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. Further that, no changes in the composition of the Board of directors have taken place during the period under review.

Adequate notice was given to all the directors to schedule the Board Meetings and agenda were also sent at least seven days in advance and the consent was taken where required for meeting held shorter notice, if required and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors and Committee of the Board.

All decisions at Board and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with our letter of event date which is annexed as Annexure I and forming an integral part of this report.

We further report that during the audit period of the company there were no certain specific events which have bearing on company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. except the following:-

- 1) The Authorised Capital has been increased from Rs.13.00 Crores divided into 1.30 Crores equity shares of Rs.10/- each to Rs.15.00 Crores divided into 1.50 Crores equity shares of Rs. 10/- each in the Annual General Meeting held on 30thSept., 2021.
- 2) The company has taken approval of its members in their meeting held on 30thSept., 2021 for providing powers to the Board to issue and allot upto 15,00,000 Convertible Warrant of Rs. 130/- on preferential basis to promoter and promoter group and Non-Promoter/Other Specified Persons. The company has also received in-principle approval from BSE Ltd. on dated 5th Oct., 2021.

The Board of Directors at their meeting held on 15th Oct., 2021 has allotted 15,00,000 Convertible Warrants of Rs. 130/- each upon the upfront amount of Rs. 32.50/- per warrant, convertible into 15,00,000 equity shares of Rs. 10/- at a premium of Rs. 120/- per shares within a period of 18 months from the date of issuance of Warrants at the option of the warrant holders in one or more than one tranches.

- 3) At the option exercised by warrant holder for conversion of 5,85,000 warrants after paying the remaining balance of Rs. 97.50/- per warrants. The Board at their meeting held on 26th March, 2022 has issued 5,85,000 equity shares of Rs. 10/- each at a premium of Rs. 120/- per share, consequently the paid-up capital of the company has been increased to Rs. 12,40,24,000 divided into 1,24,02,400 equity shares of Rs. 10/- each and the BSE Ltd. has also provided listing and trading approval after closing of the Financial Year.
- 4) The company has utilize the amount of Rs. 487.50/- Lakhs in phased manner towards the objects for raising of new capital/warrants out of the total proceed realized Rs. 1057.87/- Lakhs till 31st March, 2022.

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**For, Ishan Jain & Co.**  
Company Secretaries  
FRN No. S2021MP802300

**UDIN:** F009978D000724802

**Place:** Indore

**Date:** : 2nd August, 2022

**CS Ishan Jain**  
Proprietor  
FCS:9978: CP :13032  
Peer Review: 842/2020

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**Annexure - I to the Secretarial Audit Report**

To,  
The Members,  
**Commercial Syn Bags Limited,**  
Commercial House,  
3-4, Jaora Compound  
M. Y.H. Road, Indore M.P. 452001

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, followed provide a reasonable basis for forming our opinion.
3. We have not verified the correctness and appropriateness of treatment of various tax liabilities and payment thereof, compliance of the applicable IND-AS, financial records and Books of Accounts of the company, declaration of the quarterly/half yearly, yearly financial results, particulars relating to utilization of the proceed upon issuance of convertible warrants, etc. treatment of applicable income tax, GST, etc. as the same is subject to the statutory audit being performed by the independent auditors.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, guidelines, standards etc., are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We do not take any responsibility for any person if taking any commercial, financial or investment decision based on our secretarial audit report as aforesaid and they needs to take independent advise or decision as per their own satisfaction.

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**For, Ishan Jain & Co.**  
Company Secretaries  
FRN No. S2021MP802300

**UDIN:** F009978D000724802  
**Place:** Indore  
**Date:** 2nd August, 2022

**CS Ishan Jain**  
Proprietor  
FCS:9978: CP :13032  
Peer Review: 842/2020



## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

*[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]*

<b>(A) CONSERVATION OF ENERGY</b>									
(I)	the steps taken or impact on conservation of energy	The Company is making continuous efforts on ongoing basis for energy conservation by adopting innovative measures to reduce wastage and optimize consumption. The Company is utilizing latest machinery to save the power consumption. It is using the Air Ventilators for reducing the temperature naturally at the workplace. The Company is captively using wastage generated from its manufacturing process by reprocessing the same and thereby contributing to the environment							
(II)	the steps taken by the company for utilizing alternate sources of energy;	The Company is having Solar Power Generating System and the electricity generated at the Solar Power Plant is captively used by the Company at its manufacturing unit. It results in reduction of power cost and increase in efficiency. During this year 17.25 Lakhs units of electricity were generated from this plant.  The Company has also installed roof top Solar Power Generating System at the expansion project of Unit-II for captive consumption. During this year 3.39 Lakhs units of electricity were generated from this plant.							
(III)	the capital investment on energy conservation equipment's	Nil							
<b>(B) TECHNOLOGY ABSORPTION</b>									
(I)	the efforts made towards technology absorption	The Company always adopts the latest technology while purchasing the plant and machinery. The Company is making continuous efforts for the technological advancement.							
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	It has reduced the cost of production and helped in improvement in quality to sustain in the competitive market.							
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	N.A.							
	(a) the details of technology imported	N.A.							
	(b) the year of import	N.A.							
	(c) whether the technology been fully absorbed	N.A.							
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.							
(iv)	the expenditure incurred on Research and Development		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;"></th> <th style="width: 25%; text-align: center;">2021-22</th> <th style="width: 25%; text-align: center;">2020-21</th> </tr> </thead> <tbody> <tr> <td></td> <td style="text-align: center;">NiL</td> <td style="text-align: center;">NiL</td> </tr> </tbody> </table>		2021-22	2020-21		NiL	NiL
	2021-22	2020-21							
	NiL	NiL							
<b>(D) FOREIGN EXCHANGE EARNINGS AND OUTGO</b>			<b>2021-22</b>						
			<b>Rs. in Lakhs</b>						
			<b>2020-21</b>						
			<b>Rs. in Lakhs</b>						
(I)	The Foreign Exchange earned in terms of actual inflows during the year;		23846.45						
(ii)	And the Foreign Exchange outgo during the year in terms of actual outflows.		15897.56						
			1323.22						
			1192.65						

**For and on behalf of the Board**

**Anil Choudhary**

**Chairman & Managing Director**

**DIN : 00017913**

**Place :** Indore

**Date :** 5th September, 2022

## “Annexure-G”

**Particulars of Remuneration of Directors and Employees**

[As per section 197(12) read with the Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

**i. Ratio and remuneration of Directors & KMPs**

S.No.	Name	Designation	Remuneration for the year 2021-22 (Rs.)	Remuneration for the year 2020-21 (Rs.)	% Increase in Remuneration	Ratio Between Director or KMP and Median Employee
1.	Shri Anil Choudhary	CMD	57,00,000	40,37,500	41.17%	52.05:1
2.	Smt. Ranjana Choudhary	WTD	18,00,000	13,00,000	38.46%	16.43:1
3.	Shri Virendra Singh Pamecha	WTD	14,10,000	12,40,000	13.71%	12.87:1
4.	Shri Hitesh Mehta	ID	60,000	52,000	N.A	N.A
5.	Shri Milind Mahajan	ID	44,000	30,000	N.A	N.A
6.	Shri Vijay Kumar Bansal	ID	30,000	0.00	N.A	N.A
7.	Shri Ravindra Choudhary	CEO	33,00,000	25,87,499	27.53%	30.13:1
8.	Shri Abhishek Jain	CFO	10,20,000	9,62,788	5.94%	9.31:1
9.	Shri Sandeep Patel	CS	3,38,460	2,17,266*	N.A.	3.09:1

\*Part of the year

**ii. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year –**

As stated above in item no. (i).

**iii. Percentage decrease in the median remuneration of employees in the financial year –:**

The remuneration of Median employee was Rs. 1,09,500p.a. during the year 2021-22 as compared to Rs. 1,00,800p.a. in the previous year. The increase in the remuneration of Median Employee was 8.63% during financial year under review.

**iv. Number of permanent employees on the rolls of company –**

As on 31st March 2022 the total number of employees on roll was: 2500

**v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Based on Remuneration Policy of the Company, salary of the employees was increased around 8.63% on an average and managerial remuneration was increased as per point no. (i), this is based on Remuneration Policy of the Company that rewards people based on their contribution to the success of the company and also ensures that external market competitiveness and internal relativities are taken care of.

**vi. Affirmation that the remuneration is as per the remuneration policy of the company:**

The Company affirms that remuneration is as per the remuneration policy of the Company.

**vii. Particulars of the top 10 employee in respect of the remuneration drawn during the year 2021-22 are as under.**

S. No.	Name of Employee	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager	Remarks
1.	Shri Anil Choudhary	Chairman & Managing Director	57,00,000	On contractual basis	B.Sc., M.A., Diploma in Marketing Management (DMM) 38 Years	Since Incorporation of the Company	63 Years	-	Relative of Shri Parmal Choudhary COO	-
2.	ShriPramal Choudhary	Chief Operating Officer	42,00,000	Permanent	MBA, 11 years	01.03.2010	34Years	-	Relative of Shri Anil Choudhary, CMD;	-
3.	Shri Ravindra Choudhary	Chief Executive Officer	33,00,000	Permanent	Diploma in Finance & Tax Management and Diploma in Import Export Management 10Years	01.07.2011	47Years	-	Relative of Smt. Ranjana Choudhary, WTD	-
4.	Shri Ashok Gupta	HOD-Technical	25,80,000	Permanent	B.E., 37Years	01.01.2016	60Years	Neo Corp International Limited	No	-
5.	Shri Gauri Shankar Agrawal	General Manager	18,31,581	Permanent	Chartered Accountant, 37 years	01.06.2018	60 Years	Bhatiya coal Chennai		-
6.	Smt. Ranjana Choudhary	Whole Time Director	18,00,000	On contractual basis	B. Com, Master's Degree in Computer Management 10 Years	05.06.2011	40 Years	-	Relative of Shri Ravindra Choudhary, CEO	-
7.	Shri Hemant Baid	General Manager-Marketing	17,34,112	Permanent	MBA, 15Years	03.11.2009	38Years	Flexituff International Ltd.,	No	-
8.	Smt. Kavita Gupta	GM – Administration	17,00,000	Permanent	M.Sc (Zoology), 17 Years	01.01.2016	55 Years	Neo Corp International Limited,	No	-
9.	Shri Mritunjay Kumar Sing	AGM - FIBC	14,69,460	Permanent	B-Sc	11.03.2021	45 Years	Supertex Woven Industries	No	-
10.	Shri Virendra Singh Pamecha	Whole Time Director	14,10,000	On contractual basis	B.Com.30 Years	21.09.2009	52 Years	India Nets, Pithampur	No	-

For and on behalf of the Board

Place : Indore

Date : 5th September, 2022

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### (a) Global Economy Overview

A tentative recovery in 2021 has been followed by increasingly gloomy developments in 2022 as risks began to materialize. Global output contracted in the second quarter of this year, owing to downturns in China and Russia, while US consumer spending undershot expectations. Several shocks have hit a world economy already weakened by the pandemic: higher-than-expected inflation worldwide—especially in the United States and major European economies—triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spillovers from the war in Ukraine.

The baseline forecast is for growth to slow from 6.1 percent last year to 3.2 percent in 2022. Lower growth earlier this year, reduced household purchasing power, and tighter monetary policy drove a downward revision of 1.4 percentage points in the United States. In China, further lockdowns and the deepening real estate crisis have led growth to be revised down by 1.1 percentage points, with major global spillovers. And in Europe, significant downgrades reflect spillovers from the war in Ukraine and tighter monetary policy. Global inflation has been revised up due to food and energy prices as well as lingering supply-demand imbalances and is anticipated to reach 6.6% in advanced economies and 9.5% in emerging market and developing economies this year—upward revisions of 0.9 and 0.8% point, respectively. In 2023, disinflationary monetary policy is expected to bite, with global output growing by just 2.9%.

The risks to the outlook are overwhelmingly tilted to the downside. The war in Ukraine could lead to a sudden stop of European gas imports from Russia; inflation could be harder to bring down than anticipated either if labor markets are tighter than expected or inflation expectations unanchored; tighter global financial conditions could induce debt distress in emerging market and developing economies; renewed COVID-19 outbreaks and lockdowns as well as a further escalation of the property sector crisis might further suppress Chinese growth; and geopolitical fragmentation could impede global trade and cooperation. A plausible alternative scenario in which risks materialize, inflation rises further, and global growth declines to about 2.6% and 2.0% in 2022 and 2023, respectively, would put growth in the bottom 10% of outcomes since 1970.

With increasing prices continuing to squeeze living standards worldwide, taming inflation should be the first priority for policymakers. Tighter monetary policy will inevitably have real economic costs, but delay will only exacerbate them. Targeted fiscal support can help cushion the impact on the most vulnerable, but with government budgets stretched by the pandemic and the need for a disinflationary overall macroeconomic policy stance, such policies will need to be offset by increased taxes or lower government spending. Tighter monetary conditions will also affect financial stability, requiring judicious use of macroprudential tools and making reforms to debt resolution frameworks all the more necessary. Policies to address specific impacts on energy and food prices should focus on those most affected without distorting prices

(Source – IMF World Economic Outlook update July 2022)

### (b) Indian Economy Overview

Economic activity in India continues to show resilience despite having to deal with the twin challenges of elevated inflation and widening trade deficit. Agriculture is picking up momentum with the revival in monsoon and Kharif sowing.

The corporate sector has begun to show signs of revival with robust growth in net sales in the quarter ending March 2022, assisted by a general recovery in demand. A rise in operating profit margin has contributed to an increase in interest coverage ratio, indicative of improvement in credit health of most of the industries. Improved credit health is expected to facilitate the absorption of higher credit costs arising from a tighter monetary policy.

The Indian banking sector embarked upon a consolidation phase during H2 of 2021-22 as the gross non-performing assets (GNPA) ratio declined to its lowest level in six years, bolstering its lending capacity. Support measures provided by the RBI during the COVID-19 pandemic aided in arresting the rise in GNPA ratios, although even with the winding down of regulatory reliefs, the newly acquired financial strength has not weakened as capital and liquidity buffers have been built well above

regulatory requirements. However, as the RBI's financial stability report cautions, if the macroeconomic environment worsens to a medium or severe stress scenario, the GNPA ratio may rise above its pre-pandemic level.

Rising Capex in the public sector may have also begun to crowd-in private investment as seen in preliminary data collated for Q1 of 2022-23. The Government's sustained focus on expanding capital expenditure has resulted in its year on-year growth of 70.1 per cent in May of 2022. To further facilitate Capex, Government has also announced rules for disbursing Rs. 1 trillion in interest-free Capex loans to States. Sustained focus on Capex may appear to pose a challenge to maintaining the budgeted fiscal deficit to GDP ratio, particularly when union excise collections during April-May 2022 have declined, following a cut in excise duty on petrol and diesel to curb rising inflation. However, robust GST collection, increase in customs duties, and imposition of windfall tax are expected to boost government revenues and assist in keeping the fiscal deficit to GDP ratio unchanged from its budgeted level.

Global headwinds, however, continue to pose a downside risk to growth as crude oil and edible oils, which have driven inflation in India, remain the major imported components in the consumption basket. For the present, their global prices have softened, as fears of recession have dampened prices somewhat. This would weaken inflationary pressures in India and rein in inflation. In addition, various measures taken by the government to temper inflationary pressures may also contribute to capping inflation. However, as long as retail inflation in India continues to be higher than RBI's tolerance level of 6 per cent, as it still is at 7 per cent in June 2022, stabilization policy measures will need to continue walking the tightrope of balancing inflation and growth concerns. Softening of global commodity prices may put a leash on inflation, but their elevated levels also need to decline quickly to reduce India's current account deficit (CAD). Primarily driven by an increase in the trade deficit, the CAD stood at 1.2 per cent of GDP in 2021-22. Also, a sudden and sharp surge in gold imports amid wedding season (as many weddings were postponed to 2022 from 2021 due to pandemic-induced restrictions) is also exerting pressure on CAD. In order to alleviate the impact, the government has hiked the customs duty from present 10.75 per cent to 15.0 per cent. If recession concerns do not lead to a sustained and meaningful reduction in the prices of food and energy commodities, then India's CAD will deteriorate in 2022-23 on account of costlier imports and tepid exports on the merchandise account. The deterioration of CAD could, however, moderate with an increase in service exports in which India is more globally competitive as compared to merchandise exports. The widening of CAD has depreciated the Indian rupee against the US dollar by 6 per cent since January of 2022. Rupee has performed well in 2022 compared to other major economies unlike in 2013, where it depreciated against other major economies, thus, reflecting strong fundamentals of the Indian economy. The depreciation, in addition to elevated global commodity prices, has also made price-inelastic imports costlier, thereby making it further difficult to reduce the CAD. To meet the financing needs of a widening CAD and rising FPI outflows, forex reserves, in the six months since January 2022, have declined by USD 34 billion. In order to further diversify and expand the sources of forex funding so as to mitigate volatility and dampen global spill overs, measures have been taken by RBI to enhance forex inflows while ensuring overall macroeconomic and financial stability. These measures include exemption from Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) on Incremental Foreign Currency Non-Resident (Bank) FCNR(B) and Non-Resident (External) Rupee (NRE) Term Deposits, lifting interest rate cap on these deposits, easing norms for FPI in debt market, increasing the external commercial borrowings limit under the automatic route.

(Source- Monthly Economic Review June, 2022 Department of Economic Affairs)

### (c) **Industry Overview**

India Plastics Market was worth US\$ 36.07 Bn in 2020 and total revenue is expected to grow at a rate of 6.6% CAGR from 2021 to 2027, reaching almost US \$ 56.42 Bn in 2027.

India's current per capita polymer consumption is at 9.7 kg, compared to the global average of 28 kg, Singapore's 43 kg, China's 45 kg, Thailand's 50 kg, Japan's 56 kg, Malaysia's 58 kg, and Taiwan's 67 kg. India has a long way to go before it catches up with the world. The increasing population, rising income levels, changing lifestyles, increased media penetration through the internet and television, and a growing economy all continue to drive up demand for packaging solutions. In addition, better quality and economies of scale now result in increased exports for plastic packaging products across the globe.

Indian plastics industry has established & expanded expressively since its beginning in 1957. The plastics industry in India has now developed to become one of the prominent areas in the nation's economy, containing of over 30,000 companies & paying more than 4 Mn people. India is also one of the world's best exporters of plastics products. The productions & exports a range of raw materials, laminates, electronic equipment, medical ware, & consumer goods. These plastic products are exported to more than 150 nations, mostly in Europe, Africa, & Asia.

(Source: <https://www.maximizemarketresearch.com/market-report/india-plastics-market/120148>)

During 2021-22, India witnessed a huge growth in exports in terms of value over 2020-21. Overall, the total plastics exports in 2021-22 recorded a sharp growth and increased by 35.4% over the last year. The exports of human hair, pipes & fittings and FRP & composites in 2021-22 increased by 100%, 67% and 48% over 2020-21, respectively.

The cumulative exports of plastics and related materials during 2021-22 were valued at US\$ 13.34 billion. This was a 33.4% increase from the 2019-20 exports valued at US\$ 10 billion. Plastic raw materials were the largest exported category and constituted 30.7% of the total exports in 2021-22; it recorded a growth of 26.5% over the previous year. Plastic films and sheets were the second largest category, comprising 15.2% of the total exports, and grew 32.7% over the previous year.

In May 2022, the exports of plastics and linoleum from India were valued at US\$ 1,073 million. During the same period, medical items of plastics; plastic films & sheets; plastic pipes & fittings; FRP & composites; packaging items; cordage fishnets & monofilaments; and miscellaneous products recorded strong growth. The cumulative exports for April and May 2022 grew 2.6% yoy to US\$ 2,173 million.

Source – India Brand Equity Foundation

Your Company is an ISO certified company engaged in the manufacturing and supply of Flexible Intermediate Bulk Container (FIBC), High Density Polyethylene (HDPE) and Polypropylene (PP) woven sacks, Fabric, Container Bags, Pond Liners, Mulch Films, Tarpaulin (under the brand name – TIGER TARPAULIN), Vermi Beds, Flexible Pipes (under the brand name – COMSYN SWAJAL) and Flexible Packaging for export and domestic markets. Other range of products are sold under the brand name – COMSYN.

Company's customer base is spread across the globe with major presence in European Union, United Kingdom, United States and Latin America. The majority of sales are through exports which continue to contribute more than 70% of sales from manufacturing segment. The Company has also been recognised by Government of India as an Export House.

The Company is continuously doing Research and Development activities to produce best of its products as per the need of customers. The Company offers various packaging solutions for wide range of end users such as Construction, Agriculture, Asbestos Waste Removal, Bulk Packaging, Household Waste Removal, Human Safety, Gardens, Green Houses, Shelter, Grain, Pulses, Animal Food, Seeds, Fertilizers, Chemicals, and Food Products etc.

The Company has been operating as DCA cum CS of ONGC Petro additions Limited (OPaL). During this year this business not only delivered a steady performance but also continued to add value to the Company, in terms of profitability. This segment helps the Company as a source of Raw Material and helps to increase its presence in the national market. Further it also helps the Company to decide its raw material procurement policy and reduction of cost.

The Company has installed the solar power generation plant and also a rooftop solar power plant for generation of electricity for captive consumption. The Company is also using all its wastage generated during the operation and thereby contributing towards the environment.

The Company has acquired the assets of Geotech Worldwide, a division of Neo Corp International Limited lying at Plot No. A-12 & A-13 admeasuring 16,423 Sq. Mtrs, Indore Special Economic Zone, Pithampur Phase 2, Dhar, Madhya Pradesh under an e-auction from the Official Liquidator with the bid amount of Rs. 3051.46 Lakhs on 30th June, 2022.

The Letter of Possession and Certificate of Sale is received from the Official Liquidator on 22nd July, 2022.

The Company has made an application before the Development Commissioner, Indore Special Economic Zone, Indore and

Madhya Pradesh Industrial Development Corporation, Regional Office Indore for Letter of Approval and transfer of Lease hold rights.

**(d) Strength, Weakness, Opportunities and Threats**

The Company has wide range of products in its basket which caters to the customers across the globe. The product portfolio comprises of about 15 different products like FIBC, Woven Sack Bags, Tarpaulin, Liners, Garbage Bags, Mulch Film, Pond Liner, Vermi Beds, and flexible pipes etc. Product diversification helps in catering to different markets as per their demands. Your Company is having BIS Certification for separate clean room facilities and the Company's fully integrated food grade manufacturing facility for FIBC is one of the best in India. The Company supplies to various industries like agriculture, construction, food, bulk packaging, chemical, cement and food grade bags. The strong Industry relation is a core strength of the Company. The Company focuses on quality and customer satisfaction to maintain long term relationship and to procure repeat orders. There is increased competition due to industry wise capacity addition. The Company's total capacity is 23730MTPA and your company has adequate production capacity to meet the increased demand of the Customers.

Volatility of Oil and currency are some major threats. With the acquisition of assets, the Company will manufacture new products and its establishment and marketing may take some time. Being a labour-oriented industry with high requirement of skilled labour, shortage of labour is a major risk associated with the sector, however the Company has put in place adequate system to monitor labour requirement and have already implemented skilled development training program. Competition from new players within and outside the country is also posing the threat for the company and with the experience of more than 3 decades in this industry and strong customer relationship your company is able to meet this threat.

The Company follows a risk management policy wherein the management keeps an eagle's eye view on the markets, both domestic and foreign, related to the products, the Company manufactures, and the raw materials required. The management also monitors the socio-economic changes worldwide and the changes in the currency fluctuation to minimize the risks. There are no risks which in the opinion of the Board are of the nature that can threaten the existence of the Company. However, the risks inter-se that are generally dealt in regular course of business and have to be taken care of are -economic risk, technology risk, fluctuations in foreign exchange rates and raw material prices which the Company regularly monitors with a proactive approach adopted by the management to evaluate and mitigate these potential risks.

**(e) Segment-wise or product-wise performance**

The Company operates in three segments i.e.

- a) Manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner, Mulch Film, Vermi Beds and other flexible packaging and
- b) Trading of Granules
- c) Solar Power generation.

The segment for Manufacture and sale of FIBC, Bulk Bags, Poly Tarpaulin, Woven Sacks/Bags, Box Bags, PP/HDPE Fabric, Liner, Mulch Film, Vermi Beds and other flexible packaging meets the quantitative thresholds and is considered as reportable segment. Financial information of all other segments has been shown in 'All other Segments'.

**(f) Future Outlook**

Driven by lightweight, customized product features, user-friendly, sustainability advantages and enhanced packaging options the product base of the Company has the potential to maintain positive growth through demand emanating from international as well as domestic industries. In the domestic market, the industry is also envisaged to receive a boost from agriculture, mineral, petrochemical industries and various industrial markets who are opting for FIBC as packaging option. Internationally, the FIBC industry is estimated to demonstrate firm growth driven by demand from new markets like Latin & Central America, Eastern Europe & some parts of Africa. Also, acceptability and increase in usage by the pharmaceutical and food industry across the globe will have positive impact.

**(g) Risk and concerns, internal control systems and their adequacy**

The Company is engaged in the business of manufacturing and export of containers and packaging materials, which is associated with normal business risk as well as the imbalance of demand-supply of products in the domestic as well as international market. We are subject to foreign currency exchange rate fluctuations which could have a material impact on our results of operations and financial conditions. There are no risks which in the opinion of the Board are of the nature that can threaten the existence of the Company. However, the risks inter-se that are generally dealt in regular course of business and have to be taken care of are -economic risk, technology risk, fluctuations in foreign exchange rates and raw material prices which the Company regularly monitors with a proactive approach adopted by the management to evaluate and mitigate these potential risks. The Company has a well-defined Policy for Risk Mitigation on foreign exchange by adopting hedging strategies. Global as well as Indian economic and political factors that are beyond our control, influence forecasts and may directly affect our business operations.

The Company has a Risk Management Policy and adequate Internal Control System in place. The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management; in order to guide decisions on risk related issues. Internal Control System is commensurate with the size, scale and complexity of its operations. The Company continuously reviews its various types of regulatory, financial, operational, environmental and other business risks. There are adequate systems to ensure compliance of all various statutory and regulatory requirements and review the same from time to time and to take appropriate actions from time to time.

**(h) Discussion on financial performance with respect to operational performance.**

The Board's Report has specifically dealt with the subject under the headings 'Summarized Profit & loss Account and State of Company's Affairs & Review of operations'

(i) Material developments in Human Resources / Industrial Relations front, including number of people employed.

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business. Many initiatives were taken to support business through organizational efficiency, process change support and various employee engagement programs which has helped the organization to achieve higher productivity level. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

As on March 31, 2022 we have 2500 employees on payroll. Company is committed to provide necessary training / conducts development programmes to imbibe necessary skills required within the employees. The management of the Company enjoys cordial relations with its employees at all levels.

**(j) Details of Significant Changes in Key Financial Ratios**

Relevant Disclosure is already provided in Note No: 43 of the Standalone Financial Statements. You are requested to please refer the same.

**(k) Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof.**

The net worth of the Company is Rs. 1024.52 Lakhs for the current financial year and it is Rs. 7870.86 Lakhs in the last financial year as per Standalone Financial Statements. The net worth increases due to issue of convertible warrants at premium and increases in profit of current financial year. The Profit is Rs. 1818.28 Lakhs as against Rs. 1208.58 Lakhs in last financial



year.

**(l) Compliance with Indian Accounting Standards**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards as notified. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**(m) Cautionary Statement**

Statements in this report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in this statement because of many factors like economic condition, availability of labour, price conditions, domestic and international market, changes in Government policies, tax regime, etc. The Company assumes no responsibility to publicly amend, modify or revise any statement on basis of any development, information and event.

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**For and on behalf of the Board**

**Place :** Indore

**Date :** 05th September, 2022

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

## CORPORATE GOVERNANCE REPORT

*(Forming Part of the 38th Board's Report, for the year ended 31st March, 2022)*

Corporate governance is about commitment towards maximizing stakeholder value on a sustainable basis. Good corporate governance is a key driver of sustainable corporate growth and creating long-term value for stakeholders. Ethical business conduct, integrity and commitment to values, emphasis on transparency and accountability which enhance and retain stakeholders' trust are the hallmark of good corporate governance. The Companies Act, 2013 aims to bring governance standards at par with those in developed nations through several key provisions such as composition and functions of Board of directors, Code of Conduct for independent directors, performance evaluation of directors, class action suits, auditor rotation and independence, and so on. The Companies Act, 2013 emphasizes self-regulation, greater disclosure and strict measures for investor protection. Your company is committed to adopt the best practices in corporate governance and disclosure. It is our constant endeavor to adhere to the highest standard of integrity and to safeguard the interest of all our stakeholders.

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Commercial Syn Bags Limited ("The Company/Comsyn") governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Designated Persons and the Charter-Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

The Company continues to focus its resources, strengths and strategies to achieve the vision of becoming a Global leader in Packaging industry while upholding the core values of Quality, Trust, Leadership and Excellence.

### BOARD OF DIRECTORS

#### Composition:

The Board of directors of the Company has an optimum combination of Executive and Non-Executive directors with One-woman director and fifty percent of the Board of directors comprising of Non-Executive Directors. During the year under review the Board comprised of 6 (six) Directors of whom 3 (three) are Executive Directors out of which 1 (One) being Women Director and 3 (three) are Non-executive/ Independent Directors.

Composition of Board of directors is in conformity with the provisions of Companies Act, 2013 and regulation 17 of SEBI (LODR) Regulation, 2015 as amended from time to time.

#### Directors' Profile:

The Board of directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process. The brief profile of the Company's Board of Directors as on 31st March, 2022 is as under:

Name of Directors	Shri Anil Choudhary	Smt. Ranjana Choudhary	Shri Virendra Singh Pamecha	Shri Hitesh Mehta	Shri Milind Mahajan	Shri Vijay Kumar Bansal
Designation	Chairman and Managing Director	Whole-time Director	Whole-time Director	Independent Director	Independent Director	Independent Director
Date of Birth	03-12-1958	04-05-1981	01-07-1969	09-09-1950	12-10-1966	14-06-1962
Date of Appointment in the current term	20-02-2021	01-06-2022	26-03-2021	20-06-2020	10-05-2022	14-02-2021
Expertise / Experience in specific functional areas	More than three decades in Plastic Packaging Industry	More than 10 years of experience in the field, of administration, management and plastic packaging industry	About 31 years of experience in handling of overall manufacturing activities of the company	48 years of experience in Administration and Finance areas	Vast experience in the field of business management, e-governance and IT-enabled services	Vast experience of 33 years in Petrochemical Industry (IPCL/ RIL) with multiple areas of functioning. Leadership role in Sales, Marketing Agriculture, Sales and also Worked across the country in Polymer market.
Qualification	B.Sc, M.A. Diploma in Marketing Management	B.Com, Masters in Computer Management	Bachelor in Commerce	Bachelor in Commerce	B.E. Electronics, MBA	PGDM, B.E. (Agri. Engg.)
No. & % of Equity Shares held	5,99,275 4.83%	2,21,600 1.79 %	-	-	-	-
List of outside Company's directorship held	1. Indian Plast Pack Forum 2. ABA Realbuild Pvt. Ltd. 2. Comsyn foundation	NIL	1. Comsyn India Pvt. Ltd.	1. J.M. Chemicals Pvt. Ltd. 2. Kavita Realities Pvt. Ltd. 3. Vivan Real Estate Pvt. Ltd. 4. Felix Properties Pvt. Ltd. 5. Rajgarh Estates Pvt. Ltd. 6. Aero Entertainment Pvt. Ltd.	1. Midwest Autosales Pvt. Ltd. 2. Mirash Infotech Pvt. Ltd. 3. The Madhya Pradesh Flying Club Ltd. 4. Aero Club of India 5. Waman Motors Pvt. Ltd. 6. Midwest Automobile Pvt. Ltd.	NIL
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman of: 1. CSR Committee  Member of: 1. Stakeholder Relationship Committee-Member	Member of: CSR Committee	Member of: Audit Committee-	Chairman of : 1. Audit Committee; 2. Nomination and Remuneration Committee; 3. Corporate Compliance Committee. 4. Independent Directors Committee	Chairman of: 1. Stakeholder Relationship Committee  Member of: 1. Nomination & Remuneration Committee 2. Audit Committee	Member of: 1. Nomination & Remuneration Committee 2. Independent Director Committee

Chairman/ Member of the Committees of the Board, of other Listed Companies in which he is director alongwith the name	NA	NA	NA	NA	NA	NA
Directors Inter se relations	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

A. During the financial year 2021-22; the Board of Directors met 11 (Eleven) times on 5th June, 2021, 16th June, 2021, 14th August, 2021, 04th September, 2021, 21st September, 2021, 25th September, 2021, 09th October, 2021, 15th October, 2021, 13th November, 2021, 14th February, 2022 and 26th March, 2022. The time gap between any two meetings did not exceed 120(One Hundred Twenty) days.

B. The composition of the Board of Directors and their attendance at the meeting during the year were as follows:

Name of Director	Category & Designation	No. of Board meeting held during the financial year	No. of Board meeting held attended during the financial year	Whether attended last AGM held on 29 <sup>th</sup> , Sept., 2020
Shri Anil Choudhary	Promoter Chairman and MD	11	11	Yes
Mrs. Ranjana Choudhary	Executive Director/WTD	11	11	Yes
Shri Virendra Singh Pamecha	Executive Director/WTD	11	9	Yes
Shri Hitesh Mehta	Independent/NED	11	11	Yes
Shri Milind Mahajan	Independent/NED	11	11	Yes
Shri Vijay Kumar Bansal	Independent/NED	11	10	Yes

The Statutory Auditors, Internal Auditors, CEO and CFO are the permanent invitee in the Board Meeting. Further that Mr. Sandeep Patel, the Company Secretary and Compliance office functioned as the Secretary for the Board Meetings under review.

**C. Skills / Expertise / Competencies of the Board of Directors:**

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- Knowledge on Company's businesses, policies and business culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.
- Behavioural skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company,
- Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- Financial and Management skills,
- Technical / Professional skills and specialized knowledge in relation to Company's business.

**Matrix Setting out Skills / Expertise / Competencies:**

Skills / Expertise / Competencies	Shri Anil Choudhary, CMD	Smt. Ranjana Choudhary, WTD	Shri Virendra Singh Pamecha, WTD	Shri Hitesh Mehta, Independent Director	Shri Milind Mahajan, Independent Director	Shri Vijay Kumar Bansal Independent Director
Knowledge on Company's businesses	Yes	Yes	Yes	Yes	Yes	Yes
Business Culture major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	Yes	Yes	Yes	Yes	Yes	Yes
Behavioural skills	Yes	Yes	Yes	Yes	Yes	Yes
Business Strategy	Yes	Yes	Yes	Yes	Yes	Yes
Sales & Marketing	Yes	No	Yes	Yes	Yes	Yes
Corporate Governance	Yes	Yes	Yes	Yes	Yes	Yes
Forex Management	Yes	No	No	No	No	No
Administration, Decision Making	Yes	Yes	Yes	Yes	Yes	Yes
Financial and Management skills	Yes	Yes	Yes	Yes	Yes	Yes
Technical / Professional skills	Yes	No	Yes	Yes	Yes	Yes

**D. Independent Directors' Meeting:**

During the year a separate meeting of the Independent Directors was held on 13th November, 2021 inter-alia to review the performance of Non-Independent Directors and the Board as whole. All the Independent Directors were present at the meeting.

**E. Familiarization programmes for the Independent Directors: Already discussed in the Board Report.**
**F. Confirmation with respect to Independent Director's:**

Your Board of Directors is of the opinion that the Independent Directors fulfil the conditions specified in these the SEBI (LODR) Regulations, 2015 and are independent of the management. Further, all the Independent Directors have furnished their declaration(s) that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

**G. Resignation tendered by the Independent Director:**

As on reporting period no independent director has resigned from the company

**H. Outstanding GDRs/ADRs/Warrants or any convertible instruments, etc.**

During the year, the Company has made preferential allotment of 15,00,000 warrants of Rs. 130/- each convertible into 15,00,000 equity shares of Rs.10/- each at a premium of Rs 120/- per share to promoter, promoter group and other specified person categorized as public (Non-Promoters).

Following are the allotment and conversion details of the warrants:-

Date of Allotment/ Conversion	No. of Warrants allotted	No. of warrants converted into equity shares	Outstanding Warrants
15/10/2021	15,00,000	-	15,00,000
26/03/2022	-	5,85,000	9,15,000
24/06/2022	-	3,07,500	6,07,500

Remaining 6,07,500 warrants are outstanding for conversion at the option of the warrant holders as on the date of report.

#### I. Foreign exchange risk and hedging activities

The Company has no foreign exchange exposures; however, hedging/forwarding contract is done wherever it was required.

#### COMMITTEES OF THE BOARD

##### (a) Audit Committee:

The Committee presently comprises members as stated below. The Committee met 8 (Eight) times during the financial year 2021-22 on 5th June 2021, 16th June, 2021, 14th August, 2021, 4th September, 2021, 21st September, 2021, 25th September, 2021, 13th November, 2021 and 14th February, 2022.

Details of meetings attended by the members are as follows:

Name of the Director	Category	Designation	Numbers of meeting held & attended
Shri Hitesh Mehta	Independent Director	Chairman	8 of 8
Shri Milind Mahajan	Independent Director	Member	8 of 8
Shri Virendra Singh Pamecha	Whole Time Director	Member	6 of 8

The Chief Financial Officer, CEO and COO, Internal Auditor and the representatives of Statutory Auditors are permanent invitees. The Company Secretary is also functioning as the secretary to the Audit Committee. The constitution of the Audit Committee meets with the requirement of section 177 of the Companies Act, 2013 and Listing Regulations.

**The terms of reference of the Audit Committee mandated by the statutory and regulatory requirements, which are also in line with the mandate given by your Board of Directors, are:**

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.

- e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
  6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the Company with related parties;
  9. Scrutiny of inter-corporate loans and investments
  10. Valuation of undertakings or assets of the Company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. Discussion with internal auditors of any significant findings and follow up there on;
  15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the Whistle Blower Mechanism;
  19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate; .
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee. Review of information by Audit Committee.
  21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees Rs.100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
  22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.

#### **Review of information by Audit Committee**

The Audit Committee reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors
4. Internal audit reports relating to internal control weaknesses; and

5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
6. Statement of deviations:
  - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Reg. 32(1) of the SEBI (LODR) Regulations, 2015.
  - b. Annual statement of funds utilized for the purposes other than those stated in the offer document/prospectus/notice in terms of regulation 32(7).
7. The Audit Committee is also responsible for giving guidance and directions under the SEBI (Prohibition of Insider Trading) Regulations, 2015.
8. Utilization of loan and advances, if any.

The Audit Committee reviewed the reports of the internal auditors, the reports of the statutory auditors arising out of the quarterly, half-yearly, and annual audit of the accounts; considered significant financial issues affecting the Company and held discussions with the internal and statutory auditors and the Company Management during the year.

The Chairman and other members of the Audit Committee were present at the 37th Annual General Meeting of the Company held on September 30th 2021.

**(b) Nomination and Remuneration Committee:**

**Composition, Meetings and Attendance:**

The Committee comprises of the Members as stated below. The Committee during the year ended March 31, 2022, had 2 (Two) meetings on 04th August, 2021 and 13th November, 2021. The attendance of the members was as under.

Name of the Director	Category	Designation	Numbers of meeting held & attended
Shri Hitesh Mehta	Independent Director	Chairman	2 of 2
Shri Milind Mahajan	Independent Director	Member	2 of 2
Shri Vijay Kumar Bansal	Independent Director	Member	2 of 2

The Company Secretary is also functioning as the secretary to the Committee. The constitution of the Nomination and Remuneration Committee meets with the requirement of section 178 of the Companies Act, 2013 and Listing Regulations.

**Terms of Reference of Nomination, Remuneration and Compensation Committee (NRC):**

The NRC is duly constituted in accordance with the provisions of SEBI (LODR) Regulation, 2015 read with section 178 and other applicable provisions of Companies Act, 2013 and the NRC is empowered to do the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to appointment and remuneration for Directors, KMPs and other senior employees;
2. To formulate criteria for evaluation of the members of the Board of Directors including Independent Directors, the Board of directors and the Committees thereof;
3. To devise policy on Board Diversity;
4. To identify persons, 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 where necessary, their removal;
5. To formulate policy ensuring the following:
  - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully,



- b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks, and
  - c) Remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
  - d) Recommendation to the board, all remuneration, in whatever form, payable to senior management.
6. To design Company's policy on specific remuneration packages for Executive/ WTD and KMPs including pension rights and any other compensation payment;
  7. To determine, peruse and finalize terms and conditions including remuneration payable to Executive/ WTD and KMPs from time to time;
  8. To review, amend or ratify the existing terms and conditions including remuneration payable to Executive/WTD, Senior Management Personnel and KMPs;
  9. Any other matter as may be assigned by the Board of directors.

#### Remuneration Policy:

The Policy for Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under section 178(3) is uploaded on Company's website. (Link:- <http://www.comsyn.com>).

The Chairman and other Members of the Nomination and Remuneration Committee we represent at the 37th Annual General Meeting of the Company held on September 30th, 2021.

#### (c) Stakeholders' Relationship Committee:

##### Composition, Meetings and Attendance, if any:

The Committee comprises of the Members as stated below. The Committee during the year ended March 31, 2022, 1 (one) meeting on 14th February, 2022. The attendance of the members was as under.

Name of the Director	Category	Designation	Numbers of meeting held & attended
Shri Milind Mahajan	Chairman	Chairman	1 of 1
Shri Hitesh Mehta	Independent Director	Member	1 of 1
Shri Anil Choudhary	Managing Director	Member	1 of 1

CS Sandeep Patel the Company Secretary and Compliance officer is also functioning as the secretary to the Committee. The constitution of the Stakeholders' Relationship Committee meets with the requirement of section 178 of the Companies Act, 2013 and Listing Regulations.

#### The terms of reference mandated by your Board, which is also in line with the statutory and regulatory requirements are:

1. Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. Review of the various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**(d) Corporate Social Responsibility (CSR) Committee:**

CSR Committee was constituted pursuant to section 135 of the Companies Act, 2013. The Composition of the Committee and attendance of the members of the Committee at the meetings held is as below. The CSR Committee met 2 (two) times on 16th June, 2021 and 14th February, 2022 during the year ended March 31st, 2022:

Name of the Director	Category	Designation	Numbers of meeting
Shri Anil Choudhary	Chairman & Managing Director	Chairman	2 of 2
Smt. Ranjana Choudhary	Whole Time Director	Member	2 of 2
Shri Hitesh Mehta	Independent Director	Member	2 of 2

The Company Secretary is also functioning as the secretary to the Committee. The constitution of the CSR Committee meets with the requirement of Section 135 of the Companies Act, 2013.

**The terms of reference of the Corporate Social Responsibility Committee broadly include the following:**

- a. The CSR Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its CSR policy, which shall include the following namely:-
  - (i) the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act.
  - (ii) the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4.
  - (iii) The modalities of utilization of funds and implementation schedules for the projects or programmes.
  - (iv) monitoring and reporting mechanism for the projects or programmes and
  - (v) details of need and impact assessment, if any, for the projects undertaken by the company

Provided that Board may alter such plan at any time during the financial year as per the recommendation of its CSR Committee, based on the reasonable justification to that effect.
- b. To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as per the Act.
- c. To recommend CSR activity / programme / project to the Board for its approval;
- d. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company;
- e. To monitor the CSR Policy of the Company from time to time;
- f. To review the CSR activities of the Company and provide progress update to the Board of Directors at such interval as may be deemed fit.
- g. Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors, from time to time.

**(e) Other Committee:**
**i. Corporate Compliance Committee:**

During the period under reporting 4(Four) meetings of the Corporate Compliance Committee were held on 16th June 2021; 14th August 2021; 13th November, 2021 and 14th February, 2022 which were attended by all the members.

Name of the Director	Category	Designation	Numbers of meeting
Shri Hitesh Mehta	Independent Director	Chairman	4 of 4
Shri Anil Choudhary	Chairman & Managing Director	Member	4 of 4
Shri Abhishek Jain	Chief Financial Officer	Member	4 of 4

**The terms of reference of the Corporate Compliance Committee broadly include the following:**

1. Oversight responsibility for matters of compliance, including the Company's overall compliance programs, policies and procedures; significant legal or regulatory compliance exposure.
2. Oversee the Company's compliance efforts with respect to relevant Company policies, the Company's Code of Business Conduct, and relevant laws and regulations.
3. Monitor the Company's efforts to implement compliance programs, policies and procedures that respond to the various compliance and regulatory risks facing the Company and support lawful and ethical business conduct by the Company's employees.
4. Monitor the Company's efforts to fulfill legal obligations arising from settlement agreements and other similar documents or orders, and shall review, at its discretion.
5. At its discretion, oversee the investigation of, and may also request the investigation of, any significant instances of non-compliance with laws or the Company's compliance programs, policies or procedures, or potential compliance violations that are reported to the Committee; provided, however, that any such matters related to financial non-compliance or potential financial compliance violations shall be directed to the Audit Committee for investigation.

**PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 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, Nomination and Remuneration and other Committees.

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.

**TERMS OF APPOINTMENT & REMUNERATION - WTD & MD**

Particulars	Shri Anil Choudhary, Chairman & Managing Director	Smt Ranjana Choudhary Whole Time Director	Shri Virendra Singh Pamecha Whole Time Director
Period of Appointment /Reappointment	20.02.2021 to 19.02.2026	01.06.2022 to 30.05.2027	26.03.2021 to 25.03.2026
Salary Grade	UptoRs. 7,00,000/- per month	UptoRs. 3,00,000/- per month	UptoRs. 1,75,000 per month
Category: A (Allowances)	NIL	NIL	NIL
Category: B (Perquisites)	Contribution to PF, Gratuity, Earned Privilege Leave, Commission, Mediclaim and accidental insurance, Leave Travel Concession	Contribution to PF, Gratuity, Leave Encashment as per Rules	Contribution to PF, Gratuity, Earned Privilege Leave as per Rules
Category: C	Car, Telephone, Internet & Cell	Car, Telephone, Internet & Cell	Car, Telephone, Internet & Cell
Minimum Remuneration	As per provisions of Companies Act, 2013 read with Schedule V of the Act	As per provisions of Companies Act, 2013 read with Schedule V of the Act	As per provisions of Companies Act, 2013 read with Schedule V of the Act
Notice Period and fees	6months from either side	6months from either side.	6months from either side

**DETAILS OF SITTING FEES PAID TO NON-EXECUTIVE DIRECTORS:**

S. No.	Name of Director	Designation	Amount Paid
1	Shri Hitesh Mehta	Independent Director	60,000
2	Shri Milind Mahajan	Independent Director	44,000
3	Shri Vijay Kumar Bansal	Independent Director	30,000

**GENERAL BODY MEETINGS:**
**A. Annual General Meetings:**

Date of AGM	Venue	Time	No. of Special Resolutions passed
18/09/2019	Hotel Shreemaya Residency, A.B. Road, Near Press Complex, Indore (M.P.) 452 008	12:15 P.M.	3
29/09/2020	Video Conference VC/OAVM and the deemed venue for the meeting is at registered office of the company situated at Commercial House, 3 -4, Jaora Compound, M.Y.H. Road, Indore (M.P.) 452001 .	2:00 P.M.	3
30/09/2021	Do	2:00 P.M.	5

**B. Extraordinary General Meeting (EGM):**

No Extraordinary General Meeting held during the year 2021-22.

**C. POSTAL BALLOT: No Resolution passed by postal ballot during period under the year 2021-22.**
**DISCLOSURES:**

- Subsidiary Companies
- Related Party Transactions Policy
- Vigil Mechanism/Whistle Blower Policy
- Prevention of Insider Trading
- Code of Conduct
- Credit Rating

All the above disclosures are already discussed in Board Report. Hence, not repeated over here.

**D. Providing voting by Electronic Means.**

Your Company is providing E-voting facility under Regulation 44 of SEBI (LODR) Regulation, 2015 and Companies Act, 2013. The details regarding e-voting facility are being given with the notice of the Meeting.

**E. Strictures and Penalties**

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI).

**F. Compliance with Indian Accounting Standards**

In the preparation of the financial statements, the Company has followed the Indian Accounting Standards as notified. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**G. Proceeds from public issues, rights issue, preferential issues, etc.**

The Company had allotted 15,00,000 Convertible Warrants ('Warrants'), each carrying a right to subscribe to One Equity

Share per Warrant, at a price of Rs. 130/- Per Warrant ('Warrant Price'), aggregating Rs.1950.00 Lakhs on a preferential basis to Promoter, Promoter Group and other Specified Persons (Non-Promoter).

An amount of Rs.32.50 not less than the 25% of the Warrant Price was paid at the time of subscription aggregating Rs.487.50 Lakhs and the balance 75% of the Warrant Price was payable by the Warrant holder at the time of conversion in one or more tranches.

On 26th March, 2022 on receipt of balance option money of Rs. 97.50 per warrant aggregating Rs.570.37 Lakhs for conversion of 5,85,000 warrants were converted into the 5,85,000 equity share of the company.

Further after 31st March, 2022, on 24th June, 2022 on receipt of balance option money of Rs. 97.50 per warrant aggregating Rs. 299.81 Lakhs for conversion of 3,07,500 warrants converted into the 3,07,500 equity share of the company.

**The details of utilization of the proceeds as under:**

<b>Nature of receipts of proceeds /utilisation</b>	<b>Amount received till 31.03.2022</b>	<b>Amount utilized towards to objects of the issue</b>	<b>Remaining amount unutilized as at 31.03.2022</b>
Upfront money on received on 15,00,000 warrants @ Rs. 32.50 per warrant	487.50		
Conversion price received on 5,85,000 warrants @ Rs. 97.50 per warrant	570.37		
<b>Total Receipts</b>	<b>1057.87</b>		
Purchase of Property, Plant and Equipment	-	0	
Repayment of Unsecured Loan	-	181.00	
Long term & Short term Working Capital Requirement	-	78.50	
General Corporate Purpose	-	100.00	
Investment and Providing loans to subsidiaries	-	125.00	
Issue Expenses	-	3.00	
<b>Total</b>		<b>487.50</b>	<b>570.37</b>
<b>Nature of receipts of proceeds /utilization</b>	<b>Unutilised amount as at 01.04.2022</b>	<b>Amount utilized towards to objects of the issue</b>	<b>Remaining amount unutilized as at 30.06.2022</b>
Balance proceeds for utilization towards project	570.37		
Conversion price received on 3,07,500 warrants @ Rs. 97.50 per warrant	299.81		
Purchase of Property, Plant and Equipment		100.00	
Repayment of Unsecured Loan		0.00	
Long term & Short-term Working Capital Requirement		281.50	
General Corporate Purpose		0.00	
Investment and Providing loans to subsidiaries		478.31	
Issue Expenses		0.00	
<b>Total Balance</b>	<b>870.18</b>	<b>859.81</b>	<b>10.37</b>

There is no deviation in the proposed project and its utilization, the remaining amount available as at 30th June, 2022 will be utilized in the phased manner within the stipulated period.

**H. Disclosures with respect to Demat suspense account/ Unclaimed Suspense Account:**

There is no equity shares lying in the Demat suspense account/ Unclaimed Suspense Account.

**I. Confirmation that in the opinion of the Board, the Independent Director fulfills the condition specified in this regulation and are independent of the Management:**

All Independent Directors has given disclosure as required under the Companies Act, 2013 and Listing Regulations that they are independent of the management and the Management do hereby confirm their independency.

**J. Detailed Reason for resignation of Independent Director who resigns before the expiry of his tenure along with the confirmation by such director that there are no other material reasons, other than those provided:**

No Independent Director resign during the year 2021-22.

**K. Secretarial Compliance Report:**

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8thFebruary, 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year. The Company has engaged the services of CS Ishan Jain & Co.(CP No. 13032), Practicing Company Secretary and Secretarial Auditor of the Company for providing this certification.

**L. Certificate from Practicing Company Secretary:**

Certificate for disqualification of directors as required under Part C of Schedule V of the SEBI (LODR) Regulation, 2015, received from CS Ishan Jain (CP No. 13032) proprietor of M/s. Ishan Jain & Co. Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

A compliance certificate from CS Ishan Jain (CP No. 13032) proprietor of M/s. Ishan Jain & Co., Practicing Company Secretaries, pursuant to the requirements of Schedule V of the SEBI (LODR) Regulation, 2015 regarding compliance of conditions is attached.

In compliance with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated 8thFebruary 2019 read with Regulation 24(A) of the SEBI (LODR) Regulation, 2015, company has filed Annual Secretarial Compliance Report for the year ended 31st March, 2022 in terms of Regulation 15(2) of SEBI (LODR) Regulation, 2015.

**M. Disclosure relating to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company in place has an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2021-22 are as under:

- |    |  |   |     |
|----|--|---|-----|
| a. | Number of complaints filed during the financial year         | : | NIL |
| b. | Number of complaints disposed of during the financial year   | : | NIL |
| c. | Number of complaints pending as on end of the financial year | : | NIL |

**N. Total fees for all services paid by the company and its subsidiary on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part.**

The summary of the audit and other fees paid to auditors of the company and its subsidiary is as follows:

S. No.	Name of company	Status	Total Audit Fees payable
1	Commercial Syn Bags Limited	Holding Company	2,25,000
2	Comsyn India Pvt. Ltd.	Subsidiary Company	25,000

**O. Where the Board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the financial year.**

Your Board affirms that, there are no such instances where the Board has not accepted any recommendation of any committee of the Board during the financial year.

**P. Disclosure by listed entities and its subsidiaries of Loans and Advances in the nature of loans to firms/companies in which directors are interested by name and amount.**

The company has advanced loans to Comsyn India Pvt. Ltd. (Wholly Owned Subsidiary) having Outstanding Balance of Rs. 1470.73 Lakhs and to CK Associates Realty LLP amount to Rs. 278.52 Lakhs in which Directors are interested:

**MEANS OF COMMUNICATION:**

The company regularly intimates its quarterly/half-yearly un-audited as well as annual audited financial results to the Stock Exchange immediately after these are taken on record/approved by the Board. These financial results are published in the Free Press Journal (English) and in Choutha Sansar (Hindi), the vernacular newspaper. The results of the company are also available on the website of the company, at [www.comsyn.com](http://www.comsyn.com).

**MD/CFO CERTIFICATION:**

The MD and the CFO have issued certificate pursuant to the provisions of Regulation 17(8) of SEBI (LODR) Regulation, 2015. The said certificate is annexed and forms part of the Annual Report.

**COMPLIANCE UNDER NON-MANDATORY/DISCRETIONARY REQUIREMENTS UNDER THE LISTING REGULATIONS REQUIREMENTS:**

The Company complied with all mandatory requirements and has also adopted non-mandatory requirement as per details given below:

**A. The Board:**

The Company is having Executive Chairman.

**B. Shareholder's Rights:**

The half yearly results are displayed on the website of the Company and are sent to the Stock Exchanges where the shares of the Company are listed. The half-yearly results are not separately circulated to the shareholders.

**C. Audit Qualification:**

The auditors have not qualified the financial statement of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements. However, the observations raised by the Secretarial Auditors were commented by the management in the Board report and are not in severe nature.

**D. Separate post of Chairperson and the Managing Director or the Chief Executive Officer:**

The Company has appointed Mr. Anil Choudhary as the Chairperson and Managing Director and Mr. Ravindra Choudhary at the post of Chief Executive Officer of the company.

**E. Reporting of Internal Auditor:**

The Internal Auditors of the Company report to the Audit Committee.

**GENERAL SHAREHOLDER INFORMATION:**

Date, Time and Venue of Annual General Meeting	On 30th September, 2022 at 2:00 P.M. through Video Conferencing/VC or other audio-visual mode (OAVM) for which purposes the registered office of the company at Commercial House, 3-4 Jaora Compound M.Y.H. Road, 452001 (M.P.) shall be deemed as the venue for the meeting
E-voting period	From Tuesday, 27.09.2022 on 9:00 A.M. [IST] To Thursday, 29.09.2022 on 5:00 P.M. [IST]
Financial Calendar Results	
for the quarter ending 30th June 2022	10th August, 2022
for the quarter ending 30th Sept 2022	On or Before 14th November, 2022
for the quarter ending 31st Dec. 2022	On or Before 14th February, 2022
for the quarter ending 31st March, 2023	On or Before 30th May, 2023
Board Meeting for consideration of Annual Accounts for the financial year 2021-22	25th May, 2022
Book Closure	24th September 2022 to 30th September, 2022 (Both days inclusive) for the purpose of Dividend and AGM
Cutoff date for E-voting	23rd September, 2022
Posting/ mailing of Annual Report	On or Before 8th September, 2022
Last date for receipt of Proxy Form	Not Applicable (AGM will be held through “VC and OAVM”)
Dividend	Within 30 days from the date of declaration
Listing on Stock Exchange	The equity shares of the company are listed at BSE Ltd., and the listing fees has been paid for 2022-2023
Registered Office (Address for Correspondence)	“Commercial House”, 3-4 Jaora Compound M.Y.H. Road, 452001
Compliance Officer and Company Secretary	CS Sandeep Patel
Registrars and Share Transfer Agents	Bigshare Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059 (M.H.) Tel: +91-22-6263 8200 Fax: +91-22-6263 8299 Email: investor@bigshareonline.com Website: www.bigshareonline.com
Scrutinizer for E-voting	CS Ishan Jain, Practicing Company Secretary
Scrip Code	539986
ISIN NO	INE073V01015
The financial year covered by this Annual Report	April 1st 2021 to March 31st 2022
Share Transfer System	Due to amendment in SEBI (LODR) Regulation, 2015 from 1st April 2019 no physical transfer of shares allowed.



Commodity price risk or foreign exchange risk and hedging activity

The export transactions or covered by the Forward cover as per policy of the company to minimize the exchange fluctuation risk

Plant Location

Unit I: Plot No. S-4/1, S-4/2, S-4/3, S-4/3A Sector 1, Pithampur (M.P.)

Unit II: Plot No. S-2/1, S-3/1, S-3/2 Sector-1, Pithampur (MP)

Unit III: Plot No. 309, Sector-1, Pithampur (MP)

Unit SEZ: Indore Special Economic Zone

Plot No.15-18, Phase-1, Sector-III, Pithampur (MP)

SOLAR POWER DIVISION: PH No. 36, Village Galihara, Tehsil Sitamau, District Mandsaur (M.P.)

TRADING DIVISION WAREHOUSE:

61/2, Sector F, Sanwer Road, Indore-452015 (M.P.)

### MARKET INFORMATION:

Stock Market Price Data:

Monthly high/low during the year 2021-22 at BSE Platform Mumbai:

Month	High	Low	Total No. of shares
April-2021	114.20	95.10	81,335
May-2021	116.00	88.00	3,91,506
June-2021	149.00	110.00	14,75,253
July-2021	153.00	128.50	4,20,320
August-2021	144.45	114.95	2,71,862
September-2021	164.00	138.00	5,88,198
October-2021	169.50	128.60	11,88,334
November-2021	252.00	165.00	7,65,062
December-2021	328.00	214.65	16,94,850
January-2022	313.00	258.90	6,43,694
February-2022	304.50	230.00	1,80,049
March-2022	294.95	250.00	10,16,006

\*(Source website of BSE Limited)

### Distribution of Shareholding as on March, 31, 2022:

Share Holding of Nominal Value (Slab)	Share Holders Number	% of Share Holders	Share Amount In RS.	% to Total
1-5000	2539	84.83	24,66,760	1.99
5001-10000	134	4.48	10,57,680	0.85
10001-20000	106	3.54	16,06,170	1.30
20001-30000	49	1.64	13,32,300	1.07
30001-40000	18	0.60	6,69,530	0.54
40001-50000	15	0.50	6,79,970	0.55
50001-100000	49	1.64	34,22,900	2.76
100001-above	83	2.77	11,27,88,690	90.94
<b>Total</b>	<b>2993</b>	<b>100.00</b>	<b>12,40,24,000</b>	<b>100.00</b>

**Dematerialization of Shares as at March, 31, 2022:**

Category	No. of Shares	% to Total
Total number of dematerialized shares with NSDL	1,04,14,284	83.97
Total number of dematerialized shares with CDSL	19,88,116	16.03
Total number of Physical shares	-	-
<b>TOTAL</b>	<b>1,24,02,400</b>	<b>100.0</b>

**Shareholding Pattern as at March, 31, 2022:**

Category of Shareholder	No. of Shares held	%
Promoters	78,11,690	62.99
Mutual Funds/UTI	0	0
Financial Institutions/Banks	0	0
Insurance Companies	0	0
Foreign Institutional Investors	0	0
Directors (Other than Promoter)	2,21,600	1.79
Individuals	36,46,454	29.36
Non- Resident Indians & OCB	31,491	0.25
Others	6,96,165	5.61
<b>TOTAL</b>	<b>1,24,02,400</b>	<b>100.00</b>

**REDRESSAL OF INVESTOR GRIEVANCES THROUGH SEBI SCORES MECHANISM:**

SEBI has issued various circular for Listed entities to Register itself on SCORES. It is a web based centralized grievance redress system of SEBI. SCORES enable investors to lodge and follow up their complaints and track the status of redressal of such complaints online from the SCORES website.

Your Company is also registered on SCORES and promptly redressing investor grievances. The same is maintaining by our Registrar and Share Transfer Agent M/s Bigshare Services Pvt. Ltd.

**Unclaimed Dividends:**

Dividends remain unpaid/unclaimed for a period of seven years will be transferred the Investor Education & Protection Fund (IEPF) established by the Government. The dates by which the dividend amounts will be transferred to IEPF are as under:

Financial Year	Date of Declaration	Type of Dividend	Rate of Dividend per Share Rs.	Due date for transfer to IEPF	Amount of unpaid dividend as on 31.03.2022 Rs.
2019 -20	29.09.2020	Final	Rs. 1.50(15%)	04.11.2027	40.00
2020 -21	30.09.2021	Final	Rs. 2.00(20%)	05.11.2028	9,363.00

**RECONCILIATION OF SHARE CAPITAL AUDIT:**

As required by the Securities & Exchange Board of India (SEBI) quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and held in physical form, with the issued and listed capital.

**CREDIT RATING**

ICRA Limited vide their letter number ICRA/Commercial Syn Bags Limited/29072022/1 dated 29th July, 2022; have assigned the following ratings to the bank loan facilities of Rs. 86 Crores and Enhancement of Rs. 55 Crores availed by the Company:

**For and on behalf of the Board**

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

**Place : Indore**

**Date : 05th September, 2022**

**DECLARATION BY THE MANAGING DIRECTOR**

[under SEBI (LODR) Regulation, 2015 Regarding Compliance with Code of Conduct]

In accordance with Schedule V, Para D of the SEBI (LODR) Regulation, 2015 as amended from time to time, I the Managing Director of the Company hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2022.

**For and on behalf of the Board**

**Place :** Indore

**Date :** 05th September, 2022

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

**COMPLIANCE CERTIFICATE**

[Under Regulation 17(8) of SEBI (LODR) Regulations, 2015]

To,  
 The Board of Directors  
 Commercial Syn Bags Limited

- A. We have reviewed the Financial Statements, Cash Flow Statements, Books of Accounts, detailed trial balance and grouping thereof for the Financial Year 2021-22 and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:
1. significant changes in internal control over financial reporting during the Financial Year 2021-22
  2. significant changes in accounting policies during the period and that the same have been disclosed in the notes of the financial statements; and
  3. Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**For, Commercial Syn Bags Limited**

**Anil Choudhary**  
**Chairman & Managing Director**  
**DIN : 00017913**

**Place :** Indore

**Date :** 25th May, 2022

**For, Commercial Syn Bags Limited**

**Abhishek Jain**  
**Chief Financial Officer**

## AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members,

### Commercial Syn Bags Limited

1. This certificate is issued in accordance with the terms of our engagement.
2. We, Avinash Agrawal & Co., Chartered Accountants, the Statutory Auditors of Commercial Syn Bags Limited (“the Company”), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (LODR) Regulations, 2015 (the Listing Regulations).

### Management’s Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

### Auditor’s Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022.
9. We 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, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**ICAI Reg. No.: 022666C**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**  
**UDIN : 21410875AAACE3798**

**Place : Indore**

**Dated : 2nd September, 2022**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (LODR) Regulations, 2015)

To,  
 The Members of  
**Commercial Syn Bags Limited,**  
 Commercial House,  
 3-4, Jaora Compound, M.Y. H. Road,  
 Indore (M.P.) 452001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Commercial Syn Bags Limited, having CIN L25202MP1984PLC002669 and having registered office at Commercial House, 3-4, Jaora Compound, M.Y. H. Road, Indore (M.P.) 452001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the SEBI (LODR) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and 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, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Shri Anil Choudhary*	00017913	10/12/1984
2	Smt Ranjana Choudhary	03349699	05/06/2011
3	Shri Virendra Singh Pamecha	07456367	26/03/2016
4	Shri Hitesh Mehta	00427646	20/06/2015
5	Shri Milind Mahajan	00155762	10/05/2017
6	Shri Vijay Kumar Bansal	09002441	14/02/2021

*\*Date of appointment in the MCA Record is reflecting 20.02.2008.*

*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, Ishan Jain & Co.,**  
**Company Secretaries**  
**FRN : S2021MP802300**

**Date : 29th July, 2022**  
**Place: Indore**  
**UDIN: : F009978D000706806**  
 Peer Review No. :842/2020

**CS Ishan Jain**  
**Proprietor**  
**FCS: 9978**  
**C.P. 13032**

## INDEPENDENT AUDITOR'S REPORT

To the Members of Commercial Syn Bags Limited.

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying standalone financial statements of Commercial Syn Bags Limited (herein referred to as "the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of Profit and Loss (including other Comprehensive Income), the standalone statement of changes in equity and the standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profits and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 the standalone financial statements of the current period. These matters are addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
<p><b>I. Issue of convertible Share warrants and its conversion to equity shares. (Refer 'Statement of changes in Equity')</b></p> <p>The Company has issued convertible share warrants at an amount of Rs. 1057.88 lakhs and conversion of some of convertible share warrants into equity shares.</p> <p>We have decided this item as a key audit matter because of—</p> <ol style="list-style-type: none"> <li>1. Significant amount of issue of convertible share warrants</li> <li>2. Complexities involved in determining               <ol style="list-style-type: none"> <li>i. timing of recognition of convertible share warrants;</li> </ol> </li> </ol>	<p>Our audit procedures included the following:</p> <p>Understanding the Company's process and procedures for recognition of convertible share warrants and its conversion to equity shares.</p> <p>Evaluating the design and implementation and testing the operating effectiveness of Company's general IT controls, key manual and application controls over the Company's IT systems. They cover control over issue of financial instruments and Company's review over the issue.</p> <p>Inspecting on sample basis, applications for allotment of convertible share warrants, and assessing the company's policy for recognition of financial instruments with reference to the requirements of the applicable</p>

	<p>accounting standards.</p> <p>Assessing the methods used to value convertible share warrants and ensuring ourselves of the consistency of accounting methods.</p> <p>Checking completeness and accuracy of the data used by the Company for recognition and measurement of convertible share warrants and its conversion into equity shares</p> <p>Assessing of appropriateness of disclosures provided in the financial statements.</p>
<p>ii. value for measurement of convertible share warrants.</p> <p>II. Revenue have reached Rs 32158.53 lakhs (<b>Refer note 26 to the standalone financial statements</b>)</p> <p>The Company has made revenue of Rs 32158.53 lakhs during the year.</p> <p>We have decided this item as a key audit matter because—</p> <p>i. Revenue is one of the key profit drivers and it is therefore susceptible to misstatement.</p> <p>ii. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cutoff can result in material misstatement of results for the year.</p>	<p>Our audit procedures included the following:</p> <p>Understanding the Company's processes and procedures for recognition of revenue</p> <p>Testing the design, implementation and operating effectiveness of Company's general IT controls, key manual and application controls over the Company's IT systems. They cover control over dispatches and recording of revenue.</p> <p>Inspecting on sample basis, key customer contracts, and assessing the company's policy for recognition of revenue with reference to the requirements of the applicable accounting standards.</p> <p>Assessing the methods used to recognize and measure revenue and ensuring ourselves of the consistency of accounting methods.</p> <p>Testing of cutoffs and performing analytical review procedures.</p> <p>Checking completeness and accuracy of the data used by the Company for recognition and measurement of revenue</p> <p>Assessing of appropriateness of disclosures provided in the financial statements.</p>

### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

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 to report that fact. We have nothing to report in this regard.

### Management's and Board of Directors' responsibilities for the Audit of the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free 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 not realistic alternative to do so.

The Board of Directors are responsible for over viewing the Company's financial reporting process.

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

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

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

- Identify and assess the risk 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) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion



on the financial statements

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation preclude 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 section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it 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 statements of Cash Flow dealt with by this report are in agreement with relevant books of account,
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014,
  - e) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting,
2. With respect to the 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 explanation given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer Note 35 to the standalone financial statements.)
  - ii. The Company did not have any long-term contracts for which there were any material foreseeable losses.
  - iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) 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 beneficiary”) by or on behalf of the company
- or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) 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
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused to us to believe that the representations under sub-clause (iv)(a) and (iv)(b) contain any material misstatement.
- v. the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
3. 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.
4. As required by the Companies (Auditor’s Report) Order, 2016 (“the order”) issued by the Central Government in terms of section 143 (11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**(FR No. 022666C)**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**

**UDIN: 22410875AJPPRB8985**

**Place :** Indore  
**Dated :** 25-05-2022

## ANNEXURE –A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE

*Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements section of our report to the members of Commercial Syn Bags Limited)*

### **Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

#### **Opinion**

We have audited the internal financial controls over financial reporting of M/S Commercial Syn Bags Limited (“the Company”) as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management and Board of Directors of the Company 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”) issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

**Place :** Indore  
**Dated :** 25-05-2022

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**(FR No. 022666C)**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**  
**UDIN: 22410875AJPPRB8985**

## ANNEXURE –B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE

*To the Independent Auditor’s Report of even date on the Standalone Financial Statements of  
Commercial Syn Bags Limited for the year ended 31 March 2022*

### **(Referred to in paragraph 4, under ‘Report on Other Legal and Regulatory Requirements’ section of our Report of even date)**

- (I) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The company has maintained proper records showing full particulars of intangible assets.
- (b) The company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- (d) 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 revalued its Property, plant and equipment (including Right-of-use asset) of Intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory.
- (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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreements with the books of account of the Company, except as disclosed in note 36 of the financial statements.
- (iii) 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 provided security or made advances in the nature of loans, secured or unsecured, to companies, firms limited liability partnership or any other parties during the year. The Company has made investments in companies and limited liability partnerships, provided guarantee to other parties and granted loans to Companies and limited liability partnerships, in respect of which the requisite information is as below.
- (a) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has provided loans, stood guarantee to other entities during the year as follows –

Particulars	Loans	Guarantee
Aggregate amount granted / provided during the year ended 31st March 2022		
- Subsidiaries	991.45	-
- others	334.01 (staff loan pending)	85.9
Balance outstanding as at balance sheet date- 31st March 2022		
- Subsidiaries	1470.73	-
- others	284.33	1636.81

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided and the terms and conditions of the grant of all loans and guarantee provided are not prejudicial to the company's interest.
- (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 granted any loans or advances in the nature of loans for which schedule of repayment of principal and payment of interest has been stipulated. Therefore, sub-clauses (d) and (e) of clause (iii) are not applicable to the Company.
- (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 granted loans without specifying any terms or period of repayment.

Particulars	Loans	Guarantee
Aggregate amount granted / provided during the year ended 31st March 2022		
- Subsidiaries	991.45	-
- others	334.01 (staff loan pending)	85.9
Balance outstanding as at balance sheet date- 31st March 2022		
- Subsidiaries	1470.73	-
- others	284.33	1636.81

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any security as specified under Sections 185 and 186 of the Act. In respect of the loans given, investments made and guarantee provided by the Company, in our opinion the provisions of Sections 185 and 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the order is not applicable.
- (vi) The Central Government has specified maintenance of the cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products manufactured by it and/or services provided by it and such accounts and records have been made and maintained.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it.

According to the information and explanations provided to us, no undisputed amounts payable in respect of Goods and Service Tax, Provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues were in arrears, at the year end, for a period of more than six months from the date they became payable.

- (b) According to information and explanations given to us, there are no dues of GST, PF, ESI, income tax, Sales Tax, service tax,

Name of the Statue	Nature of Amount Due	Period to which the amount relates	Amount (Rs. in lakhs )	Amount paid in dispute	Forum where the dispute is pending
M.P. VAT Act, 2002	Value Added Tax	Financial Year 2016 - 2017	2.35	0.59	Divisional Deputy Commissioner, Commercial Tax, Indore
M.P. VAT Act, 2002	Value Added Tax	Financial Year 2015 - 2016	1.29	0.33	Assistant Commissioner, Commercial Tax, Indore
Central Sales Tax, Act, 1956	Central Sales Tax	Financial Year 2016 - 2017	3.04	1.24	Assistant Commissioner, Commercial Tax, Indore
Central Sales Tax, Act, 1956	Central Sales Tax	Financial Year 2016 - 2017	0.15	0.03	Divisional Deputy Commissioner, Commercial Tax, Indore
Entry Tax Act, 1976	Entry Tax	Financial Year 2016 - 2017	4.10	1.02	Divisional Deputy Commissioner, Commercial Tax, Indore
M.P. VAT Act, 2002	Value Added Tax	Financial Year 2015 - 2016	1.70	-	Additional Commissioner, Commercial Tax, Indore
CGST Act, 2017 IGST Act, 2017	CGST and Penalty	From Financial Year 2017 - 2018 to 2020 -2021	182.18 18.21	-	Commissioner (Appeals), CGST & Central Excise, Indore

value added tax, custom duty, excise duty and cess or other statutory dues, which have not been deposited on account of any dispute except for:

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided and the terms and conditions of the grant of all loans and guarantee provided are not prejudicial to the company's interest.
- (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 granted any loans or advances in the nature of loans for which schedule of repayment of principal and payment of interest has been stipulated. Therefore, sub-clauses (d) and (e) of clause (iii) are not applicable to the Company.
- (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 granted loans without specifying any terms or period of repayment.

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not provided any security as specified under Sections 185 and 186 of the Act. In respect of the loans given, investments made and guarantee provided by the Company, in our opinion the provisions of Sections 185 and 186 of the Act have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the order is not applicable.
- (vi) The Central Government has specified maintenance of the cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the products manufactured by it and/or services provided by it and such accounts and records have been made and maintained.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it.

According to the information and explanations provided to us, no undisputed amounts payable in respect of Goods and Service Tax, Provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues were in arrears, at the year end, for a period of more than six months from the date they became payable.

- (b) According to information and explanations given to us, there are no dues of GST, PF, ESI, income tax, Sales Tax, service tax, value added tax, custom duty, excise duty and cess or other statutory dues, which have not been deposited on account of any dispute except for:

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**(FR No. 022666C)**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**

**UDIN: 22410875AJPPRB8985**

**Place : Indore**

**Dated : 25-05-2022**



**STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2022**

(Rupees In Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	3	7,145.56	7,747.68
(b) Capital Work in Progress	3	0.00	27.77
(c) Other Intangible Assets	3	0.13	0.45
(d) Financial Assets			
(i) Investments	4	11.03	15.18
(ii) Loans	5	278.52	-
(iii) Others Financial Assets	6	520.71	527.01
(e) Other Non Current Assets	7	43.73	38.47
		<b>7,999.68</b>	<b>8,356.56</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	8	5,584.99	5,499.19
(b) Financial Assets			
(i) Trade Receivables	9	3,506.81	2,133.22
(ii) Cash and Cash Equivalents	10	62.16	237.75
(iii) Other Bank Balances	11	449.29	367.18
(iv) Loans	12	1,476.54	486.87
(v) Other Financial Assets	13	17.80	13.69
(c) Current Tax Assets (Net)		47.62	47.62
(d) Other Current Assets	14	1,703.08	1,601.48
		<b>12,848.27</b>	<b>10,386.99</b>
<b>TOTAL ASSETS</b>		<b>20,847.95</b>	<b>18,743.54</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	1,240.24	1,181.74
(b) Other Equity	16	9,311.71	6,698.36
		<b>10,551.95</b>	<b>7,880.10</b>
<b>LIABILITIES</b>			
<b>1 NON CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	17	2,414.84	2,744.43
(ii) Lease Liabilities	18	109.05	112.96
(b) Provisions	19	264.70	209.09
(c) Deferred Tax Liabilities (Net)	20	234.63	337.58
		<b>3,023.21</b>	<b>3,404.05</b>
<b>2 CURRENT LIABILITIES</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	21	4,733.71	4,914.27
(ii) Lease Liabilities	18	12.37	7.51
(iii) Trade Payables			
(A) Total outstanding dues of creditors micro and small enterprises; and	22	185.39	85.47
(B) Total outstanding dues of creditors other than micro and small enterprises	22	1,265.60	992.54
(iv) Other Financial Liabilities	23	90.78	267.65
(b) Other Current Liabilities	24	905.97	1,172.46
(c) Provisions	25	27.60	10.44
(d) Current Tax Liabilities (Net)		51.37	9.06
		<b>7,272.80</b>	<b>7,459.39</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>20,847.95</b>	<b>18,743.54</b>
Basis of Preparation, Measurement and Significant Accounting Policies.	2		
Contingent Liabilities and Commitments.	35		

The accompanying notes 1 to 44 are an integral part of these Financial Statement  
 For and on Behalf of Board of Directors

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 Date: 25.05.2022

**(CA Avinash Agrawal )**  
 Proprietor  
 M.No. 410875

**STANDALONE PROFIT & LOSS STATEMENT FOR YEAR ENDED ON 31ST MARCH, 2022**

(Rupees In Lakhs)

PARTICULARS	Note No.	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>INCOME:</b>			
I Revenue From Operations	26	32,158.53	21,389.10
II Other Income	27	447.86	1.94
<b>III Total Income (I+II)</b>		<b>32,606.39</b>	<b>21,391.04</b>
<b>IV EXPENSES:</b>			
Cost of materials consumed	28	17,776.86	11,445.13
Purchase of stock in trade	29	1,788.43	934.53
Changes in inventories of finished goods, stock in trade & work in progress	30	(350.25)	(1,389.13)
Employee benefit expense	31	4,108.10	3,725.45
Finance costs	32	578.20	404.35
Depreciation and amortization expenses	3	821.22	752.22
Other expenses	33	5,795.60	4,058.16
<b>Total Expenses (IV)</b>		<b>30,518.15</b>	<b>19,930.72</b>
<b>V Profit/ (Loss) before tax (III-IV)</b>		<b>2,088.23</b>	<b>1,460.32</b>
VI Tax expense			
(1) Current tax		372.90	276.59
(2) Deferred tax Credit / (Charge )		(102.94)	(24.86)
<b>Total Tax (VI)</b>		<b>269.95</b>	<b>251.74</b>
<b>VII Profit/ (Loss) for the year from continuing operations(V-VI)</b>		<b>1,818.28</b>	<b>1,208.58</b>
<b>VIII Other comprehensive income</b>			
A (i) Items that will not be re-classified to profit or loss	34	39.01	(51.26)
Re-measurments of the net defined benefit plans			
(ii) Income tax relating to items that will not be re-classified to profit or loss		(6.97)	(8.95)
Re-measurments of the net defined benefit plans			
Total Other Comprehensive Income		32.04	(42.30)
<b>Total Comprehensive Income for the period</b>		<b>1,850.32</b>	<b>1,166.28</b>
IX Earnings per equity share (for continuing operation):	15		
Basic		15.37	10.23
Diluted		14.54	10.23
Basis of Preparation, Measurement and Significant Accounting Policies.	2		
Contingent Liabilities and Commitments.	35		

The accompanying notes 1 to 44 are an integral part of these Financial Statement  
 For and on Behalf of Board of Directors

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 Date: 25.05.2022

**(CA Avinash Agrawal )**  
 Proprietor  
 M.No. 410875

**BALANCE SHEET AS AT 31ST MARCH, 2022**
**Statement of Changes in Equity for the year ended 31st March, 2022**
**(A) EQUITY SHARE CAPITAL**
**(1) Current Reporting Period**
**(Rs. in Lakhs)**

Balance at the beginning of the reporting period i.e.1st April 2021	Changes in equity share capital during the year 2021-22	Balance at the end of the reporting period i.e.31st March 2022
1,181.74	58.50	1,240.24

**(2) Previous Reporting Period**
**(Rs. in Lakhs)**

Balance at the beginning of the reporting period i.e.1st April 2019	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e.31st March 2021
1,181.74	-	1,181.74

**b. Other Equity**
**(1) Current Reporting Period**
**(Rs. in Lakhs)**

	Reserves and Surplus					Money received against Share Warrants	Total
	Capital Reserve	General Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings		
<b>AS ON 31st MARCH 2022</b>							
<b>Balance at the beginning of the reporting period i.e. 1st April 2021</b>	9.23	10.88	406.53	-	6,271.72	-	6,698.36
(Add): Profit for the year	-	-	-	-	1,818.28	-	1,818.28
Other comprehensive Income for the year	-	-	-	-	32.04	-	32.04
<b>Total Comprehensive Income for the year</b>	-	-	-	-	1,850.32	-	1,850.32
Dividend Paid	-	-	-	-	(236.35)	-	(236.35)
Amount received during the year	-	-	-	-	-	1,057.88	1,057.88
Conversion of Share warrant into Equity Share	-	-	702.00	-	-	(760.50)	(58.50)
<b>Balance at the end of the reporting period i.e.31st March 2022</b>	9.23	10.88	1,108.53	-	7,885.69	297.38	9,311.71

**(2) Previous Reporting Period**

	Reserves and Surplus					Money received against Share Warrants	Total
	Capital Reserve	General Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings		
<b>AS ON 31st MARCH 2021</b>							
<b>Balance at the beginning of the reporting period i.e. 1st April 2020</b>	9.23	10.88	406.53	-	5,282.69	-	5,709.33
(Add): Profit for the year	-	-	-	-	1,208.58	-	1,208.58
Other comprehensive Income for the year	-	-	-	-	(42.30)	-	(42.30)
<b>Total Comprehensive Income for the year</b>	-	-	-	-	1,166.28	-	1,166.28
Dividend Paid	-	-	-	-	(177.26)	-	(177.26)
<b>Balance at the end of the reporting period i.e.31st March 2021</b>	9.23	10.88	406.53	-	6,271.71	-	6,698.35

**a) Nature and Purpose of Reserves.**
**1) Capital Reserve**

Capital reserve represents amount of share partly paid up share forfeited.

**2) General Reserves**

The general reserve is a free reserve which is used from time to time to transfer profits from/to retained earnings for appropriation purposes.

**3) Securities Premium**

The company recognised securities premium for recording the premium on issue of shares. It is used mainly for writing off share issue expenses.

**4) Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**5) Other Comprehensive Income**

Items of Other Comprehensive Income

Remeasurements of Net Defined Benefit Plans -

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

**Money Received Against Share Warrant**

The Company has issued 15,00,000 warrants of Rs. 130.00 each convertible into equity share on preferential basis to promoter, promoter group and other specified person categorized as public and received up front subscription of Rs. 32.50 per warrant aggregating Rs. 487.50 Lakhs. The promoter and promoter group has exercised the option for conversion of warrant into equity shares for their total 5,85,000 warrants by paying 97.50 per warrant aggregating Rs. 570.385 Lakhs. Thus 9,15,000 share warrants are outstanding at carrying value of Rs. 297.38 Lakhs

**6) Other Information**
**Dividends Paid**

Dividends paid during the year ended March 31, 2022 is Rs. 2.00 per equity share which is towards final dividend for the year ended March 31, 2021.

Dividends paid during the year ended March 31, 2021 is Rs. 1.50 per equity share which is towards final dividend for the year ended March 31, 2020.

(Rs. in Lakhs)

	Final Dividend for FY 2020-21	Final Dividend for FY 2019-20
Declaration Date	04-09-2021	02-09-2020
Dividend per Equity Share	Re 2.00/- per equity share (@ 20%) of 10/- each	Re 1.50/- per equity share (@15%) of 10/- each
Total Dividend	236.35	177.26
Total Outflow	236.35	177.26

The accompanying notes 1 to 44 are an integral part of these Financial Statement  
For and on Behalf of Board of Directors

As per our report of even date attached  
**Avinash Agrawal & Co.**  
Chartered Accountant  
FRN :022666C

**Anil Choudhary**  
Managing Director  
DIN 00017913

**Ranjana Choudhary**  
Whole Time Director  
DIN 03349699

**Ravindra Choudhary**  
Chief Executive Officer

**Abhishek Jain**  
Chief Financial Officer

**Sandeep Patel**  
Company Secretary  
M. No. - ACS 54908

Place: Indore  
Date: 25.05.2022

**(CA Avinash Agrawal )**  
Proprietor  
M.No. 410875

**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(Rs. in Lakhs)

PARTICULARS	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	2,088.23	1,409.06
Adjusted for:		
Depreciation and amortization expenses	821.22	752.22
Finance costs	572.65	377.71
Finance costs (Interest on lease liabilities)	5.54	5.67
Interest Income	(197.72)	(142.74)
Profit/ (Loss) on sale of property, plant and equipment – Net	0.59	3.83
Loss Allowances	42.83	48.22
<b>Operating Profit before Working Capital Changes</b>	<b>3,333.34</b>	<b>2,453.97</b>
Adjusted for:		
Decrease / (Increase) in inventories	(85.80)	(2,475.93)
Decrease/ (Increase) in other financial assets (non-current)	6.30	(208.60)
Decrease/ (Increase) in other non-current assets	(5.26)	260.20
Decrease/ (Increase) in trade receivables	(1,413.49)	(290.16)
Decrease/ (Increase) in loans given (current)	(989.67)	-
Decrease/ (Increase) in other bank balances	(82.11)	45.88
Decrease/ (Increase) in other financial assets (current)	(4.11)	(5.37)
Decrease/ (Increase) in other current assets	(101.59)	(802.63)
Increase/ (Decrease) in trade payable	372.98	420.19
Increase/ (Decrease) in other financial liabilities (current)	(176.86)	100.44
Increase/ (Decrease) in other current liabilities	(249.33)	510.55
Increase/ (Decrease) in provisions (non current)	94.61	164.29
Cash generated from operations	699.00	172.83
Taxes paid (Net)	(337.55)	(262.08)
<b>Net Cash Flow from Operating Activities</b>	<b>361.45</b>	<b>(89.25)</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of property, plant and equipment, intangibles etc,	(464.75)	(1,348.12)
Proceeds from disposal of tangible and intangible assets	270.22	42.21
Investment in subsidiary	-	(15.00)
Purchase of non-current investments	4.15	(0.18)
Loans to Subsidiary/Others	(278.52)	(477.08)
Interest Income	197.72	142.75
<b>Net Cash flow from Investing Activities</b>	<b>(271.18)</b>	<b>(1,655.42)</b>
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from issue of share capital	760.50	-
Proceeds from issue of warrants	297.38	-
Repayment of non current borrowings	(329.59)	78.19
Repayment of current borrowings	(180.56)	2,419.74
Principal/Repayment of lease liabilities	(4.58)	9.40
Dividend paid (including Dividend Distribution Tax)	(236.35)	(177.26)
Interest paid	(572.66)	(383.38)
<b>Net Cash flow from Financing Activities</b>	<b>(265.86)</b>	<b>1,946.69</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>	<b>(175.59)</b>	<b>202.02</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>237.75</b>	<b>35.73</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>62.16</b>	<b>237.75</b>
Note- The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in IND AS 7, 'Statement of Cash Flows'		

The accompanying notes 1 to 44 are an integral part of these Financial Statement  
 For and on Behalf of Board of Directors

As per our report of even date attached  
**Avinash Agrawal & Co.**  
 Chartered Accountant  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 Date: 25.05.2022

**(CA Avinash Agrawal)**  
 Proprietor  
 M.No. 410875

**COMMERCIALSYN BAGS LIMITED**
**NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022.**
**1. Corporate information**

Commercial Syn Bags Limited (“COMSYN” or The “Company”), is domiciled in India and incorporated on 10th December, 1984 under the provisions of the Companies Act, 1956 and has its registered office at ‘Commercial House’, 3-4 Jaora Compound, M. Y.H. Road, Indore, Madhya Pradesh – 452001, India. The company is BSE SME listed company and subsequently migrated to BSE Main Board w.e.f. 13th May 2019. The company is the manufacturer and exporters of FIBC, HDPE/PP Tarpaulin, HDPE/PP, Bags, Ground Cover, Pond Liners, Mulch Film, HDPE/PP Fabric, Laminates and Vermi Beds. The Company is Del-credere Agent cum Consignment Stockiest of ONGC Petro additions Limited (OPaL) and owns and operates solar power generation plant at Village Galihara, Dharakhedi, Tehsil Sitamau and Dist. Mandsaur for generation of electricity and its captive consumption.

**2. Basis of preparation, presentation and significant accounting policies**
**2.1 Statement of Compliance**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

The Board of Directors approved the financial statements for the year ended 31st March 2022 and authorised for issue on 25th May 2022.

**2.2 Basis of preparation and presentation**
**a. Basis of Preparation**

The Company maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value, recoverable amount or net realisable value in accordance with Indian Accounting Standards. The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013.

**b. Basis of Presentation**

i. The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (“the Act”). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows” by use of Indirect method. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

ii. The Company’s Financial Statements are presented in Indian Rupees (INR), which is also its functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated, as permitted by Schedule III to the Companies Act, 2013. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as “0” in the relevant notes to these financial statements.

iii. Current and Non-Current Classification

The Company presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

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

All other assets are classified as non-current.

A liability is current when: -

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

The Company classifies all other liabilities as non-current.

### 2.3 Key Accounting Estimates and Judgements

The preparation of these standalone financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The Company uses the following critical accounting estimates in preparation of its financial statements:

Key sources of estimation of uncertainty at the reporting date of financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives and carrying amounts of property, plant and equipment, fair value measurements of financial instruments, revenue recognition, employee benefits, valuation of deferred tax assets and leases, these are discussed below.

Outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of the asset or liability.

#### (a) Property, Plant and Equipment

Judgement is required in applying the recognition criteria as to what constitutes an item of property, plant and equipment. The Company uses judgement to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of the evidence available at the time of initial recognition. 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.

The Company reviews its carrying value of Property, plant and equipment carried at cost (net of impairment, if any) annually, when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss. It involves, among other techniques, estimations in respect of expected future cash flows and discount rates to arrive at present value of expected cash flows.

The carrying amount of Property, plant and Equipment is given at note no. 3

#### (b) Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted price in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The carrying value of fair value of financial instruments is given at note no. 4, 5, 6, 9 to 13, 17, 18, and 21 to 23.

#### (c) Revenue Recognition

The Company derives its revenue primarily from sale of merchandise and commission from DCA cum CS business.

The Company's contract with customers could include promises to transfer multiple products and services to a customer. The Company assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgment is also required to determine the transaction price for the contract and to ascribe the transaction price to each distinct

performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer etc.

The Company uses judgement to estimate the value of the goods or services to the customer transferred to date relative to the remaining goods or services promised under contract which is used to determine the degree of completion of the performance obligation.

The amount of revenue recognised is given in note no. 26.

#### **(d) Employee benefits**

The accounting of employee benefit plans in the nature of defined benefit requires the Company to use assumptions. These assumptions have been explained under employee benefits note.

The carrying value of employee benefit plans in the nature of defined benefits is given in note no. 19, 25 and 31.

#### **(e) Deferred Tax Asset**

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

#### **(f) Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The carrying value of lease obligations and Right of use assets is given at note numbers 18 And 3 respectively.

## **2.4 Recent accounting developments**

Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

- a. Ind AS 109: Annual Improvements to Ind AS (2021)
- b. Ind AS 103: Reference to Conceptual Framework
- c. Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
- d. Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone



financial statements.

## 2.5 Summary of Significant Accounting Policies

### (a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost after deducting trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, non-refundable purchase taxes, any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

The Company has opted cost model as its accounting policy for measurement after recognition.

Depreciation on Property, Plant and Equipment is provided using Straight Line Method taking life of the assets as given in the Schedule -II of Companies Act, 2013 on 95% of value of assets.

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

Gains or losses arising from derecognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Property, plant and equipment are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

### (b) Intangible Assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

The Company has opted cost model as its accounting policy for measurement after recognition.

Gains or losses arising from derecognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

The Company's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss

### (c) Inventories

Inventories consists of raw materials, Work in progress, finished goods and stores and spares. Inventories are valued at the lower of cost and net realisable value except wastage which is valued at net realisable value. The cost of inventories shall comprise all costs of

purchase, cost of conversion and other costs incurred in bringing the inventories to their present, location and condition. The costs of inventories are assigned using the first in, first out (FIFO) formula. When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised.

(d) Cash and Cash Equivalents

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) Financial Instruments

**Financial Assets**

**Initial Recognition and Measurement**

The company recognises a financial asset when it becomes party to the contractual provisions of the instrument. All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value through Profit or Loss, are adjusted to the fair value on initial recognition

Where the fair value of the financial asset at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

Investment in subsidiary is measured at cost

Subsequent Measurement

Financial Assets measured at Amortised Cost

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value through Other Comprehensive Income

A Financial Asset is measured a FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

Financial Assets measured at Fair Value through Profit or Loss

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

Investment in subsidiary is measured at cost

**Impairment of Financial Assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from

initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

### **Reclassification of Financial Assets**

Financial assets are reclassified subsequent to their recognition, if the Company changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

### **Financial Liabilities**

#### **Initial Recognition and Measurement**

The company recognises a financial liability when it becomes party to the contractual provisions of the instrument. All Financial Liabilities are recognised at fair value and in case of financial liabilities classified as ‘subsequently measured at amortised cost’ are shown net of directly attributable cost.

Where the fair value of the financial liability at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

#### **Subsequent Measurement**

Financial Liabilities which are classified as ‘subsequently measured at amortised cost’ are carried at amortised cost using the effective interest method.

#### **Hedge Accounting**

The Company uses derivative financial instruments such as forward contracts to mitigate the risk of changes in exchange rates. At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

#### **Fair Value Hedge**

The Company designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in foreign exchange rates. The gain or loss on the hedging instrument is recognised in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

#### **Derecognition of Financial Instruments**

The Company derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109. A Financial liability (or a part of a Financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

## **(f) Provisions and contingent liabilities**

### **Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### Contingent Liabilities

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

### (g) Revenue Recognition

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

#### Sale of Goods

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

#### Commission income

The Company is also Del-credere Agent cum Consignment Stockiest of ONGC Petro additions Limited (OPaL) to deal in granules. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Principal has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

#### Job work and other services

Revenue from rendering of other services is recognised over time by measuring the progress towards complete satisfaction of performance obligations by using output method at the reporting period.

#### Interest Income

Interest Income from a Financial Assets is recognised using effective interest rate method.

#### Export Licences

The revenue from transfer of export licences has been recognised when control over licences are transferred.

### (h) Contract Balances

#### Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional.

#### Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

### (i) Government Grants

Government grants, including non-monetary grants at fair value, are recognised when there is reasonable assurance that:

- (a) The entity will comply with the conditions attaching to them; and
- (b) The grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

#### **Presentation of Government grants**

Grant related to specific fixed assets are presented in the balance sheet by showing the grant as deduction from the gross value of asset concerned in arriving at their book value.

Grants related to income are presented as part of profit or loss.

### **(j) Employee Benefits Expense**

#### **Short-Term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Leave encashment is accounted for on cash basis. Company compulsorily pays for encashment of leave within 12 months. Hence all payments are short term in nature.

#### **Post-Employment Benefits**

##### **Defined Contribution Plans**

The Company recognises contribution payable to the provident fund and ESIC scheme as an expense, when an employee renders the related service.

##### **Defined Benefit Plans**

The Company has opted Group Gratuity Scheme of Life Insurance Corporation of India. The Company makes contribution to the fund under that scheme. Provision for obligations is made for any shortfall in contribution to the fund as against the present value of defined benefit obligations towards gratuity at the reporting date.

Remeasurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

### **(k) Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

### **(l) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets**

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

### **(m) Income Taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

#### **Current taxes**

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the Income Tax authorities,

based on tax rates and laws that are enacted at the reporting date.

#### **Deferred taxes**

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

#### **(n) Leases**

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

#### **(o) Foreign Currencies Transactions and Translation**

##### Initial Recognition and Measurement

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction i.e. spot exchange rate between the functional currency and the foreign currency.

##### Subsequent recognition and Measurement

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

#### **(p) Earnings per Share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

### NON CURRENT ASSETS

#### 3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Useful life (In Years)	Cost					Accumulated depreciation			(Rupees In Lakhs)	
		As at 1st April, 2021	Addition	Disposal / Subsidy Received	As at 31st March, 2022	As at 1st April, 2021	Depreciation for the period	Disposal	As at 31st March, 2022	Net carrying amount as at 31st March, 2022	Net carrying amount as at 31st March, 2021
<b>PROPERTY, PLANT AND EQUIPMENT</b>											
Freehold Land	NA	81.28	-	-	81.28	-	-	-	-	81.28	81.28
Factory Building	30	3,486.88	-	95.22	3,391.66	267.30	115.19	-	382.49	3,009.17	3,219.58
Office Building	60	2.31	-	-	2.31	0.19	0.06	-	0.25	2.06	2.12
Building ( Other than Factory Building )	60	143.90	72.58	-	216.48	7.11	2.37	-	9.48	207.01	136.80
Site Development	30	1.74	-	0.50	1.24	0.20	0.06	0.07	0.19	1.05	1.53
Plants & Equipments	15	5,095.91	3,44.15	1,44.21	5,295.84	1,465.28	609.42	-	2,074.70	3,221.14	3,630.63
Plants & Equipments (Sold During the Year)		26.19	-	26.19	-0.00	9.17	-	9.17	-	-0.00	17.02
Furniture and Fixture	10	146.41	1.13	0.50	146.41	41.08	15.36	-	56.44	89.97	105.33
Computer Equipments	3	58.23	11.30	0.50	69.03	33.98	14.07	-	48.05	20.98	24.25
Vehicles	8	284.74	44.16	-	328.91	69.81	36.42	-	106.22	221.48	214.94
Office Equipments	5	63.62	2.09	-	65.71	25.77	15.26	-	41.03	24.68	37.85
<b>Total (A)</b>		<b>9,391.20</b>	<b>4,75.41</b>	<b>2,67.75</b>	<b>9,598.86</b>	<b>1,919.87</b>	<b>808.21</b>	<b>9.24</b>	<b>2,718.84</b>	<b>6,878.81</b>	<b>7,471.33</b>
Previous Year Figure		6,831.56	2,704.04	144.40	9,391.20	1,279.11	739.11	98.35	1,919.87	7,471.34	5,552.45
<b>CAPITAL WORK IN PROGRESS</b>											
Capital expenditure on building ( Other than Factory Building )		27.77	44.80	72.58	0.00	-	-	-	-	0.00	27.77
<b>Total (B)</b>		<b>27.77</b>	<b>44.80</b>	<b>72.58</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>27.77</b>
Previous Year Figure		1,383.69	668.22	2,024.14	27.77	-	-	-	-	27.77	1,383.69
<b>RIGHT OF USE ASSETS</b>											
Leasehold Land	5 to 99 Years	311.55	5.71	2.37	314.90	35.21	12.94	-	48.15	266.75	276.35
<b>Total (C)</b>		<b>311.55</b>	<b>5.71</b>	<b>2.37</b>	<b>314.90</b>	<b>35.21</b>	<b>12.94</b>	<b>-</b>	<b>48.15</b>	<b>266.75</b>	<b>276.35</b>
Previous Year Figure		273.31	38.25	-	311.55	22.42	12.79	-	35.21	276.35	250.89
<b>OTHER INTANGIBLE ASSETS</b>											
Computer Software	3	1.00	-	-	1.00	0.55	0.32	-	0.87	0.13	0.45
<b>Total (D)</b>		<b>1.00</b>	<b>-</b>	<b>-</b>	<b>1.00</b>	<b>0.55</b>	<b>0.32</b>	<b>-</b>	<b>0.87</b>	<b>0.13</b>	<b>0.45</b>
Previous Year Figure		1.00	-	-	1.00	0.24	0.32	-	0.55	0.45	0.76
<b>Total (A + C)</b>		<b>9,702.75</b>	<b>481.12</b>	<b>270.12</b>	<b>9,913.76</b>	<b>1,955.08</b>	<b>821.15</b>	<b>9.24</b>	<b>2,766.99</b>	<b>7,145.56</b>	<b>7,747.68</b>
Previous Year Figure Total (A + C)		7,104.87	2,742.29	1,44.40	9,702.76	1,301.53	751.91	98.35	1,955.08	7,747.68	5,803.34
<b>Grand Total of Assets (A + B + C + D)</b>		<b>9,731.52</b>	<b>525.93</b>	<b>342.69</b>	<b>9,914.76</b>	<b>1,955.64</b>	<b>821.46</b>	<b>9.24</b>	<b>2,767.86</b>	<b>7,145.69</b>	<b>7,775.90</b>
Previous Year Figure Total (A + B + C + D)		8,489.56	3,410.50	2,168.53	9,731.53	1,301.77	752.22	98.35	1,955.64	7,775.90	7,187.80

(v) Subsidy amount included in Disposal / Subsidy Received as follows-

Particulars	(Rupees In Lakhs)
<b>UNIT-02</b>	
Plant and Machinery	54.01
Factory Building	24.73
<b>UNIT-SEZ PH-I</b>	
Plant and Machinery	74.50
Factory Building	70.48
<b>Total</b>	<b>223.73</b>

- (i) a. Borrowing Cost Rs. Nil Capitalised during the year ( previous year Rs. 70.98 Lakhs) added to Property, Plant and Equipment/ Capital Work in Progress.
- b. The capitalisation rate was the weighted average of the borrowing costs applicable to all borrowings that were outstanding during the period.  
Borrowings costs were capitalised during the financial year 2020-21 against qualifying assets under construction using a capitalisation rate of 7.50%.
- (ii) The details of Property, Plant and Equipment which have been pledged as security are given in Note no. 17 & 21.
- (iii) Right of Use assets consists of lease contracts entered into by the Company pertains for lands taken on lease to conduct its business in the ordinary course.
- (iv) **Capital Commitments**  
Commitments to the extent not provided for are Rs . Nil (Previous Year 35,00 lakhs)(Refer note 2.5 (a) for accounting policy on Property Plant and Equipments and Note no 2.3 (a) for other Information)

## 4 Investments

(Rupees In Lakhs)

NON CURRENT INVESTMENT	As at 31st March, 2022	As at 31st March, 2021
<b>a. Investments in Equity Instruments</b>		
(i) of subsidiaries (in unquoted instruments fully paid )	15.00	15.00
(ii) of other entities (in unquoted instruments fully paid )	0.18	0.18
<b>b. Other Investments</b>		
(i) In LLP	(4.15)	-
<b>TOTAL</b>	<b>11.03</b>	<b>15.18</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

## a. Information about investments in equity instruments-

(Rupees In Lakhs)

(i) Subsidiary	No. of Shares in (Lakhs)	Face Value Per Share in Rs.	As at 31st March, 2022	As at 31st March, 2021
Comsyn India Private Limited	1.50	10.00	15.00	15.00
<b>TOTAL</b>	<b>1.50</b>	<b>10.00</b>	<b>15.00</b>	<b>15.00</b>

(Rupees In Lakhs)

(ii) Other entities	No. of Shares in (Lakhs)	Face Value Per Share in Rs.	As at 31st March, 2022	As at 31st March, 2021
Comsyn foundation	0.018	10.00	0.18	0.18
<b>TOTAL</b>	<b>0.018</b>	<b>10.00</b>	<b>0.18</b>	<b>0.18</b>

Comsyn foundation is a company licenced under section 8 of the Companies Act, 2013 and is limited by shares.

## b) Other Investments

(Rupees In Lakhs)

Name of LLP	Profit Sharing Ratio as on 31.03.2022	Capital as at 31.03.2022
CK Associates Realty LLP	10%	(4.15)
<b>TOTAL</b>	<b>0.10</b>	<b>(4.15)</b>

CK Associates LLP is a Limited Liability Partnership incorporated in FY 2021-22

## c) Other Information -

(Rupees In Lakhs)

Other Intities	As at 31st March, 2022	As at 31st March, 2021
Aggregate amount of quoted investment	-	-
Aggregate amount of unquoted investment	10.85	15.00
Aggregate market value of quoted investments	Not Applicable	Not Applicable
Aggergate amount of impairment in value of investment	-	-



## 5 Loans

(Rupees In Lakhs)

Loan to Investee	As at 31st March, 2022	As at 31st March, 2021
Loans Receivables considered good – Unsecured	278.52	-
<b>TOTAL</b>	<b>278.52</b>	<b>-</b>

## a) Other Information -

(Rupees In Lakhs)

Investee	As at 31st March, 2022	As at 31st March, 2021
CK associates realty LLP	278.52	-

(Rupees In Lakhs)

S.No.	Name of Party	As at 31st March, 2022		As at 31st March, 2021	
		Amount Outstanding	% of loans and Advances to total advances	Amount Outstanding	% of loans and Advances to total advances
(i)	CK associates realty LLP	278.52	15.87	-	-

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 person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

## 6. Other Financial Assets

(Rupees In Lakhs)

Investee	As at 31st March, 2022	As at 31st March, 2021
Security and Earnest Money Deposits	520.71	527.01

## 7. Other Non Current Assets

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
i. Capital Advances	32.56	25.72
ii. Advances other than the capital advances		
a. Security Deposits		
Sales Tax Department	0.15	0.70
b. Other Advances		
Prepaid Lease Rent (IND AS)	10.00	10.56
Prepaid Expenses (IND AS)	1.02	1.49
<b>TOTAL</b>	<b>43.73</b>	<b>38.47</b>

## 8. CURRENT ASSETS

## Inventories

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<u>Valued at lower of cost and net realisable value except wastage which is valued at net realisable value</u>		
i) Raw Materials		
i) Material in Transit	-	202.82
ii) Material In Hand	1,215.67	1,312.42
(ii) Work-in-progress	1,964.97	1,184.92
(iii) Finished goods	2,174.00	2,603.76
(iv) Stock in trade	-	0.05
(v) Stores and spares	230.34	195.23
<b>Total</b>	<b>5,584.99</b>	<b>5,499.19</b>

(Refer note no 2.5 (c) for accounting policy on Inventories)

The carrying amount of inventory pledged as securities for borrowings is Rs. 5584.99 lakhs ( Rs. 5499.19 lakhs as at 31st March 2021.

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b>Details of Inventory</b>		
<b>Raw Materials</b>		
Plastic Granules	938.05	1,152.35
Master Batch	109.58	81.44
Fabric	84.44	214.90
Bopp Film	35.34	9.43
Thread / Crimpt yarn / Filler Cord/ Belt	47.66	52.74
Liner	0.61	4.38
<b>Total</b>	<b>1,215.67</b>	<b>1,515.24</b>
<b>Work in Progress/Semi Finished Goods</b>		
Fabric (at Jobwork)	430.21	336.03
Fabricated Thread	33.34	28.97
Re Process Granules	42.00	8.95
Goods in Process	1,099.63	595.47
U L F/LF/BSLF/BSLF-II/BELT	359.79	215.50
<b>Total</b>	<b>1,964.97</b>	<b>1,184.92</b>
<b>Finished Goods</b>		
HDPE Bags (FIBC)	482.47	377.84
HDPE Bags	86.17	110.98
HDPE/PP Thread	50.56	22.64
Stock In Transit	1,426.26	2,026.36

Tarpauline(In SQF)	47.05	49.03
HDPE Wastage	9.98	2.46
Liner	13.49	3.19
Vermi Beds and Meltblown Non Woven Fabric	58.03	11.26
<b>Total</b>	<b>2,174.00</b>	<b>2,603.76</b>
<b>Stock in Trade</b>		
Fabric (HO)	-	0.01
Bags	-	0.01
Fabrics ( as such)	-	0.03
<b>Total</b>	<b>-</b>	<b>0.05</b>
<b>Stores and Spares</b>		
Printing Ink	25.46	21.58
Thinner	4.69	1.88
Ethyl Acetate	2.58	0.85
Toluene Duty Paid	4.27	0.72
Oil	2.89	4.48
Diesel	1.38	0.81
Box Strips	-	0.04
HDPE/PP Rope	0.00	1.12
Butanol	0.43	0.38
Plant Maintenance (Spare Parts)	188.64	163.38
<b>Total</b>	<b>230.34</b>	<b>195.23</b>

**9. Trade receivables**
**(Rupees In Lakhs)**

	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<b>Trade receivables</b>		
Unsecured- considered good	3,528.60	2,133.22
Less: Loss Allowance	21.80	-
Total (a)	3,506.81	2,133.22
Credit Impaired	86.91	68.81
Less : Loss Allowance	86.91	68.81
Total (b)	-	-
<b>Total (a+b)</b>	<b>3,506.81</b>	<b>2,133.22</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

**(Rupees In Lakhs)**

	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
Debts due by Officers	2.41	7.45
<b>Total</b>	<b>2.41</b>	<b>7.45</b>

## Trade Receivables Ageing Schedule 31.03.2022

(Rupees In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 year
(i) Undisputed Trade receivables — considered good	3,311.46	211.16	3.49	1.55	0.94
(ii) Undisputed Trade Receivables — credit impaired	12.14	21.99	17.81	7.53	11.03
(iii) Disputed Trade Receivables — credit impaired	1.26	-	-	1.22	13.94
<b>Total</b>	<b>3,324.86</b>	<b>233.15</b>	<b>21.30</b>	<b>10.29</b>	<b>25.91</b>

## Trade Receivables Ageing Schedule 31.03.2021

(Rupees In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 year
(i) Undisputed Trade receivables — considered good	2,133.22	-	-	-	-
(ii) Undisputed Trade Receivables — credit impaired	3.41	23.43	26.36	3.89	11.72
<b>Total</b>	<b>2,136.63</b>	<b>23.43</b>	<b>26.36</b>	<b>3.89</b>	<b>11.72</b>

## 10 Cash and Cash Equivalent

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
(a) Balance with banks	57.66	228.94
(b) Cash in hand	4.49	8.81
<b>Total</b>	<b>62.16</b>	<b>237.75</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

## 11 Other Bank Balances

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Balances with banks held as margin money or security against borrowings and guarantee.	449.29	367.18
<b>Total</b>	<b>449.29</b>	<b>367.18</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

## 12 Loans

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Loans to related parties	1,470.73	479.28
Others (Staff Loan)	5.81	7.58
<b>Total</b>	<b>1,476.54</b>	<b>486.87</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

**Information about Loans -**
**(Rupees In Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
Loans Receivables considered good - Unsecured	1,476.54	486.87
<b>Total</b>	<b>1,476.54</b>	<b>486.87</b>

**Loans to Related Parties**
**(Rupees In Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
Comsyn India Pvt Ltd	1,470.73	479.28
<b>Total</b>	<b>1,470.73</b>	<b>479.28</b>

Comsyn India Private Limited is a wholly owned subsidiary of the Company.

**(Rupees In Lakhs)**

S.No.	Name of Party	Amount Outstanding	% of loans and Advances to total advances	Amount Outstanding	% of loans and Advances to total advances
(i)	Comsyn India Pvt Ltd	1,470.73	83.80	479.28	98.44
(ii)	Staff Loans	5.81	0.33	7.58	1.56

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 person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**13 Other Financial Assets**
**(Rupees In Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
Other Recoverable	17.80	13.69
<b>Total</b>	<b>17.80</b>	<b>13.69</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

## 14 Other current assets

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b>Advances other than capital advances</b>		
Other Advances (includes advance for RM)	506.07	794.47
Export Benefit Receivable	273.17	97.43
VAT Refund Claim	8.21	21.28
Interest Subvention Receivable	20.56	-
Service Tax Recoverable	0.43	0.43
Unreconciled Debtors	(0.85)	(0.85)
Deposits for Appeal (VAT, CST, ET)	1.65	2.66
Prepaid Expenses	21.86	25.24
Advance Duty Deposit	2.01	0.83
GST Recoverable	868.23	660.00
Other Receivable	1.73	-
<b>Total</b>	<b>1,703.08</b>	<b>1,601.48</b>

## EQUITY AND LIABILITIES

## 15 Equity share capital

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
(a) Authorised share capital 1,50,00,000 Equity Shares of Rs. 10/- each (Previous year 1,30,00,000 Equity Shares of R 10/-each)	1,500.00	1,300.00
(b) Issued and Subscribed :- 1,24,02,400 equity shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)	1,240.24	1,181.74
(c) Fully Paid up Capital :- 1,24,02,400 equity shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)	1,240.24	1,181.74
<b>Total Paid-up Capital</b>	<b>1,240.24</b>	<b>1,181.74</b>

## a The Details of Shareholders holding more than 5% shares :-

(Equity Shares In Lakhs)

Shares held by Shareholder holding more than 5% share in the company	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares in (Lakhs)	% Held	No. of Shares in (Lakhs)	% Held
Super Sack Private Limited	35.35	28.51	35.35	29.92
Pradeep Kumar Agrawal	1.36	1.10	7.36	6.23
Mohan Lal Choudhary	6.39	5.15	5.39	4.56

## b Shares held by promoters at 31st March, 2022

(Equity Shares In Lakhs)

Shares held by promoters at the end of the year			
Promoter name	No. of Shares in (Lakhs)	% of total shares	% Change during the year
Anil Choudhary Huf	4.71	3.79	-
Mangilal Mohan Lal Huf	1.40	1.13	-
Ravindra Kumar Mohan Lal Choudhary Huf	2.69	2.17	-
Vidhya Choudhary	2.24	1.81	-
Mohan Lal Choudhary	6.39	5.15	0.80
Ravindra Kumar Choudhary	3.85	3.10	1.55
Hem Lata Choudhary	0.26	0.21	-
Munni Devi Choudhary	1.50	1.21	-
Anil Choudhary	5.99	4.83	0.80
Pramal Choudhary	4.08	3.29	1.55
Veenal Choudhary	5.21	4.20	-
Ashay Choudhary	0.25	0.20	-
Pramal Choudhary (Huf)	0.20	0.16	-
Super Sack Private Limited	35.35	28.51	-
Pravi Investments LLP	3.99	3.22	-
<b>Total</b>	<b>78.11</b>	<b>62.98</b>	

## Shares held by promoters at 31st March, 2021

(Equity Shares In Lakhs)

Shares held by promoters at the end of the year			
Promoter name	No. of Shares in (Lakhs)	% of total shares	% Change during the year
Anil Choudhary Huf	4.71	3.98	-
Mangilal Mohan Lal Huf	1.4	1.18	-
Ravindra Kumar Mohan Lal Choudhary Huf	2.69	2.28	-
Vidhya Choudhary	2.24	1.9	-
Mohan Lal Choudhary	6.39	4.56	-
Ravindra Kumar Choudhary	3.85	1.63	6.68
Hem Lata Choudhary	0.26	0.22	0.21
Munni Devi Choudhary	1.5	1.27	0.21
Anil Choudhary	5.99	4.22	0.42
Pramal Choudhary	4.08	1.82	-
Veenal Choudhary	5.21	4.41	-
Ashay Choudhary	0.25	0.21	0.21
Pramal Choudhary (Huf)	0.2	0.17	0.17
Super Sack Private Limited	35.35	29.92	0.79
Pravi Investments LLP	3.99	3.38	0.62
<b>Total</b>	<b>78.11</b>	<b>61.15</b>	

**b Reconciliation of number of share****(Equity Shares In Lakhs)**

Equity shares	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares in (Lakhs)	Rs.	No. of Shares in (Lakhs)	Rs.
Opening balance	118.17	1,181.74	118.17	1,181.74
Issued during the year	5.85	58.50	-	-
Closing balance	124.02	1,240.24	118.17	1,181.74

**c Terms/rights attached to equity shares :**

The company has only one class of equity shares having a par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**e Preferential issue**

The Company has issued 15,00,000 warrants of Rs. 130.00 each convertible into equity shares on preferential basis to promoter, promoter group and other specified person categorized as public and received up-front subscription of Rs. 32.50 per warrant aggregating Rs. 487.50 Lakhs. The promoter and promoter group has exercised the option for conversion of warrant into equity shares for their total 5,85,000 warrants by paying Rs. 97.50 per warrant aggregating Rs. 570.375 Lakhs. Thus 5,85,000 shares of Rs. 10 each were allotted to promoter and promoter group at a premium of Rs. 120 per share on 26th March, 2022.

**e Capital Management**

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

**f Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

**(Rupees In Lakhs except EPS)**

Earning per share	As at 31st March, 2022	As at 31st March, 2021
<b>Calculation of Basic and Diluted EPS:</b>		
<b>Calculation of Basic EPS:</b>		
Total Profit or Loss attributable to shareholders	1,818.28	1,208.58
Net Profit (loss) for calculation of basic EPS	1,818.28	1,208.58
Weighted average number of equity shares (In Lakhs)	118.25	118.17
Basic EPS	15.37	10.23
<b>Calculation of Diluted EPS:</b>		
Profit(loss) after tax	1,818.28	1,208.58
Weighted average number of equity shares (In Lakhs)	125.04	118.17
<b>Diluted EPS</b>	<b>14.54</b>	<b>10.23</b>

**g Terms of securities convertible into equity shares**

(i) The Company has issued 15,00,000 warrants of Rs. 130.00 each convertible into equity share on preferential basis to promoter, promoter group and other specified person categorized as public and received up front subscription of Rs. 32.50 per warrant



aggregating Rs. 487.50 Lakhs. The promoter and promoter group has exercised the option for conversion of warrant into equity shares for their total 5,85,000 warrants by paying 97.50 per warrant aggregating Rs. 570.385 Lakhs. Thus 9,15,000 share warrant are outstanding at carrying value of Rs. 297.38 Lakhs

- (ii) If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period of 18 (Eighteen) months, the entitlement of the Warrant holders to apply for equity shares of the Company along with the rights attached thereto, shall expire and the amount paid as Upfront amount on the application shall be liable for forfeiture as per provisions of the SEBI (ICDR) Regulations, 2018.
- (iii) Latest date of conversion is 18 months from the allotment date i.e. . Latest Date is 14.04.2023 Earliest date of conversion was 15.10.2021.
- (iv) The Equity shares so allotted upon conversion of warrants shall be listed at the BSE Ltd. where the existing shares of the Company are listed.
- h.** The company has received Total Rs. 1057.88 Lakhs by issue of securities out of which Rs. 487.50 Lakhs was used upto 31.03.2022 for a specific purpose and balance amount outstanding of Rs. 570.38 Lakh will be used for Long term and short term working capital, General corporate purpose, investment and providing loans to subsidiary.

## 16 Other Equity

(Rupees In Lakhs)

Other equity consist of following:	As at 31st March, 2022	As at 31st March, 2021
<b>Capital reserve</b>		
Opening Balance	9.23	9.23
Closing Balance	9.23	9.23
<b>General Reserve</b>		
Opening Balance	10.88	10.88
Closing balance	10.88	10.88
<b>Security Premium Reserve</b>		
Opening Balance	406.53	406.53
Add: Premium on shares issued during the year	702.00	-
Closing balance	1,108.53	406.53
<b>Retained Earnings</b>		
Surplus(deficit) in the statement of Profit & Loss		
<b>Balance as per last financial statement ( Refer table below for details *)</b>	<b>6,271.72</b>	<b>5,282.70</b>
Profit/ (Loss) during the year	1,818.28	1,208.58
Other Comprehensive Income for the year ( Movement in re-measurement of defined benefits plans)	32.04	-42.30
<b>Total Comprehensive Income for the year</b>	<b>1,850.32</b>	<b>1,166.28</b>
Final Dividend FY 2019-20	-	177.26
Final Dividend FY 2020-21	236.35	-
<b>Net surplus in the statement of profit and loss</b>	<b>7,885.69</b>	<b>6,271.72</b>
Total	9,014.33	6,698.36
Share Warrant	297.38	
<b>Total Other Equity</b>	<b>9,311.71</b>	<b>6,698.36</b>

\* Retained earnings as at 1 st April 2021 comprises of following balances:-

(Rupees In Lakhs)

Retained earnings as at 1st April 2021	6,329.25
Other comprehensive on account of remeasurement of net defined benefits plan as at 1st April 2021	(57.54 )
<b>Total</b>	<b>6,271.71</b>

\* Retained earnings as at 1 st April 2020 comprises of following balances:-

(Rupees In Lakhs)

Retained earnings as at 1st April 2020	5,297.93
Other comprehensive on account of remeasurment of net defined benefits plan as at 1st April 2020	(15.23)
<b>Total</b>	<b>5,282.70</b>

## 17 Borrowing

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b>(a) Term loans</b>		
From Banks secured	2,414.84	2,603.39
<b>(b) Other loans</b> unsecured	-	141.04
<b>Net Amount</b>	<b>2,414.84</b>	<b>2,744.43</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

(Rupees In Lakhs)

Other Information	As at 31st March, 2022	As at 31st March, 2021
Loans guaranted by directors	2,355.22	2,543.42

### b Terms of Repayment of term loans and other loans:

#### b1 Term Loan from Kotak Mahindra Bank Limited

Term loan from Kotak Mahindra Bank Limited Rs 1743.41 Lakhs (Previous year balance Rs 1592.23 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (i.e. Company) (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties :-

#### Nature of Security-

- Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.

(c) Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.

(d) Property situated at Block A & B of office premises at 3-4 Jaora Compound, MYH Road, Indore.

The Term Loan is further secured by Personal Guarantee(s) of Shri Anil Choudhary, Managing Director and Smt Ranjana Choudhary, Whole Time Director of the Company and by Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).

Term Loan from Kotak Mahindra Bank Limited consists of Rupee Term Loan of Rs. 286.1 Lakhs (Previous balance Rs. 387.54) and Foreign Currency Term Loan (FCTL in Euro) of Rs.773.74 Lakhs (Previous balance Rs. 1060.99 Lakhs). There repayments are as –

- (i) FCTL - 5933FC0400000002 of Rs. 203.18 Lakhs having interest rate 3.50 %(Euro 2,39,972.18) (Previous balance Rs. 277.83 Lakhs interest rate 3.50 %(Euro 3,22,686.03)) is repayable in Sixteen Equated Quarterly Installments of Euro 23,270 each starting from December, 2018 to September, 2022 and Balance of Euro 1,99,283.72 will be convert in INR in December, 2022.
- (ii) FCTL – 5933FC0400000003 of Rs. 196.38 Lakhs having interest rate 3.50 % (Euro 2,31,962.10)(Previous balance is Rs. 268.75 Lakhs , Interest rate 3.50 % (Euro 3,12,144.83)) is repayable in Sixteen Equated Quarterly Installments of Euro 22,552 each starting from December, 2018 to September, 2022 and Balance of Euro 1,92,512.75 will be convert in INR in December, 2022.
- (iii) FCTL – 5933FC0400000004 of Rs. 138.22 Lakhs having interest rate 3.50 % (Euro 1,63,267.69) (Previous balance is Rs.189.01 Lakhs , Interest rate 3.50 % (Euro 2,19,527.32)) is repayable in Sixteen Equated Quarterly Instalments of Euro 15,828 each starting from June, 2019 to March, 2023 and Balance of Euro 1,05,923.93 will be convert in INR in June, 2023.
- (iv) FCTL – 5933FC0400000005 of Rs. 143.15 Lakhs having interest rate 3.50 %(Euro 1,69,091.29 ) (Previous balance is Rs. 195.36 Lakhs , Interest rate 3.50 %(Euro 2,26,897.65)) is repayable in Sixteen Equated Quarterly Installment of Euro 16,275 each starting from September, 2019 to June, 2023 and Balance of Euro 94,747.89 will be convert in INR in September, 2023.
- (v) FCTL – 5933FC0400000006 of Rs. 92.81 Lakhs having interest rate 3.50 % (Euro 1,09,631.53 ) (Previous balance is Rs. 130.04 , Interest rate 3.50% (Euro 151,039.94 )) is repayable in Forty Six Equated Monthly Installment of Euro 3,814 each starting from June, 2020 to March, 2024 and balance of Euro 22,678.25 will be convert in INR in April, 2024.
- (vi) Rupee Term Loan I (No. - 5933TL0100000177) of Rs. 181.98 Lakhs having interest rate 7.00 % (Previous balance Rs.243.49 Lakhs, Interest rate 8.45%) is repayable in Eighteen Equated Quarterly Installment of Rs. 19.57 Lakhs each starting from June, 2020 to September, 2024 and last installment of Rs. 6.38 Lakhs in December, 2024.
- (vii) Rupee Term Loan II (No.-5933TL0100000216) of Rs. 83.71 Lakhs having interest rate 7.00 % (Previous balance Rs. 116.28 Lakhs, Interest rate 8.25%) is repayable in Forty Nine Equated Monthly Installment of Rs. 3.36 Lakhs each starting from June, 2020 to June, 2024 and last installment of Rs. 0.76 Lakhs in July, 2024.
- (viii) Rupee Term Loan III (No.-5933TL0100000225) of Rs. 20.32 Lakhs having interest rate 7.00 %(Previous balance Rs. 27.77 Lakhs, Interest rate 8.70%) is repayable in Fourty Nine Equated Monthly Installment of Rs. 0.78 Lakhs starting from June, 2020 to July, 2024 and last installment of Rs. 0.56 Lakhs in August, 2024.

## **b2 Term Loan from HDFC Bank Limited**

Term Loan from HDFC Bank Limited consists of Rupee Term Loan of Rs.1541.14 Lakhs {Previous balance Rs. 1547.18 Lakhs}.

Term loan from HDFC Bank Limited is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 sqmtrs each and building thereon situated at plot No. S-3/1, 3/2 Sector 1 Industrial Area, Pithampur, Dist. Dhar. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sqmtrs& building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.). The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 722 sq mtrs and Building thereon at Plot No. S-2/1, Sector - 1, Pithampur Dist Dhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the above mentioned all factories, present and future. The loan also secured by exclusive 1st charge by way of hypothecation of entire machineries, electrical installations and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future.

There repayment is as –

- (i) Rupee Term Loan I (No.-83511438) of Rs. 731.99 Lakhs having interest rate 7.50% (Previous balance is Rs. 868.47 Lakhs, interest rate 7.50%) is repayable in Eighty Seven Equated Monthly Installment of Rs. 16.42 Lakhs starting from June, 2020 to July, 2026 and last installment of Rs. 7.18 Lakhs in August, 2026.
- (ii) Rupee Term Loan II (No.-85084604) of Rs. 9.28 Lakhs having interest rate 7.50% (Previous balance is Rs. 35.77 Lakhs interest rate

7.50%) is repayable in Eighteen Equated Monthly Installment of Rs. 2.36 Lakhs starting from February, 2021 to July, 2022.

- (iii) Rupee Term Loan III (No.-85084592/ Solar ) of Rs. 208.10 Lakhs having interest rate 7.50% (Previous balance is Rs. 253.27 Lakhs interest rate 7.50%) is repayable in Sixty Equated Monthly Installment of Rs. 5.22 Lakhs starting from February, 2021 to January, 2026.
- (iv) Rupee Term Loan IV (No.-85256245) of Rs. 372.98 Lakhs having interest rate 7.50% (Previous balance is Rs. 367.98 interest rate 7.50%) is repayable in Eighty Four Equated Monthly Installment of Rs. 6.45 Lakhs starting from June, 2021 to March, 2028.
- (v) Rupee Term Loan V (No.-450555362) GECL- 01 of Rs. 146.79 Lakhs having interest rate 7.50% (Previous balance is nil ) is repayable in Thirty Six Equated Monthly Installment of Rs. 4.62 Lakhs starting from September, 2022 to August, 2025 ( First Twelve Months Moratorium ) .

### **b3 Term Loan from State Bank of India**

- (i) Loan under Guanteed Emergency Credit Line (GECL) by way of Working Capital Term Loan (WCTL) from State Bank of India Rs. 167.72 Lakhs (Trading Division) (Previous balance is Rs. 200 Lakhs) is secured by extension of charge over the existing primary and collateral securities and receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

Rupee Term Loan GECL Trading Division (No.- 00000039692366967) of Rs. 167.72 Lakhs Having interest rate 7.40 %(Previous balance is Rs. 200 Lakhs, Interest rate 7.50%) is repayable in Thirty Six Monthly Installment of Rs. 6.54 Lakhs starting from September, 2021 to August, 2024 (First Twelve Months Moratorium).

- (ii) Loan under Guanteed Emergency Credit Line (GECL) by way of Working Capital Term Loan (WCTL) from State Bank of India Rs. 416.00 Lakhs having interest rate is 7.40%(Previous balance is Rs. NIL ) is secured by extension of charge over the existing primary and collateral securities and receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

Rupee Term Loan GECL Unit-01 (No.- 00000040365831307) of Rs. 416.00 Lakhs (Previous balance is nil) is repayable in Thirty Six Monthly Installment of Rs. 11.55 Lakhs starting from August, 2022 to July, 2025 (First Twelve Months Moratorium).

### **b4 Other Term Loans**

- (i) Term Loan (Car Loan) - II (No. - 6401) from Axis Bank Limited of Rs. 6 Lakhs having interest rate 9.26 % (Previous balance Rs. 23.90 Lakhs, Interest rate 8.26%) is repayable in Thirty five equated monthly instalment of Rs. 1.61 Lakhs each commencing from August, 2019 to June, 2022 and last installment of Rs. 1.27 Lakhs in July, 2022. Secured by hypothecation of Mercedes Banz Car.
- (ii) Term Loan (Car Loan) from HDFC Bank Limited of Rs. 4.74 Lakhs having interest rate 7.41 % (Previous balance Rs. 12.32 Lakhs Interest rate 7.41%) is repayable in Thirty Six equated monthly instalment of Rs. 0.70 Lakhs each commencing from November, 2019 to October, 2022. Secured by hypothecation of Vehicle Innova .
- (iii) Term Loan (Car Loan) from ICICI Bank Limited of Rs. 8.91 Lakhs having interest rate 8.66 %(Previous balance Rs. 13.94 Lakhs Interest rate 8.66%) is repayable in Thirty Six equated monthly instalment of Rs. 0.50 Lakhs each commencing from November, 2020 to October, 2023. Secured by hypothecation of Eicher Truck.
- (iv) Term Loan (Car Loan- 1327) from Bank of Baroda of Rs. 40.33 Lakhs having interest rate 7.35 % (Previous balance Rs. 46.28 Lakhs Interest rate 7.35%) is repayable in Eighty Three equated monthly instalment of Rs. 0.76 Lakhs each commencing from August, 2020 to June, 2027 and last installment of Rs. 0.79 Lakhs in July, 2027. The term loan is secured by hypothecation of vehicle VOLVO S-90.
- (v) Term Loan (Car Loan- 1756) from Bank of Baroda of Rs. 25.45 Lakhs having interest rate 7.35 % (Previous balance is nil) is repayable in Seventy Two equated monthly instalment of Rs. 0.41Lakhs each commencing from September, 2021 to August, 2028 and last installment of Rs. 0.34 Lakhs in September, 2028. The term loan is secured by hypothecation of Innova Car.

Unsecured loan.

In case of all unsecured loans, there is no fixed repayment schedule. There is no default in repayment of any loan or interest thereon. The company has repaid all unsecured loans as at reporting date.

**18 Lease Liabilities**

(Rupees In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease Liability-Non Current	109.05	112.96
Lease Liability-Current	12.37	7.51
<b>Total</b>	<b>121.42</b>	<b>120.46</b>

**Lease obligations**

- Incremental Borrowing Rate applied to lease liabilities is 7.50 %
- The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

**Maturity Profile of Lease Liability**

(Rupees In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Below 3 Months	11.47	10.63
3-6 Months	0.30	-
6-12 Months	0.61	-
1-3 Years	24.97	21.25
3-5 Years	25.13	21.10
Above 5 Years	175.78	188.76

**19 Provisions**

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Employee benefits (Non Current)		
Net defined benefit obligations for gratuity	264.70	209.09
<b>Total</b>	<b>264.70</b>	<b>209.09</b>

**20 Deferred tax liabilities**

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b>Deferred tax liabilities/assets (net)</b>		
Deferred tax liability		
Timing difference on account of Depreciation	285.70	299.22
Deferred tax asset		
Timing difference on account of Expenses allowable on payment basis	(51.07)	(38.36)
<b>Net Deferred Tax</b>	<b>234.63</b>	<b>337.58</b>

(Refer note no 2.5 (m) for accounting policy)

**CURRENT LIABILITIES**
**21 Borrowings**
**(Rupees In Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
<b><u>Short term borrowings</u></b>		
<b>(a) Loans repayable on demand</b>		
(i) From banks		
Secured		
Cash Credit Loan (Unit II)	347.13	487.85
Cash Credit Loans (Unit - I)	1,500.25	2,052.39
Cash Credit SBI (Trading Segment)	382.13	625.71
Cash Credit Loans (Unit - SEZ)	1,722.87	957.90
Current Maturities of Long Term Debts	781.34	706.38
(ii) From Other		
Unsecured	-	84.03
<b>Total</b>	<b>4,733.71</b>	<b>4,914.27</b>
The above amount includes:		
Secured borrowings	4,733.71	4,830.23
Unsecured borrowings	-	84.03
<b>Total</b>	<b>4,733.71</b>	<b>4,914.27</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

**Other Information**
**Terms of Repayments of loan**
**Kotak Mahindra Bank Limited**

Working Capital Loan from Kotak Mahindra Bank Limited of Rs. 3223.11 Lakhs Having interest rate 6.50% (Previous balance Rs. 3010.29 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties-

- Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.
- Property situated at Block A & B of office premises at 3-4 Jaora Compound, MYH Road, Indore.

The Working loan is also guaranteed by Shri Anil Choudhary Managing Director, Smt. Ranjana Choudhary, Whole Time Director of the company, Pradeep Kumar Agrawal and Ashok Kumar Agrawal shareholders of the Company and Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).

**HDFC Bank Limited**

Working Capital Loan from HDFC Bank Limited of Rs. 476.53 Lakhs having interest rate 7.00% (Previous balance Rs. 7.49 Lakhs) is primarily secured by hypothecation of Plant and Machinery, Stock, Book Debts, FD of Unit – II and collaterally secured by Equitable Mortgage of property at Plot No. S-2/1, 3/1,3/2 Sector – I, Pithampur, Dhar (M.P.) consisting of leasehold land and building thereon.

**State Bank of India**

Working Capital Loan from State Bank of India of Rs. 382.13 Lakhs (Previous balance Rs. 625.71 Lakhs) is secured by first charge by way of hypothecation of company's stock/ receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

**Unsecured loan**

In case of all unsecured loans, there is no fixed repayment schedule. There is no default in repayment of any loan or interest thereon. The company has repaid all unsecured loans as at reporting date.

**22 Trade Payables**
**(Rupees In Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
(A) Total outstanding dues of creditors micro and small enterprises; and	185.39	85.47
(B) Total outstanding dues of creditors other than micro and small enterprises	1,265.60	992.55
<b>Total</b>	<b>1,450.99</b>	<b>1,078.02</b>
Disclosures under Micro, Small and Medium Enterprises Development Act, 2006		
a. The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Principal Rs 15.30 Interest Rs 0.10	Principal Rs 11.06 Interest Rs 00.32
b. The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	0.32	-
c. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	-	-
d. The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
e. The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	++	-

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

**Trade Payables ageing schedule as on 31.03.2022**
**(Rupees In Lakhs)**

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
(i) MSME	180.92	4.47	-	-
(ii) Others	1,250.83	12.70	1.78	0.29
<b>Total</b>	<b>1,431.75</b>	<b>17.17</b>	<b>1.78</b>	<b>0.29</b>

Note : MSME Trade Payables to the extent of Rs 1.62 Lacs & reported as outstanding from 1-2 years have become disputed. The goods / PPE are to be returned and not amount would become payable.

## Trade Payables ageing schedule as on 31.03.2021

(Rupees In Lakhs)

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 year	1-2 Years	2-3 years	More than 3 years
(i) MSME	83.89	1.58	-	-
(ii) Others	979.12	7.03	4.13	2.27
<b>Total</b>	<b>1,063.00</b>	<b>8.61</b>	<b>4.13</b>	<b>2.27</b>

## 23 Other Financial Liabilities

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on borrowings	-	4.46
Upskill Development DDUGKY	32.51	233.13
Creditors for Capital Goods	35.76	17.91
Employees Security Deposit	12.10	8.29
Firm Commitments	10.41	3.86
<b>Total</b>	<b>90.78</b>	<b>267.65</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

Information about government grant under Deen Dayal Upadhyaya Grameen Kaushalaya Yojna

a. Nature of Grant : The company has entered into MOU for execution of projects under Deen Dayal Upadhyaya Grameen Kaushalaya Yojna (DDU-GKY) Guidelines July 2016, (as may be amended from time to time the skill training and placement programme of the ministry of rural development (MoRD). Grants-in Aid is provided to the company for the execution of aforesaid purpose

b. Extent of government grants recognized in the financial statements -

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Expenses incurred	200.63	260.19
Grant recognised to meet the expenses	(200.63)	(260.19)

## 24 Other Current Liabilities

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Revenue received in advance	251.87	596.32
T.D.S./T.C.S. Payable	23.68	12.23
Other Employee Benefit Payables	596.86	541.71
CSR	33.57	22.19
<b>Total</b>	<b>905.97</b>	<b>1,172.46</b>



## 25 Provisions

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b>Employee benefits (Current)</b>		
Net defined benefit obligations for gratuity	27.60	10.44
<b>Total</b>	<b>27.60</b>	<b>10.44</b>

(Refer note no 2.5 (j) for accounting policy on employee benefits and 2.3 (d) for other information)

## 26 Revenue From Operations

(Rupees In Lakhs)

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Revenue from contracts with customers</b>		
(a) Sale of product		
Finished goods	30,060.71	20,166.78
Traded goods	1,888.14	1,039.90
(b) Sale of services		
Commission Received	186.53	160.76
Jobwork Charges	23.15	9.10
(c) Other Operating Revenues	-	12.56
<b>Total</b>	<b>32,158.53</b>	<b>21,389.10</b>

(Refer note no 2.5 (g) for accounting policy on revenue and note no 2.3 (c) for other information)

The invoicing schedules agreed with customers include periodic performance based payments and milestone based progress payments. Invoices are payable within contractually agreed credit period.

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>(i) List of Manufacturing Sales (Domestic) (Net of GST)</b>		
Sale of HDPE/PP Tarpaulin	1,929.59	950.98
Sale of HDPE/PP Bags	1,602.27	1,091.78
Sale of ULF/LF/BSLF/BSLF-II/BELT	381.58	212.29
Sale of HDPE/PP Bags (FIBC)	1,640.00	1,553.50
Sale of HDPE/PP Wastage / Scrap	33.23	59.40
Sale of Vermi Beds	74.37	100.31
Sale of Liner/Film	63.85	40.02
Sale of Fabrilated Thread	12.73	8.18
Sale of Printing Ink	-	-
Sale of RP Granules	45.36	54.77
Sale of Rope	1.50	0.49
Sale of Filler Cord	2.36	2.04
Sale of Flexible Pouch	30.17	25.25
Sale of Other Consumables	10.05	10.04

Sale of HDPE Flexible Pipe	263.63	6.16
Sale of PP Multifilament Yarn	112.47	53.07
Sale Of Other Material	1.27	-
Sale of Electricity	-	-
	6,204.44	4,168.28
Add : Freight on Local Sales/ Other Expenses	13.12	12.93
<b>Total</b>	<b>6,217.55</b>	<b>4,181.21</b>

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>(ii) Manufacturing Sales (Export) (Net of GST)</b>		
Fabric	243.48	82.91
F I B C Bags	19,270.73	13,971.22
Bags (Normal)	2,106.93	1,136.35
Tarpaulin	45.22	117.56
Belt	0.71	0.03
Liner/Film	1.95	2.25
PP Yarn	10.29	-
Other Consumables	0.16	4.13
Rope	-	0.40
Filler Cord	4.30	6.07
Tape/Thread	0.00	-
	21,683.78	15,320.94
Add: Freight on Export Sales	1,780.10	481.49
Foreign Exchange Rate Differences	374.18	180.17
Other Charges on Sales	8.39	5.52
<b>Total</b>	<b>23,846.45</b>	<b>15,988.11</b>

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>(iii) Trading Sales</b>		
PP Granules	1,233.84	806.69
HD Granules	33.17	87.65
LD Granules	575.43	140.70
Master Batch	45.69	4.86
<b>Total</b>	<b>1,888.14</b>	<b>1,039.90</b>

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>(iv) Sales Return Manufacturing</b>		
Bags	3.29	-
Tarpaulin	-	2.55
<b>Total</b>	<b>31,948.85</b>	<b>21,206.68</b>

## 27 Other Income

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Interest income	197.72	127.06
Early Payment Incentive	79.83	15.69
Share in Profit /(Losses) in Investment in C K Associates Reality LLP	(4.25)	-
Export Benefit Received ( Gain )	144.91	-140.81
Other non operating income (net of expenses directly attributable to such income)	29.65	-
<b>Total</b>	<b>447.86</b>	<b>1.94</b>

(Rupees In Lakhs)

a. Interest income comprises of	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
(i) Interest income on financial assets that are measured at Amortised cost	37.41	20.75
(ii) Other interest	160.32	106.31
<b>Total</b>	<b>197.72</b>	<b>127.06</b>

- b. Other Non operating Income includes government grant in the nature of Industrial Department Subsidy Amounting is Rs. 29.65 Lakhs (Rs. Nil in Previous financial year)

## 28 Cost of material Consumed

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>Raw Material Consumed</b>		
Opening Stock	1,515.24	369.79
Add: Purchases	17,477.29	12,590.58
	18,992.53	12,960.37
Less: Closing Stock	1,215.67	1,515.24
<b>Total Raw Material Consumed</b>	<b>17,776.86</b>	<b>11,445.13</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>Purchases Of Raw Material</b>		
PP Granules (All)	11,276.73	8,504.90
HDPE Granules (All)	262.23	347.71
LD Granules (All)	1,970.98	1,319.15
Master Batch (All)	1,306.45	1,031.60
BOPP Film/Tape	218.64	112.15
Purchase of Tarpaulin	-	33.52
HDPE Bags	4.12	-
Wastage	0.09	0.51

RP Granules	239.15	6.36
Liner	0.04	1.43
Jute Rope	-	0.79
Fabric (All)	1,465.08	621.86
Crimpt yarn	241.73	162.33
Liner	9.99	-
PP Coated Bags	0.88	0.16
Fabrilated Thread	40.88	104.24
HDPE/PP Belt/Tie	2.27	0.10
FIBC	0.15	-
Filler Cord	68.19	51.05
<b>Total</b>	<b>17,107.59</b>	<b>12,297.87</b>
Add : Custom Duty/Freight on purchase	374.38	291.09
Add : Foreign Exchange Rate Difference	(4.68)	1.61
<b>Total</b>	<b>17,477.29</b>	<b>12,590.58</b>

**29 Purchase of Stock in Trade(Traded goods)**

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Trading Purchase	-	102.63
Master Batch	42.16	3.55
PP/HD/LD/LLD Granules	1,746.26	828.35
<b>Total</b>	<b>1,788.43</b>	<b>934.53</b>

**30 Changes in Inventory of Finished Goods, Work in Progress and Stock In Trade :-**

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>Inventories (at close)</b>		
Work in Process	1,964.97	1,184.92
Finished Goods	2,164.02	2,601.30
Goods in Trade	-	0.05
Wastage	9.98	2.46
<b>Inventories( at commencement)</b>		
Work in Process	1,184.92	860.17
Finished Goods	2,601.30	1,537.53
Goods in Trade	0.05	0.05
Wastage	2.46	1.85
<b>Net Increase/ (Decrease)</b>	<b>350.25</b>	<b>1,389.13</b>

## 31 Employee Benefit Expenses

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>Salaries And Wages</b>		
Salaries And Wages	2,223.99	2,346.13
Salaries And Wages (Office)	416.79	147.04
Salaries And Wages (Director)	126.96	65.88
Bonus	303.27	178.50
House Rent Allowance	223.26	180.68
Education Allowance	57.08	41.48
Medical Allowance	59.18	43.97
Gratuity	112.96	90.84
Leave Encashment	19.99	17.43
Conveyance Allowance	60.04	45.76
Goodwork	43.09	49.71
Washing Allowance	110.72	106.96
Other Allowances	14.56	10.39
Attendance Bonus	79.88	121.21
Stipend to Trainee	1.59	0.17
<b>Contribution To Provident And Other Funds</b>		
Provident Fund	148.06	178.83
E.S.I.C.	79.54	77.24
<b>Staff Welfare Expenses</b>		
Staff Welfare	27.15	23.25
<b>TOTAL</b>	<b>4,108.10</b>	<b>3,725.45</b>
<b>Out of above</b>		
Manufacturing related	2,984.23	2,961.72
Others	1,123.87	763.73
<b>TOTAL</b>	<b>4,108.10</b>	<b>3,725.45</b>

(Refer note no 2.5 (j) for accounting policy on employee benefits and 2.3 (d) for other information)

**a. Defined Contribution Plans :**

All eligible employees of the Company in India are entitled to receive benefits under the provident fund plan. The Company makes provident fund contribution, a defined contribution plan, for qualifying employees. It also contributes to employee state insurance corporation, which is also defined contribution plan. The Company recognised Rs. 148.06 lakhs (Previous Year : Rs. 178.83 lakhs) and Rs. 79.54 lakhs ( Previous Year : Rs. 77.24 lakhs) respectively for PF and ESIC contribution in statement of profit and loss Provident fund and ESIC are managed through government administered funds.

**b. Defined benefit obligations and plans**
**Details of defined benefit obligations and plan assets:**
**(Rupees In Lakhs)**

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Gratuity</b>		
<b>Change in defined benefit obligations:</b>		
Present Value of Benefit Obligation at beginning of the year	241.09	108.77
Current service cost	97.01	87.22
Interest cost	16.39	7.40
Actuarial (gain)/loss	(41.21)	50.21
Benefits paid	(11.12)	(12.50)
<b>Obligation at the end of the year</b>	<b>302.16</b>	<b>241.09</b>

**(Rupees In Lakhs)**

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Change in plan assets:</b>		
Fair value of plan assets at the beginning of the year	21.56	31.34
Expected Return on Plan Assets	1.11	1.77
Employers' contribution	0.53	2.00
Actuarial (losses) / gains	(2.20)	(1.05)
Benefits paid	(11.12)	(12.50)
<b>Fair value of plan assets at the end of the year</b>	<b>9.87</b>	<b>21.56</b>

**(Rupees In Lakhs)**

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Amounts recognised in the balance sheet consist of:</b>		
Present value of obligations at the end of the year	(302.16)	(241.09)
Fair value of plan assets at the end of year	9.87	21.56
<b>Net Liability / (Asset) recognised in Balance Sheet</b>	<b>(292.30)</b>	<b>(219.53)</b>

**(Rupees In Lakhs)**

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Expense/ (Gain) recognised in the statement of profit and loss consists of:</b>		
<b>Employee benefits expense:</b>		
Current service cost	97.01	87.22
Interest cost	16.39	7.40
Others	(0.53)	

<b>Other comprehensive income:</b>		
Expected Return on Plan Assets	(1.11)	(1.77)
Net actuarial losses (gains) recognised in the year	(39.01)	51.26
<b>Expense/ (Gain) recognised in the statement of profit and loss</b>	<b>72.76</b>	<b>144.10</b>

(Rupees In Lakhs)

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Key assumptions used in the measurement of gratuity is as below:</b>		
Discount rate	6.80%	6.80%
Rate of escalation in salary	6.00%	6.00%

### Description of Plans and risks

Defined benefit plans of the Company comprises Gratuity.

The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment.

The Company has opted the Employee Group Gratuity Scheme of the insurance service provider Life Insurance Corporation of India ("LIC"). Payments for Gratuity are funded through investments with Life Insurance Corporation of India.

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk. The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long-term returns in order to limit the cost to the Company of the benefits provided.

The company makes annual contribution to the Employee's Group Gratuity Cum Life Assurance Scheme of the Life Insurance Corporation of India, a funded benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The figures of present value of the defined benefit obligation and the related current service cost were as measured and provided to us by a consulting actuary.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2021-22.

### Sensitivity analysis

(Rupees In Lakhs)

	For the year ended on 31st March,2022
<b>Effects of Key Assumptions on Defined Benefit Obligations</b>	
1 % increase in Discount Rate/ Resulting decrease in Liability	266.47
1 % decrease in Discount Rate / Resulting increase in Liability	345.94
1 % increase in Salary Escalation Rate /Resulting increase in Liability	345.85
1 % decrease in Salary Escalation Rate / Resulting decrease in Liability	265.92
1 % Increase Withdrawal Rate / Resulting decrease in Liability	330.78
1 % decrease in Withdrawal Rate/ Resulting decrease in Liability	300.42

**c. Compensated Absences**

As regards compensated absences, the Company has policy for encashment of leaves (which is compulsorily paid within one year from the end of the financial year) standing to the credit of the employees on cash basis.

**32 Finance cost**
**(Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Interest to Bank	475.26	237.08
Interest on Term Loan	18.90	96.75
Interest on Leased Liabilities (IND AS)	5.54	5.67
Interest on Buyer's Credit	(1.30)	8.24
Interest on unsecured loan	7.16	11.93
Interest to Others	4.28	0.25
Exchange Difference Regarded as an adjustment to borrowing cost	26.90	-
Bank Charges	41.46	23.46
<b>Total</b>	<b>578.20</b>	<b>383.38</b>
<b>Finance cost comprises of</b>		
a. Interest expenses on financial liabilities that are measured at amortised cost	500.02	354.00
b. Interest on Lease liabilities	5.54	5.67
c. other finance costs	45.74	23.71
<b>Total</b>	<b>551.30</b>	<b>383.38</b>

**33 Other Expenses**
**(Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>(a) Manufacturing expenses</b>		
Weaving Charges	481.80	144.10
Lamination Charges	-	5.95
Power & Fuel	967.16	930.18
Bags Making Charges	610.52	679.21
Tarpaulin Making Charges	6.93	8.39
Repairs & Maintenance Plant & Machinery	367.18	456.77
<b>(b) Selling and distribution expense</b>		
Advertisement & Publicity	1.77	2.88
Freight Expenses	2,518.07	1,008.57
Packing & Forwarding Expenses	186.78	128.72
Sales Promotion & Entertainment	19.76	12.40
Commission	46.92	36.84
Loss Allowances	42.82	48.22
Travelling by Directors	2.53	-
Travelling by Others	9.84	5.37
<b>(c) Administration &amp; Other Expenses</b>		
Conveyance Expenses	71.06	87.95
Cleaning services	48.48	35.65



Director's Sitting Fees	1.34	0.82
Advance License Fees	4.15	5.62
State Taxes	2.03	1.53
Factory Licence Expenses	1.71	2.29
GST Paid / Service tax / Excise Expenses	3.80	4.16
Insurance Expenses	74.74	73.93
Internet Expenses	3.58	4.09
Legal & Professional Charges	115.09	85.76
Loss/ ( Profit) on sale of vehicle	-	3.83
Loss/ ( Profit) on sale of Plant and Machinery	(0.59)	-
Membership Fees & Subscription	2.41	1.25
Miscellaneous Expenses	79.02	76.34
Prepaid Expense on EMD	0.95	1.57
Postage & Courier	14.55	14.83
Repairs of Computer	7.66	8.97
Repairs (Others )	11.09	11.67
Rebate, Shortage & Rate Difference	0.48	33.39
Rent,Rates & Taxes	39.43	34.82
Stationary & Printing	18.86	17.24
Telephone & Communication Expenses	3.87	5.30
Vehicle Running & Maintainance	23.00	10.42
Foreign Exchange Difference Loss/(Gain)	(44.88)	(32.02)
Water & Light Charges	18.08	93.41
Other Donation	2.00	1.31
<b>(d) Auditors remuneration</b>	2.25	1.75
<b>(e) Corporate social responsibility</b>	29.37	25.62
<b>Total</b>	<b>5,795.60</b>	<b>4,079.13</b>

The above schedule on 'other Expenses' includes the following nature of expenses -

**a. Short Term Lease Payment recognised as an expense on straight line basis over the lease term :**

**(Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Sanwer Road Godown	5.16	3.60
Dhamnod Shed	16.12	13.32
Pithampur Hostel	9.87	8.69
<b>Short Term Leases</b>	<b>31.15</b>	<b>25.61</b>

**34 Other Comprehensive Income**

**(Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
(a) Items will not be reclassified to profit and loss a/c		
(i) Remeasurements of the defined benefit plans	39.01	(51.26)
<b>Total</b>	<b>39.01</b>	<b>(51.26)</b>

## 35 Contingent Liabilities and Commitments (to the extent not provided for)

(Rupees In Lakhs)

Particulars	31/03/2022	31/03/2021
<b>(i) Contingent liabilities</b>		
(a) Claims against the company not acknowledged as debt	211.16	12.64
(b) Guarantees excluding financial guarantees	1,053	1,053
(c) Other money for which the company is contingently liable		-
<b>(ii) Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Refer note no. 3 for capital commitments)	-	35.00
(b) Uncalled liability on shares and other investments partly paid;	-	-
(c) Other commitments	-	-

In respect of Sales Tax

Demands amounting to Rs. 209.18 lakhs ( Previous Year 12.64 Lakhs) have been raised by the Indirect Tax Authorities which is contested by the company based on management evaluation and legal advice of tax consultants. Based on legal advice that these amounts would get deleted or substantially reduced, the Company has not recognised these as liabilities.

## 36 Additional Regulatory Information-

- (i) Immovable Properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company and where such immovable property is jointly held with others, details are given to the extent of company's share. - The Company has no such immovable properties
- (ii) The company has not revalued its property, plant and equipments.
- (iii) There is no Capital Work in progress.
- (iv) There is no Intangible assets under development.
- (v) No proceedings have been initiated or pending against the company, under Prohibition of Banami Property Transaction Act.
- (vi) The company has borrowings from the bank or financial institutions on the basis of security of current assets.
- (vii) Quarterly returns or assessments of current assets filed by the company with banks or financial institutions are not in agreement with books of accounts. Following are the summary of reconciliation and reasons of material discrepancies-

Quarter	Particulars	Particulars of Security Provided	Amount as per Books of Accounts	Amount as reported in the Quarterly Returns/ Statements	Amount of Difference
I	Summary of All Banks	Stock in Trade	5,487.16	3,945.21	1,541.95
		Trade Receivables	2,505.41	3,863.12	(1,357.70)
II	Summary of All Banks	Stock in Trade	5,602.96	3,389.66	2,213.31
		Trade Receivables	2,998.14	4,826.50	(1,828.35)
III	Summary of All Banks	Stock in Trade	6,720.92	4,407.71	2,313.21
		Trade Receivables	3,272.56	5,246.05	(1,973.49)
IV	Summary of All Banks	Stock in Trade	5,429.75	3,617.36	1,812.39
		Trade Receivables	3,524.56	5,217.34	(1,692.78)

**Reason for Differences:**

**Inventory :** Inventory is valued as per companies accounting policy, at the time of finalisation of financial statements whereas the same is taken on estimated basis for submission before bank.

**Trade Receivables :**

Difference in trade receivables is due to following reasons -

- a. Recognition of revenue and trade receivables is made as per principles of IND AS 115 at the time of finalisation of financial statements. Whereas trade receivables are reported to banks without applying principles of Ind AS 115.
  - b. Making of adhoc loss allowance when submitting statements to the bank while loss allowance as per IND AS 109 is made while finalising financial statements.
- (viii) The company was not declared wilful defaulter by any Bank/Financial Institution/other lender.
- (ix) Relationship with struck off Companies- Nil/None
- (x) Registration of charges or satisfaction with Registrar of Companies- No Charge registration or satisfaction was pending on the date of balance-sheet.
- (xi) Compliance with number of layers of companies- The Company has complied with laws in respect of number of layers of Companies.
- (xii) Details of Crypto Currency or virtual currency- Nil  
Details of items of exceptional and extraordinary nature- Nil
- (xiii) The company has not surrendered or disclosed any amount as income during the year in the tax assessment under the Income Tax Act, 1961.

**37 Income Taxes**

- a. The income tax expense consists of the following :-

**(Rupees In Lakhs)**

Particulars	31/03/2022	31/03/2021
<b>Current Tax</b>		
Current tax expense for current year	372.90	276.59
Current tax expense/ (benefit) pertaining to prior years	-	-
<b>Total current tax expenses</b>	372.90	276.59
<b>Deferred Tax</b>		
Deferred tax expense for current year	(102.94)	(24.85)
Deferred tax benefit pertaining to prior years		
<b>Total income tax expense recognised in current year</b>	<b>269.95</b>	<b>251.74</b>

(Refer note no 2.5 (m) for accounting policy on Income Taxes)

- b. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

**(Rupees In Lakhs)**

Particulars	31/03/2022	31/03/2021
Profit before tax	2,088.23	1,460.32
Indian statutory income tax rate	17.47%	17.47%
Expected income tax expense	364.81	255.12
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense</b>		
Others (net)	15.05	21.47
<b>Total income tax expense</b>	<b>379.86</b>	<b>276.59</b>

The Company has estimated that the Indian statutory income tax rate applicable to the Company would be 17.47% under sec 115JB for year ended 31st March 2022.

**c. Reconciliation between the average effective tax rate and the applicable tax rate**

(Rupees In Lakhs)

	31/03/2022	31/03/2021
	<b>Tax Rate %</b>	<b>Tax Rate %</b>
Statutory Income tax rate	17.47	17.47
Difference due to tax of previous year	-	0.85
other reasons	0.72	-
Average effective tax rate	18.19	18.32

**38 Segment information**

The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM'):

- a. Manufacturing segment - Business of manufacture and sale of FIBC, Zumbo bags, Poly Tarpauline, Woven Sacks / Bags, Box Bags, PP / HDPE Fabric, Liner and Flexible Packaging which mainly have same risks and returns.
- b. Trading segment - Trading of Granule ( Del credere agent cum Consignment Stockiest)

Power generated from solar power is captively consumed. The solar power generation segment is integral part of manufacturing segment'.

The above business segments have been identified considering :

- a. the nature of products and services
- b. the differing risks and returns
- c. the internal organisation and management structure, and
- d. the internal financial reporting systems.

The Company's Chief operating Decision maker is Managing Director and Chief Executive Officer.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- (a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- (b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT  
LIABILITIES FOR THE YEAR ENDED ON 31ST MARCH, 2022**

(Rupees In Lakhs)

Particulars	Manufacturing Segment	Trading Segment	Consolidated Total
	Current Year ended on 31.03.2022	Current Year ended on 31.03.2022	Current Year ended on 31.03.2022
<b>Revenue</b>			
Revenue from External Customers	31,972.00	186.53	32,158.53
Inter Segment Revenue	-	-	-
Other Operating Revenue	-	-	-
Interest & Other revenue	355.59	92.27	447.86
<b>Segment Revenues</b>	<b>32,327.58</b>	<b>278.80</b>	<b>32,606.39</b>
<b>Total Segment Revenue</b>	<b>32,327.58</b>	<b>278.80</b>	<b>32,606.39</b>
<b>Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)</b>			
Results	3,315.44	172.20	3,487.64
Less: Finance Cost	(476.65)	(101.55)	(578.20)
Less: Depreciation	(821.09)	(0.13)	(821.22)
Profit Before Tax	2,017.71	70.52	2,088.23
Less : Current Tax (Unallocated)	-	-	(372.90)
Less : Deferred Tax (Unallocated)	-	-	102.94
<b>Profit After Tax</b>	<b>2,017.71</b>	<b>70.52</b>	<b>1,818.28</b>
<b>Segment Assets</b>			
(a) Property, Plant & Equipments	7,145.19	0.37	7,145.56
(b) Capital Work In Progress	0.00	-	0.00
(c) Other Assets	12,556.19	1,098.58	13,654.77
(c) Unallocated	-	-	-
- Current Tax Assets	-	-	47.62
- Deffered Tax Assets	-	-	-
<b>Total</b>	<b>19,701.39</b>	<b>1,098.95</b>	<b>20,847.95</b>
<b>Segment Liabilities</b>			
(a) Borrowings	6,599.75	548.79	7,148.55
(b) Other Liabilities	2,723.88	137.58	2,861.45
(c) Unallocated	-	-	-
-Current Tax Liabilities	-	-	51.37
-Deferred Tax Liabilities	-	-	234.63
<b>Total</b>	<b>9,323.63</b>	<b>686.37</b>	<b>10,296.01</b>
Equity Share Capital	-	-	1,240.24
Other Equity	-	-	9,311.71
<b>Total Equity &amp; Liability</b>	<b>-</b>	<b>-</b>	<b>20,847.96</b>

**SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT  
 LIABILITIES FOR THE YEAR ENDED ON 31ST MARCH, 2021**

(Rupees In Lakhs)

Particulars	Manufacturing Segment	Trading Segment	Consolidated Total
	Current Year ended on 31.03.2021	Current Year ended on 31.03.2021	Current Year ended on 31.03.2021
<b>Revenue</b>			
Revenue from External Customers	21,125.38	263.72	21,389.10
Inter Segment Revenue	-	-	-
Other Operating Revenue	-	-	-
Interest & Other revenue	(112.14)	114.08	1.94
Segment Revenues	21,013.24	377.80	21,391.04
<b>Total Segment Revenue</b>	<b>21,013.24</b>	<b>377.80</b>	<b>21,391.04</b>
<b>Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)</b>			
Results	2,399.69	217.20	2,616.89
Less: Finance Cost	(298.82)	(105.53)	(404.35)
Less: Depreciation	(752.07)	(0.15)	(752.22)
Profit Before Tax	1,348.80	111.52	1,460.32
Less : Current Tax (Unallocated)	-	-	(276.59)
Less : Deferred Tax ( Unallocated)	-	-	24.86
<b>Profit After Tax</b>	<b>1,348.80</b>	<b>111.52</b>	<b>1,208.58</b>
<b>Segment Assets</b>			
(a) Property, Plant & Equipments	7,747.19	0.50	7,747.68
(a) Capital Work In Progress	27.77	-	27.77
(a) Other Assets	9,614.85	1,305.61	10,920.46
(c) Unallocated	-	-	-
- Current Tax Assets	-	-	47.62
- Deffered Tax Assets	-	-	-
<b>Total</b>	<b>17,389.81</b>	<b>1,306.11</b>	<b>18,743.54</b>
<b>Segment Liabilities</b>			
(a) Borrowings	6,831.73	826.96	7,658.69
(b) Other Liabilities	2,710.94	147.17	2,858.11
(c) Unallocated	-	-	-
-Current Tax Liabilites	-	-	9.06
-Deferred Tax Liabilites	-	-	337.58
<b>Total</b>	<b>9,542.67</b>	<b>974.13</b>	<b>10,863.44</b>
Equity Share Capital	-	-	1,181.74
Other Equity	-	-	6,698.36
<b>Total Equity &amp; Liability</b>	<b>-</b>	<b>-</b>	<b>18,743.55</b>

Details of revenue based on geographical location of customers is as below:

(Rupees In Lakhs)

	31.03.2022	31.03.2021
India	8,759.94	5,634.29
Outside India	23,846.45	15,897.56

**Information about major customers**

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2022 and March 31, 2021.

**39 Related Party Disclosures :-**

(i) List of related parties where control exists and related parties with whom transaction have taken place and relationship :-

**Name of the Related Parties**

Relation	Name
Entities where control exists -Subsidiaries	Comsyn India Private Limited (a wholly owned subsidiary incorporated on 26th August 2020)
Key Management Personnel	Shri Anil Choudhary Smt Ranjana Choudhary Shri Virendra Singh Pamecha Shri Hitesh Mehta Shri Vijay Kumar Bansal (appointed w.e.f. 14th February, 2021) Shri Milind Mahajan Shri Ravindra Choudhary Shri Abhishek Jain Shri Sandeep Patel (appointed w.e.f. 16th July, 2021)
Relatives of Key Management Personnel with whom there was transaction during the year	Shri Pramal Choudhary Smt Shruti Choudhary Smt Parul Choudhary Smt Vidhya Choudhary
Enterprises over which Key Management personnel or their relatives are able to exercise significant influence	M/s Choudhary Highway Services M/s Mohra Seeds M/s Page Paper Mart M/s Gangotri Enterprises M/s Pooranmal Laxminarayan
Investing Party in respect of which the reporting enterprise is an associate	M/s Super Sack Pvt Ltd

## (ii) Transactions with related parties are as follows :-

(Rupees In Lakhs)

Name of Party	Amount 31-03-2022	Outstanding balances as on 31-03-2022	Amount 31-03-2021	Outstanding balances as on 31-03-2021
<b>Subsidiaries</b>				
<b><u>Comsyn India Private Limited</u></b>				
Loans given	903.73	1,470.73	479.28	479.28
Sale Of Property, Plants & Equipments	2.76	-	25.04	-
Sale of Goods	106.42	-	18.48	-
Purchase of Goods/Job Work Expenses	1,921.60	-	58.27	-
Interest Income	87.71	-	9.14	-
<b>Key Managerial Person - Remuneration</b>				
Shri Anil Choudhary	57.00	4.75	40.38	3.75
Smt Ranjana Choudhary	18.00	1.50	13.00	1.25
Shri Virendra Singh Pamecha	14.10	1.25	12.50	1.10
Shri Hitesh Mehta	0.60	0.48	0.52	0.52
Shri Chintan Pushpraj Singhvi			-	-
Shri Milind Mahajan	0.44	0.34	0.30	0.30
Shri Vijay Kumar Bansal	0.30	0.21		
Shri Ravindra Choudhary	33.00	2.75	25.87	2.25
Shri Abhishek Jain	10.18	0.85	9.63	0.85
Smt Anamika Gupta	-	-	0.92	-
Shri Sandeep Patel	3.51	0.32	2.08	0.30
Shri Ravindra Choudhary (Rent)	<b>5.21</b>	<b>0.05</b>	<b>3.60</b>	-
<b>Key Managerial Person - Unsecured loan taken by Company</b>				
Shri Anil Choudhary	-	-	50.00	75.92
Smt Ranjana Choudhary	-	-	-	8.11
<b>Relatives of Key Managerial Person - Remuneration</b>				
Shri. Pramal Choudhary	42.00	3.75	34.63	3.25
Smt Parul Choudhary	12.00	1.00	7.25	0.75
Smt Shruti Choudhary	11.50	1.00	5.75	0.50
Smt Hemlata Choudhary	5.50	0.50		
Shri Ashay Choudhary	0.25	0.25		
<b>Enterprises over which KMP personnels or their relatives are able to exercise significance Influence</b>				
Smt Vidhya Choudhary (Suprabhu) - Rent	16.12	1.17	13.32	1.20
Smt Vidhya Choudhary (Revera Farm House) - Rent	0.05	0.05		
Choudhary Highway Services - (Purchase)	30.55	5.35	37.11	4.41
Page Paper Mart (Prop Shri Pramod Jain) - (Purchase)	0.08	-	-	-
Pooranmal Laxminarayan - (Purchase)	112.07	-	114.35	36.05
Carry (Purchase)	0.27	-		
Mohra Seeds (Sales)	7.35	-	7.45	-
Pooranmal Laxminarayan (Sales)	29.69	-1.12	9.68	-1.07
M/s Gangotri Enterprises - (Sales)	0.01	2.41	-	2.41

**Remuneration paid to Key Managerial Person**

The contributions to defined contribution plans for key management personnel in respect of Provident fund is Rs. 0.86 lakhs (Previous Year : Rs. 0.79 lakhs)



#### 40 Corporate Social Responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII there of by the company during the year is Rs. 29.37 Lakhs (Previous Year Rs. 25.62 Lakhs).
- (b) Expenditure related to Corporate Social Responsibility is Rs. 17.99 Lakhs (Previous Year Rs. 3.43 Lakhs)

Details of Amount spent towards CSR and nature of CSR activities are given below:(Rupees in Lakhs)

(Rupees In Lakhs)

	31/03/2022	31/03/2021
Promotion of Education	0.61	0.26
Animal Welfare	13.71	0.20
Fund set up by Central Government	-	0.05
Reduction of inequalities by socially and economically backward groups and upliftment of deprived underprivileged	2.42	2.92
Gender Equality, Empowerment of Women	-	-
Health Care	1.25	-
<b>Total Amount</b>	<b>17.99</b>	<b>3.43</b>

(Rupees In Lakhs)

Particulars	31/03/2022	31/03/2021
(c) Short fall at the end of Year	11.38	22.19
(d) Total of Previous years short fall	87.75	76.37
(e) Reason for short fall : Since One Project has been Planned for a School nearby Indore / Pithampur for Poor / Privileged childrens and we are searching Land for the same. But we could not locate the same till now hence this is UNSPENT. However we are trying for the same and hopefully this will be completed during the upcoming years.		
(f) The shortfall amount (i.e. Unspent amount), in respect of other than ongoing projects, transferred to a fundspecified in Schedule VII to the Act, as per section 135(5).	-	-
(g) The Shortfall amount (i.e. Unspent amount) pursuant to any ongoing projects, transferrd to special account as per section 135(6)	11.38	22.19
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement is the provision during the year should be shown separately	NA	NA
(i) Details of related party transactions, eg. Contribution to trust controlled by company in relation to CSR Expenditure as per relevant Accounting Standards	Nil	Nil

#### 41 Research & Development

The company conducts its R&D initiatives within the broad framework of innovation initiatives.

The company purchased technologically upgraded Circular Loom, Stitching Machine, Ultrasonic Cutting and Sealing Machine, for its units.

#### 42 Disclosures pursuant to regulation 34 (3) of securities and exchange board of India (listing obligations and disclosure requirements) regulations, 2015 and Section 186 of the companies act, 2013

##### (a) Loans to Subsidiaries

(Rupees In Lakhs)

1. Comsyn India Private Limited	31/03/2022	31/03/2021
Balance as at the beginning of the year	479.28	-
Loans given	991.44	479.28
Loans repaid	-	-
Balance as at the end of the year	1,470.73	479.28
Maximum amount outstanding at any time during the year	1,470.73	479.28

(Comsyn India Private Limited has utilised the loan for working capital requirements and capital expenditure. It is repayable within a year and carries an average rate of interest at 7% during the year)

(b) Investment by the loanees in the shares of the Company

The loanees have not made any investments in the shares of the Company.

(c) Details of Non-current Investments made by the Company (Rupees in lakhs)

(Rupees In Lakhs)

(c) Details of Non-current Investments made by the Company	31/03/2022	31/03/2021
<b>A. Equity Instruments</b>		
<b>Unquoted equity instruments</b>		
150000 shares of Rs 10 each in Comsyn India Private limited	15.00	15.00
	15.00	15.00

(d) Refer Note 4 for details of Investments in subsidiaries.

(e) Details of guarantees given

Corporate Guarantee given to Kotak Mahindra Bank Limited for credit facility availed by Comsyn India Private Limited outstanding Rs. 505.36 Lakhs (Previous Year 403.52 Lakhs)

(f) The Company has not provided any security covered under Section 186 and accordingly, the disclosure requirements to that extent does not apply to the Company

#### 43 (a) Ratios

	Numerator	Denominator	FY 21-22	FY 20-21	Deviation by >25%	Reasons
Current Ratio	Current Assets	Current Liabilities	1.77	1.39	26.87	Company making cash accrual in abundant volume and repayment of liabilities are at pace, hence assets being raised in high volume, effected Current Ratio in positive.
Debt-Equity Ratio,	Total Debt	Shareholders Equity	0.69	0.99	(30.21)	Company making cash accrual in abundant volume and repayment of liabilities are at pace and inflow of funds towards preferential share money, hence shareholder's equity being raised in positive volume, effected ratio in positive way.
Debt Service Coverage Ratio,	Earnings available for debt service	Debt service = Interest & Lease Payments + Principal Repayments	2.55	2.54	0.17	
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.20	0.16	20.48	
Inventory Turnover ratio,	Sales	Average Inventory	5.80	5.02	15.60	
Trade Receivables turnover ratio,	Total Sales	Avg. Accounts Receivable	11.40	10.76	5.98	
Trade payables turnover ratio,	Net Credit Purchases	Average Trade Payables	34.32	39.59	(13.31)	
Net capital turnover ratio	Net Sales	Average Working Capital	7.56	8.15	(7.18)	
Net profit ratio,	Net Profits after taxes	Sales	5.65	5.65	0.06	
Return on Capital employed	Earnings before interest and taxes	Capital Employed	0.15	0.11	27.76	Company making cash accrual in abundant volume, effected Ratio in positive way.
Return on investment	Return on Investment	Average Investment	0.17	0.15	12.35	

#### 44 Financial Instruments

##### 44 a. Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

(Rupees In Lakhs)

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Amortised cost	Total carrying value
Financial Assets						
Trade Receivables	9	-	-	-	3,506.81	3,506.81
Cash and cash equivalents	10	-	-	-	62.16	62.16
Bank Balances	11	-	-	-	449.29	449.29
Loan (Non-Current)	5	-	-	-	278.52	278.52
Loan (Current)	12	-	-	-	1,476.54	1,476.54
Investments	4	(3.97)	-	-	15.00	11.03
Other Financial Assets (Current)	13	-	-	17.80	-	17.80
Other Financial Assets ( Non Current )	6	65.52	-	-	455.19	520.71
<b>Total</b>		<b>61.54</b>	<b>-</b>	<b>17.80</b>	<b>6,243.50</b>	<b>6,322.85</b>
Financial Liabilities						
Borrowings (Current)	21	-	-	-	4,733.71	4,733.71
Borrowings ( Non Current )	17	-	-	-	2,414.84	2,414.84
Lease Liability (Current)	18	-	-	-	12.37	12.37
Lease Liability (Non Current)	18	-	-	-	109.05	109.05
Trade Payables	22	-	-	-	1,450.99	1,450.99
Other Financial Liabilities	23	-	-	10.41	80.37	90.78
<b>Total</b>		<b>-</b>	<b>-</b>	<b>10.41</b>	<b>8,801.32</b>	<b>8,811.73</b>

##### Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

(Rupees In Lakhs)

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Amortised cost	Total carrying value
Financial Assets						
Trade Receivables	9	-	-	-	2,133.22	2,133.22
Cash and cash equivalents	10	-	-	-	237.75	237.75
Bank Balances	11	-	-	-	367.18	367.18
Loan (Current)	12	-	-	-	486.87	486.87
Investments	4	0.18	-	-	15.00	15.18
Other Financial Assets (Current)	13	-	-	-	13.69	13.69
Other Financial Assets ( Non Current )	6	75.63	-	-	451.37	527.01
<b>Total</b>		<b>75.81</b>	<b>-</b>	<b>-</b>	<b>3,705.07</b>	<b>3,780.88</b>
Financial Liabilities						
Borrowings (Current)	21	-	-	-	4,914.27	4,914.27
Borrowings ( Non Current )	17	-	-	-	2,744.43	2,744.43
Lease Liability (Current)	18	-	-	-	7.51	7.51
Lease Liability (Non Current)	18	-	-	-	112.96	112.96
Trade Payables	22	-	-	-	1,078.01	1,078.01
Other Financial Liabilities	23	-	-	3.86	263.79	267.65
<b>Total</b>		<b>-</b>	<b>-</b>	<b>3.86</b>	<b>9,120.95</b>	<b>9,124.81</b>

Carrying amounts of trade receivables, Investments, cash and cash equivalents, bank balances, and trade payables as at March 31, 2022 and 2021, approximate the fair value.

Difference between carrying amount and fair value of Loans, Other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant. Fair value measurement of lease liabilities is not required.

#### 44 b. Financial Assets Pledged

(Rupees In Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
Carrying amount of Financial assets pledged as collateral for liabilities	9 & 11	3956.09	2499.54
Carrying amount of Financial assets pledged as collateral for contingent liabilities	11	449.29	367.18
<b>Total</b>		<b>4405.38</b>	<b>2866.72</b>

Terms and conditions relating to pledge :-

Trade Receivables & Other Financial Assets: All existing/ future Trade Receivables & Other Financial Assets have been hypothecated to secure working capital loan. Fixed Deposit have been pledged to secure the Bank Guarantee issued in our favour.

#### 44 c. Profit / Losses on Financial Assets / Liabilities

(Rupees In Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
Net gains or net losses on financial assets measured as FVTPL upon initial recognition	32	(2.74)	1.79
financial assets measured at amortised cost	33	15.04	25.72
financial liabilities measured as FVTPL upon initial recognition		-	-
financial liabilities measured at amortised cost		-	-

(Rupees In Lakhs)

Particulars	31/03/2022	31/03/2021
An analysis of gain / loss recognised in statement of profit and loss, arising from the derecognition of financial assets measured at amortised cost	15.04	25.72
These Financial Assets are considered by Management as irrecoverable and have been derecognised.	-	-

#### 44 d. Financial Risk Management

The Company is exposed primarily to market risks being fluctuations in foreign currency exchange rates and interest rate, and other risks namely credit and liquidity risks, which may adversely impact the fair value of its financial instruments. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company has a risk management policy which covers risks associated with financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate the potential adverse effects on the financial performance of the Company.

**d1. Management of Market Risk**

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

**d2. Foreign Currency Exchange Rate Risk**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the company.

The Company as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the functional currency of the Company.

**Foreign Currency Risk**
**(Rupees In Lakhs)**

Particulars	As at 31 March, 2022			As at 31 March, 2021			Note No.
	USD	EUR	GBP	USD	EUR	GBP	
Borrowings (Rupees in Lakhs)	-	773.75		-	1060.99	-	17
Trade and other receivables (Rupees in Lakhs)	1,453.61	382.46	215.17	763.68	33.31	31.48	9

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges:

**(Rupees In Lakhs)**

Particulars	As at 31 March 2022			As at 31 March 2021		
	USD	EUR	GBP	USD	EUR	GBP
<b>1% Depreciation in INR</b>						
Impact on Equity / P&L (Rupees in Lakhs)	14.54	11.56	2.15	7.64	10.94	0.31
<b>Total</b>						
<b>1% Appreciation in INR</b>						
Impact on Equity / P&L (Rupees in Lakhs)	14.54	11.56	2.15	7.64	10.94	0.31
<b>Total</b>						

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges:

**d3. Interest Rate Risk**

The Company is also exposed to interest rate risk, changes in interest rates will affect future cash flows or the fair values of its financial instruments, principally debt. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs.

The Company is subject to variable interest rates on some of its interest bearing liabilities.

**The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:**

**(Rupees In Lakhs)**

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
Borrowings			
Non-Current – Floating (includes Current Maturities)	16 & 21	2,414.84	2,744.43
Current	19	4,733.71	4,914.27
<b>Total</b>		<b>7,148.55</b>	<b>7,658.69</b>

## Sensitivity analysis of 0.75% change in Interest rate:

(Rupees In Lakhs)

Interest Rate Sensitivity				
Particulars	31st March, 2022		31st March, 2021	
	Up Down	Down Move	Up Move	Down Move
Impact on Equity / P&L	21.52	21.52	57.78	57.78
Total Impact	21.52	21.52	57.78	57.78

**d4. Management Of Credit Risk**

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amount according to the contractual terms or obligations causing financial loss to the Company

Credit risk encompasses of risk of default, risk of deterioration of creditworthiness as well as concentration of risks.

Credit risk is controlled by analysing credit limits and creditworthiness of customers of a continuous basis to whom the credit has been granted.

**Exposure to Credit Risk**

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk is Rs 6322.85 lakhs ( Rs 3780.88 lakhs in preceding year) being the total of carrying amount of trade receivables, balance with banks, bank deposits and other financial assets.

**Trade receivables**

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

**Other financial assets**

The Company maintains exposure in bank balances and term deposits with banks. Considering insignificant amounts and short term nature, there is no significant risks pertaining to these assets.

**d5. Management of Liquidity Risk**

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company have access to undrawn lines of committed and uncommitted borrowing/ facilities

The Company has maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2022 and 31st March, 2021. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

(Rupees In Lakhs)

Maturity analysis for financial liabilities for the year ended 31/03/2022	Note No.	Carrying Value	Contractual Cash Flows	Less than one year	Between one to five years	More than five years
(a) a maturity analysis for non-derivative financial liabilities						
Borrowings ( Current Liabilities)	21	4733.71	-	4733.71	-	-
Trade Payables	22	1450.99	-	1450.99	-	-
Borrowings ( Non- Current Liabilities)	17	2414.84	-	-	2,327.02	87.82
Other Financial Liabilities	23	90.78	-	90.78	-	-
Lease Obligations (Current)	18	12.37	-	12.38	-	-
Lease Obligations (Non Current)	18	109.05	-	-	50.10	175.78

(Rupees In Lakhs)

Maturity analysis for financial liabilities for the year ended 31/03/2021	Note No.	Carrying Value	Contractual Cash Flows	Less than one year	Between one to five years	More than five years
(a) a maturity analysis for non-derivative financial liabilities						
Borrowings ( Current Liabilities)	21	4914.27	-	4914.27	-	-
Trade Payables	22	1078.01	-	1078.01	-	-
Borrowings ( Non- Current Liabilities)	17	2744.43	-	-	2,706.78	37.65
Other Financial Liabilities	23	267.65	-	267.65	-	-
Lease Obligations (Current)	18	7.51	-	-	-	-
Lease Obligations (Non Current)	18	112.96	-	10.63	42.35	188.76

**44 e. Fair value measurement heirarchy as at 31st March 2022**

The following table summarises financial assets and liabilities measured at fair value

(Rupees In Lakhs)

Particulars	Note No.	Carrying Amount	Level of inputs used			Total
			Level 1	Level 2	Level 2	
<b>Financial Assets</b>						
At Amortised Cost						
Trade Receivables	9	3,506.81	-	-	-	3,506.81
Cash and Cash Equivalents	10	62.16	-	-	-	62.16
Bank Balances	11	449.29	-	-	-	449.29
Loan (Non-Current)	5	278.52	-	-	-	278.52
Loan (Current)	12	1,476.54	-	-	-	1,476.54
Investments	4	15.00	-	-	-	15.00
Others Financial Assets ( Non Current Portion )	6	455.19	-	-	65.52	520.71
<b>At FVTPL</b>						
Forward Contract	13	-	17.80	-	-	17.80
Investments	4	-	-	-	(3.97)	(3.97)
<b>Total</b>		<b>6,243.50</b>	<b>17.80</b>	<b>-</b>	<b>61.54</b>	<b>6,322.85</b>
<b>Financial Liabilities</b>						
At Amortised Cost						
Borrowings ( Non- Current Liabilities)	17	2,414.84	-	-	-	2,414.84
Borrowings (Current)	21	4,733.71	-	-	-	4,733.71
Lease Liability (Current)	18	12.37	-	-	-	12.37
Lease Liability (Non Current)	18	109.05	-	-	-	109.05
Trade Payables	22	1,450.99	-	-	-	1,450.99
Other Financial Liabilities	23	80.37	-	-	-	80.37
<b>At FVTPL</b>						
Forward Contract	23	-	10.41	-	-	33.41
<b>Total</b>	<b>-</b>	<b>8,801.32</b>	<b>10.41</b>	<b>-</b>	<b>-</b>	<b>8,834.73</b>

**Fair value measurement hierarchy as at 31st March 2021**

The following table summarises financial assets and liabilities measured at fair value

(Rupees In Lakhs)

Particulars	Note No.	Carrying Amount	Level of inputs used			Total
			Level 1	Level 2	Level 2	
<b>Financial Assets</b>						
At Amortised Cost						
Trade Receivables	9	2133.22	-	-	-	2133.22
Cash and Cash Equivalents	10	237.75	-	-	-	237.75
Bank Balances	11	367.18	-	-	-	367.18
Loan (Current)	12	486.87	-	-	-	486.87
Investments	4	15.00	-	-	-	15.00
Other financial assets	13	13.69	-	-	-	13.69
Others Financial Assets (Non Current Portion)	6	451.37	-	-	-	451.37
<b>At FVTPL</b>						
Other Financial Assets (Non Current)	6	-	-	-	75.63	75.63
Investments	4	-	-	-	0.18	0.18
<b>Total</b>	-	<b>3705.07</b>	<b>0.00</b>	<b>0.00</b>	<b>75.81</b>	<b>3780.88</b>
<b>Financial Liabilities</b>						
At Amortised Cost						
Borrowings (Non- Current Liabilities)	17	2744.43	-	-	-	2744.43
Borrowings (Current)	21	4914.27	-	-	-	4914.27
Lease Liability (Current)	18	7.51	-	-	-	7.51
Lease Liability (Non Current)	18	112.96	-	-	-	112.96
Trade Payables	22	1078.01	-	-	-	1078.01
Other Financial Liabilities	23	263.79	-	-	-	263.79
<b>At FVTPL</b>						
Forward Contract	23	3.86	-	-	-	3.86
<b>Total</b>	-	<b>9124.81</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>9124.81</b>

**Reconciliation of fair value measurement of the investment categorised at level 3:**

(Rupees In Lakhs)

	31.03.2022 At FVTPL	31.03.2021 At FVTPL
Opening Balance	75.81	67.91
Addition during the year	0.83	9.29
Sale/Reduction during the year	-10.95	-1.39
Total Gain/(loss)	-4.15	-
Closing Balance	61.54	75.81

**44 f. Derivative financial instruments and hedging activity**

The company's revenue is denominated in various foreign currencies. Given the nature the business, a large portion of costs are denominated in Indian Rupees. This exposes the company to currency fluctuations.



The Board of Directors have constituted a Risk Management Committee to frame, implement and monitor the risk management plan of the company which inter alia covers risks arising out of exposure of foreign currency fluctuations.

The company uses various derivative instruments such as foreign exchange forward in which the counter party is generally the bank.

The following are outstanding foreign currency forward contracts, which have been designated as fair value hedges -

### Hedging Instruments

#### A. Fair Value hedge

##### Hedging Instruments

Particulars	Note No.	No. of Contracts	Nominal Amount of Contracts	Carrying Amount Assets (Rs. In Lakhs)	Hedge Maturity
As at 31st March 2022					
<b>Foreign currency risk</b>					
Foreign currency - Forwards					
US Dollar	13	22	26,08,718	4.29	Sep-22
Euro	13	9	12,52,020	8.01	Jun-22
Great Britain Pound	13	5	2,34,319	5.49	Jul-22
As at 31st March 2021					
<b>Foreign currency risk</b>					
Foreign currency - Forwards					
US Dollar	13	40	18,50,000	-	Sep-21
Euro	13	24	943665	11.18	Sep-21
Great Britain Pound	13	17	3,70,000	0.56	Aug-21

Line Item in balance sheet - Shown under Other Financial Liabilities ( Current Assets) in FY 2021-22

Line Item in balance sheet - Shown under Other Financial Liabilities ( Current Assets) in FY 2020-21

### Hedged Item

#### A. Fair Value hedge

##### Hedged Item

Particulars	Note No.	Amount in Foreign Currency	Hedge Maturity
As at 31st March 2022			
Items			
Trade Receivables and firm commitment	23		
US Dollar		26,08,718	Sep-22
Euro		12,52,020	Jun-22
Great Britain Pound		2,34,319	Jul-22
As at 31st March 2021			
Items			
Trade Receivables and firm commitment	23		
US Dollar		1850000	Sep-21
Euro		943665	Sep-21
Great Britain Pound		370000	Aug-21

44 g. In respect of some financial assets the Company does not recognise a gain or loss on initial recognition of a financial asset or financial liability because the fair value is neither evidenced by a quoted price in an active market for an identical asset or

liability (i.e. a Level 1 input) nor based on a valuation technique that uses only data from observable markets. The Company has so concluded because these financial assets are interest free deposits made by the company. (Rupees In Lakhs)

	31st March, 2022	31st March, 2021
Aggregate difference yet to be recognised in profit or loss		
at the beginning	12.05	11.59
reconciliation of changes	(1.03)	(0.46)
at the end of the period	11.02	12.05

44.h. A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2022 (Rupees In Lakhs)

	Note No.	Balance The beginning of the year	Change during the year	Bad debts written off	Balance at the end of the year
<b>The loss allowance measured at an amount equal to lifetime expected credit losses for</b>					
trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15	8 & 33	68.81	54.93	15.04	108.71
<b>Total</b>		<b>68.81</b>	<b>54.93</b>	<b>15.04</b>	<b>108.71</b>

A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2021 (Rupees In Lakhs)

	Note No.	Balance The beginning of the year	Change during the year	Bad debts written off	Balance at the end of the year
<b>The loss allowance measured at an amount equal to lifetime expected credit losses for</b>					
trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15	8 & 33	19.38	74.39	25.47	68.81
<b>Total</b>		<b>19.38</b>	<b>74.39</b>	<b>25.47</b>	<b>68.81</b>

The accompanying notes 1 to 44 are an integral part of these Financial Statement  
For and on Behalf of Board of Directors

As per our report of even date attached  
**Avinash Agrawal & Co.**  
Chartered Accountant  
FRN :022666C

**Anil Choudhary**  
Managing Director  
DIN 00017913

**Ranjana Choudhary**  
Whole Time Director  
DIN 03349699

**Ravindra Choudhary**  
Chief Executive Officer

**Abhishek Jain**  
Chief Financial Officer

**Sandeep Patel**  
Company Secretary  
M. No. - ACS 54908

Place: Indore  
Date: 25.05.2022

(CA Avinash Agrawal )  
Proprietor  
M.No. 410875

## INDEPENDENT AUDITOR'S REPORT

To the Members of Commercial Syn Bags Limited.

### REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

#### OPINION

We have audited the accompanying consolidated financial statements of Commercial Syn Bags Limited (herein referred to as “the Holding Company”) and its subsidiary (Holding company and subsidiary company together referred to as “the Group”), which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of Profit and Loss (including other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its consolidated profits and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of 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 (“ICAI”) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Key Audit Matters

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

The key audit matter	How the matter was addressed in our audit
<p><b>I. Issue of convertible Share warrants and its conversion to equity shares. ( Refer ‘Statement of changes in Equity’)</b></p> <p>The Company has issued convertible share warrants at an amount of Rs. 1057.88 lakhs and conversion of some of convertible share warrants into equity shares.</p> <p>We have decided this item as a key audit matter because of –</p> <ol style="list-style-type: none"> <li>1. Significant amount of issue of convertible share warrants</li> <li>2. Complexities involved in determining               <ol style="list-style-type: none"> <li>i. timing of recognition of convertible share warrants;</li> </ol> </li> </ol>	<p>Our audit procedures included the following:</p> <p>Understanding the Company's process and procedures for recognition of convertible share warrants and its conversion to equity shares.</p> <p>Evaluating the design and implementation and testing the operating effectiveness of Company's general IT controls, key manual and application controls over the Company's IT systems. They cover control over issue of financial instruments and Company's review over the issue.</p> <p>Inspecting on sample basis, applications for allotment of convertible share warrants, and assessing the company's policy for recognition of financial instruments with reference to the requirements of the applicable</p>

	<p>accounting standards.</p> <p>Assessing the methods used to value convertible share warrants and ensuring ourselves of the consistency of accounting methods.</p> <p>Checking completeness and accuracy of the data used by the Company for recognition and measurement of convertible share warrants and its conversion into equity shares</p> <p>Assessing of appropriateness of disclosures provided in the financial statements.</p>
<p>ii. value for measurement of convertible share warrants.</p> <p>II. Revenue have reached Rs 32259.13 lakhs (Refer note 26 to the consolidated financial statements)</p> <p>The Company has made revenue of Rs 32259.13 lakhs during the year.</p> <p>We have decided this item as a key audit matter because –</p> <p>i. Revenue is one of the key profit drivers and it is therefore susceptible to misstatement.</p> <p>ii. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cutoff can result in material misstatement of results for the year.</p>	<p>Our audit procedures included the following:</p> <p>Understanding the Company’s processes and procedures for recognition of revenue</p> <p>Testing the design, implementation and operating effectiveness of Company’s general IT controls, key manual and application controls over the Company’s IT systems. They cover control over dispatches and recording of revenue.</p> <p>Inspecting on sample basis, key customer contracts, and assessing the company’s policy for recognition of revenue with reference to the requirements of the applicable accounting standards.</p> <p>Assessing the methods used to recognize and measure revenue and ensuring ourselves of the consistency of accounting methods.</p> <p>Testing of cutoffs and performing analytical review procedures.</p> <p>Checking completeness and accuracy of the data used by the Company for recognition and measurement of revenue</p> <p>Assessing of appropriateness of disclosures provided in the financial statements.</p>

### Other Information

The Holding Company’s management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company’s 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 and Board of Directors' responsibilities for the Audit of the Consolidated Financial Statements**

The Holding Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the holding company as aforesaid.

In preparing the consolidated financial statements, the respective management and Board of Directors of the companies included in the Group are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has not realistic alternative to do so.

The respective Board of Directors are responsible for over viewing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of the 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 risk 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) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial control system in place and the operating effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Holding Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 such entities or business activities within the Group to express an opinion on the consolidated financial statements.

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

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

We also provide those charge 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 preclude 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 section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
  - c) The consolidated balance sheet, the consolidated statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated statements of Cash Flow dealt with by this report are in agreement with relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014,
  - e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act.
  - f) With respect to 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding Company's internal financial controls over financial reporting,
2. With respect to the 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 explanation given to us:
  - i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements. (Refer Note 35 to the consolidated financial statements.)
  - ii. The Group did not have any long-term contracts for which there were any material foreseeable losses.
  - iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.

- iv. (a) 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 beneficiary”) by or on behalf of the company
- or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) 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
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused to us to believe that the representations under sub-clause (iv)(a) and (iv)(b) contain any material misstatement.
- v. the dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.
3. 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.
4. As required by the Companies (Auditor’s Report) Order, 2016 (“the order”) issued by the Central Government in terms of section 143 (11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraph 3 and 4 of the order, to the extent applicable.

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**(FR No. 022666C)**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**  
**UDIN:22410875AJPQCQ6947**

**Place : Indore**  
**Dated : 25-05-2022**

**ANNEXURE –A TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE**

*(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements section of our report to the members of Commercial Syn Bags Limited)*

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

In conjunction with our audit of the consolidated financial statements of M/S Commercial Syn Bags Limited (hereinafter referred to as “the Holding Company”) as of and for the year ended 31 March 2022, We have audited the internal financial controls over financial reporting with reference to consolidated financial statements of the Holding company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and such company incorporated in India which is its subsidiary company, have, in all material respects, an adequate internal financial controls system over financial reporting with reference to consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the such companies 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.

**Management’s Responsibility for Internal Financial Controls**

The respective Company’s management and Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with reference to consolidated financial statements criteria established by the respective 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 respective 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 respective 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”) issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting with reference to consolidated financial statements.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting with reference to consolidated financial statements 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, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, 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 with reference to consolidated financial statements 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.

**Place :** Indore  
**Date:** 25-05-22

**For, Avinash Agrawal & Co.**  
**Chartered Accountants**  
**ICAI Reg. No.: 022666C**

**Avinash Agrawal**  
**Proprietor**  
**M.NO. 410875**  
**UDIN: 22410875AJPQCQ6947**

**ANNEXURE –B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE**

*To the Independent Auditor’s Report of even date on the Consolidated Financial Statements  
of Commercial Syn Bags Limited for the year ended 31 March 2022*

**Referred to in paragraph 4, under 'Report on Other Legal and Regulatory  
Requirements' section of our Report of even date)**

(xxi) There are no qualifications or adverse remarks bin the Companies (Auditor’s Report) Order (CARO) reports of the companies included in the consolidated financial statements.

**For, Avinash Agrawal & Co.  
Chartered Accountants  
ICAI Reg. No.: 022666C**

**Avinash Agrawal  
Proprietor**

**M.NO. 410875**

**UDIN: 22410875AJPQCQ6947**

**Place : Indore**

**Date: 25-05-22**

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2022**

(Rupees In Lakhs)

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(a) Property, Plant and Equipment	3	9,368.41	8,708.84
(b) Capital Work in Progress	3	0.00	29.52
(c) Other Intangible Assets	3	0.13	0.45
(d) Financial Assets			
(i) Investments	4	(3.97)	0.18
(ii) Loans	5	278.52	-
(iii) Others Financial Assets	6	578.97	553.11
(e) Other Non Current Assets	7	45.92	158.46
		<b>10,267.99</b>	<b>9,450.57</b>
<b>2 CURRENT ASSETS</b>			
(a) Inventories	8	5,931.18	5,687.42
(b) Financial Assets			
(i) Trade Receivables	9	3,566.41	2,134.86
(ii) Cash and Cash Equivalents	10	67.30	237.87
(iii) Other Bank Balances	11	449.29	367.18
(iv) Loans	12	6.70	7.68
(v) Other Financial Assets	13	17.80	13.69
(c) Current Tax Assets (Net)		55.99	48.59
(d) Other Current Assets	14	1,789.79	1,722.72
		<b>11,884.45</b>	<b>10,220.02</b>
<b>TOTAL ASSETS</b>		<b>22,152.43</b>	<b>19,670.58</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity Share Capital	15	1,240.24	1,181.74
(b) Other Equity	16	9,329.44	6,688.06
		<b>10,569.68</b>	<b>7,869.80</b>
<b>LIABILITIES</b>			
<b>1 NON CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Borrowings	17	2,774.41	3,132.55
(ii) Lease Liabilities	18	677.04	538.03
(b) Provisions	19	271.63	209.09
(c) Deferred Tax Liabilities (Net)	20	247.03	338.32
		<b>3,970.11</b>	<b>4,217.99</b>
<b>2 CURRENT LIABILITIES</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	21	4,879.50	4,929.67
(ii) Lease Liabilities	18	59.53	7.51
(iii) Trade Payables			
(A) Total outstanding dues of creditors micro and small enterprises; and	22	255.12	156.98
(B) Total outstanding dues of creditors other than micro and small enterprises	22	1,295.37	1,011.18
(iv) Other Financial Liabilities	23	94.58	272.03
(b) Other Current Liabilities	24	949.44	1,185.94
(c) Provisions	25	27.73	10.44
(d) Current Tax Liabilities (Net)		51.37	9.06
		<b>7,612.64</b>	<b>7,582.80</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>22,152.43</b>	<b>19,670.59</b>
Basis of Preparation, Measurement and Significant Accounting Policies.	2		
Contingent Liabilities and Commitments.	35		

The accompanying notes 1 to 43 are an integral part of these Financial Statement  
 For and on Behalf of Board of Directors

As per our report of even date attached  
**For Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 Date: 25.05.2022

**(CA Avinash Agrawal )**  
 Proprietor  
 M.No. 410875

**CONSOLIDATED PROFIT & LOSS STATEMENT FOR YEAR ENDED ON 31ST MARCH, 2022**

(Rupees In Lakhs)

PARTICULARS	Note No.	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>INCOME:</b>			
I Revenue From Operations	26	32,259.13	21,372.01
II Other Income	27	361.27	(6.96)
<b>III Total Income (I+II)</b>		<b>32,620.40</b>	<b>21,365.05</b>
<b>IV EXPENSES:</b>			
Cost of materials consumed	28	17,472.41	11,537.43
Purchase of stock in trade	29	1,788.43	934.53
Changes in inventories of finished goods, stock in trade & work in progress	30	(383.71)	(1,542.66)
Employee benefit expense	31	4,329.32	3,755.66
Finance costs	32	658.09	413.72
Depreciation and amortization expenses	3	944.92	765.85
Other expenses	33	5,691.79	4,049.70
<b>Total Expenses (IV)</b>		<b>30,501.26</b>	<b>19,914.23</b>
<b>V Profit/ (Loss) before tax (III-IV)</b>		<b>2,119.14</b>	<b>1,450.82</b>
<b>VI Tax expense</b>			
(1) Current tax		379.64	276.65
(2) Deferred tax Credit / (Charge )		(91.29)	(24.12)
<b>Total Tax (VI)</b>		<b>288.35</b>	<b>252.53</b>
<b>VII Profit/ (Loss) for the year from continuing operations(V-VI)</b>		<b>1,830.79</b>	<b>1,198.29</b>
<b>VIII Other comprehensive income</b>			
A (i) Items that will not be re-classified to profit or loss	34	39.01	(51.26)
Re-measurments of the net defined benefit plans			
(ii) Income tax relating to items that will not be re-classified to profit or loss		(6.97)	8.95
Re-measurments of the net defined benefit plans			
Total Other Comprehensive Income		32.04	(42.30)
<b>Total Comprehensive Income for the period</b>		<b>1,862.83</b>	<b>1,155.99</b>
<b>IX Earnings per equity share (for continuing operation):</b>	15		
Basic		15.48	10.14
Diluted		14.64	10.14
Basis of Preparation, Measurement and Significant Accounting Policies.	2		
Contingent Liabilities and Commitments.	35		

The accompanying notes 1 to 43 are an integral part of these Financial Statement  
 For and on Behalf of Board of Directors

As per our report of even date attached  
 For **Avinash Agrawal & Co**  
 Chartered Accountants  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 Date: 25.05.2022

**(CA Avinash Agrawal )**  
 Proprietor  
 M.No. 410875

**BALANCE SHEET AS AT 31ST MARCH, 2022**
**Consolidated Statement of Changes in Equity for the year ended 31st March, 2022**
**(A) EQUITY SHARE CAPITAL**
**(1) Current Reporting Period**
**(Rs. in Lakhs)**

	Changes in equity share capital during the year 2021-22	Balance at the end of the reporting period i.e.31st March 2022
Balance at the beginning of the reporting period i.e.1st April 2021		
	1,181.74	58.50
		1,240.24

**(2) Previous Reporting Period**
**(Rs. in Lakhs)**

	Changes in equity share capital during the year 2020-21	Balance at the end of the reporting period i.e.31st March 2021
Balance at the beginning of the reporting period i.e.1st April 2020		
	1,181.74	-
		1,181.74

**(B) OTHER EQUITY**
**(1) Current Reporting Period**
**(Rs. in Lakhs)**

	Reserves and Surplus					Money received against Share Warrants	Total
	Capital Reserve	General Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings		
<b>AS ON 31st MARCH 2022</b>							
Balance at the beginning of the reporting period i.e. 1st April 2021	9.23	10.88	406.53	-	6,261.42	-	6,688.06
(Add): Profit for the year	-	-	-	-	1,830.79	-	1,830.79
Other comprehensive Income for the year	-	-	-	-	47.56	-	47.56
<b>Total Comprehensive Income for the year</b>	-	-	-	-	<b>1,878.35</b>	-	<b>1,878.35</b>
Dividend Paid	-	-	-	-	(236.35)	-	(236.35)
Amount received during the year	-	-	-	-	-	1,057.88	1,057.88
Conversion of Share warrant into Equity Share	-	-	702.00	-	-	(760.50)	(58.50)
<b>Balance at the end of the reporting period i.e.31st March 2022</b>	<b>9.23</b>	<b>10.88</b>	<b>1,108.53</b>	<b>-</b>	<b>7,903.42</b>	<b>297.38</b>	<b>9,329.44</b>

**(2) Previous Reporting Period**
**(Rs. in Lakhs)**

	Reserves and Surplus					Money received against Share Warrants	Total
	Capital Reserve	General Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings		
<b>AS ON 31st MARCH 2021</b>							
Balance at the beginning of the reporting period i.e. 1st April 2020	9.23	10.88	406.53	-	5,282.69	-	5,709.33
(Add): Profit for the year	-	-	-	-	1,198.29	-	1,198.29
Other comprehensive Income for the year	-	-	-	-	(42.30)	-	(42.30)
<b>Total Comprehensive Income for the year</b>	-	-	-	-	<b>1,155.99</b>	-	<b>1,155.99</b>
Dividend Paid	-	-	-	-	(177.26)	-	(177.26)
<b>Balance at the end of the reporting period i.e. 31st March 2021</b>	<b>9.23</b>	<b>10.88</b>	<b>406.53</b>	<b>-</b>	<b>6,261.42</b>	<b>-</b>	<b>6,688.06</b>

**a) Nature and Purpose of Reserves.**
**1) Capital Reserve**

Capital reserve represents amount of share partly paid up share forfeited.

**2) General Reserves**

The general reserve is a free reserve which is used from time to time to transfer profits from/to retained earnings for appropriation purposes.

**3) Securities Premium**

The company recognised securities premium for recording the premium on issue of shares. It is used mainly for writing off share issue expenses.

**4) Retained Earnings**

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

**5) Other Comprehensive Income**
**Items of Other Comprehensive Income**

Remeasurements of Net Defined Benefit Plans -

Differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised in other comprehensive income.

Money Received Against Share Warrant

The Company has issued 15,00,000 warrants of Rs. 130.00 each convertible into equity share on preferential basis to promoter, promoter group and other specified person categorized as public and received up front subscription of Rs. 32.50 per warrant aggregating Rs. 487.50 Lakhs. The promoter and promoter group has exercised the option for conversion of warrant into equity shares for their total 5,85,000 warrants by paying Rs. 97.50 per warrant aggregating Rs. 570.385 Lakhs. Thus 9,15,000 share warrants are outstanding at carrying value of Rs. 297.38 Lakhs

**6) Other Information**
**Dividends Paid**

Dividends paid during the year ended March 31, 2022 is Rs. 2.00 per equity share which is towards final dividend for the year ended March 31, 2021.

Dividends paid during the year ended March 31, 2021 is Rs. 1.50 per equity share which is towards final dividend for the year ended March 31, 2020.

(Rs. in Lakhs)

	Final Dividend for FY 2020-21	Final Dividend for FY 2019-20
Declaration Date	04/09/2021	02/09/2020
Dividend per Equity Share	Re 2.00/- per equity share (@ 20%) of 10/- each	Re 1.50/- per equity share (@ 15%) of 10/- each
Total Dividend	236.35	177.26
Total Outflow	236.35	177.26

The accompanying notes 1 to 43 are an integral part of these Financial Statement

For and on Behalf of Board of Directors

As per our report of even date attached

**Avinash Agrawal & Co.**

Chartered Accountant

FRN :022666C

**Anil Choudhary**  
Managing Director  
DIN 00017913

**Ranjana Choudhary**  
Whole Time Director  
DIN 03349699

**Ravindra Choudhary**  
Chief Executive Officer

**Abhishek Jain**  
Chief Financial Officer

**Sandeep Patel**  
Company Secretary  
M. No. - ACS 54908

Place: Indore  
Date: 25.05.2022

**(CA Avinash Agrawal )**  
Proprietor  
M.No. 410875

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

(Rs. in Lakhs)

Particulars	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit Before Tax as per Statement of Profit and Loss	2,119.03	1,399.56
<b>Adjusted for:</b>		
Depreciation and amortization expenses	944.92	765.85
Finance costs	618.44	378.80
Finance costs (Interest on lease liabilities)	39.65	13.96
Interest Income	(111.14)	(133.85)
Profit/Loss on sale of property, plant and equipment – Net	0.59	3.83
Loss Allowances	42.82	48.22
<b>Operating Profit before Working Capital Changes</b>	<b>3,654.31</b>	<b>2,476.36</b>
<b>Adjusted for:</b>		
Decrease / (increase) in inventories	(230.32)	(2,664.16)
Decrease(increase) in other financial assets (non-current)	(25.85)	(234.71)
Decrease(increase) in other non-current assets	112.54	140.21
Decrease(increase) in trade receivables	(1471.44)	(339.59)
Decrease(increase) in loans given (current)	(990.46)	2.10
Decrease(increase) in other bank balances	(82.11)	45.88
Decrease(increase) in other financial assets (current)	(4.11)	(5.37)
Decrease(increase) in other current assets	(67.06)	(923.88)
Increase(decrease) in trade payable	382.22	510.34
Increase(decrease) in other financial liabilities (current)	(177.44)	(312.84)
Increase(decrease) in other current liabilities	(219.34)	524.03
Increase(decrease) in provisions (non current)	101.55	164.29
Increase(decrease) in provisions (current)	0.13	0.00
<b>Cash generated from operations</b>	<b>982.62</b>	<b>(617.34)</b>
Taxes paid (Net)	(351.68)	(264.70)
<b>Net Cash Flow from Operating Activities</b>	<b>630.94</b>	<b>(882.04)</b>
<b>B. Cash Flow From Investing Activities</b>		
Purchase of property, plant and equipment, Intangibles etc,	(1843.34)	(1,872.36)
Proceeds from disposal of tangible and intangible assets	267.46	17.17
Investment in subsidiaries/others	0.00	0.00
Purchase of non-current investments	4.15	(0.18)
Interest Income	111.14	133.85
Loan to Subsidiary/others	712.92	0.00
Net cash Flow for other financial assets	0.00	0.00
<b>Net Cash flow (Used in) Investing Activities</b>	<b>(747.67)</b>	<b>(1,721.52)</b>
<b>C. Cash Flow From Financing Activities</b>		
Proceeds from issue of share capital	760.50	0.00
Proceeds from issue of warrants	297.38	0.00
Proceeds/(Repayment)from non current Borrowings	(1349.59)	466.31
Payment of current borrowings	941.28	2,914.42
Principal/Repayment of lease liabilities	151.38	(5.02)
Dividend paid (including Dividend Distribution Tax)	(236.35)	(177.26)
Interest paid	(618.44)	(392.76)
<b>Net Cash flow from/(Used in) Financing Activities</b>	<b>(53.84)</b>	<b>2,805.69</b>
<b>Net (Decrease) in Cash and Cash Equivalents</b>	<b>(170.57)</b>	<b>202.14</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>237.87</b>	<b>35.73</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>67.30</b>	<b>237.87</b>
Note: The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.		

The accompanying notes 1 to 43 are an integral part of these Financial Statement  
 For and on Behalf of Board of Directors

As per our report of even date attached  
**Avinash Agrawal & Co.**  
 Chartered Accountant  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 Date: 25.05.2022

**(CA Avinash Agrawal)**  
 Proprietor  
 M.No. 410875

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

## 1 Group Information

Commercial Syn Bags Limited (the 'Holding Company') is a public limited company domiciled in India and incorporated on 10th December, 1984 under the provisions of the Companies Act, 1956 and having its registered office at 'Commercial House', 3-4 Jaora Compound, M.Y.H. Road, Indore, Madhya Pradesh – 452001, India. The company is BSE SME listed company and subsequently migrated to BSE Main Board w.e.f. 13th May 2019. The company is the manufacturer and exporters of FIBC, HDPE/PP Tarpaulin, HDPE/PP, Bags, Ground Cover, Pond Liners, Mulch Film, HDPE/PP Fabric, Laminates and Vermi Beds. The Company is DCA cum Consignment Stockiest of ONGC Petro additions Limited (OPAL) and owns and operates solar power generation plant at Village Galihara, Dharakhedi, Tehsil Sitamau and Dist. Mandsaur for generation of electricity and its captive consumption.

The Holding Company and its subsidiaries (jointly referred to as the 'Group' hereinafter) considered in these Consolidated Financial statements are:

### a. Subsidiaries

Name of the company	Proportion (%) of equity interest	
	As at 31st March, 2022	As at 31st March, 2021
Comsyn India Private Limited	100%	100%



**b. Share of Entities in Group**

Name of the entity in the Group	Net Asset i.e. Total assets minus total outside liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
Commercial Syn Bags Limited	99.97%	10,551.95	99.28%	1,818.28	99.28%	1850.32	100.89%	1,166.28
Subsidiaries								
Indian								
Comsyn India Private Limited	0.25%	26.60	1.02%	18.66	1%	18.66	(0.61)%	(7.06)
Non - Controlling Interest in all subsidiaries	0.00%	0.00	0.00%	0.00	0.00%	0.00	0%	0.00
Intercompany eliminations	(0.22%)	(23.67)	(0.30%)	(5.43)	(0.28%)	(5.33)	(0.28)%	(3.23)
<b>Total</b>	<b>100%</b>	<b>10,554.88</b>	<b>100%</b>	<b>1,831.51</b>	<b>100%</b>	<b>1,863.65</b>	<b>100%</b>	<b>1,155.99</b>

1. Comsyn India Private Limited is a wholly owned subsidiary and was incorporated on 26.08.2020

## 2.1 Statement of Compliance

These consolidated financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act.

The Board of Directors approved the consolidated financial statements for the year ended 31st March 2022 and authorised for issue on 25th May, 2022.

## 2.2 Basis of preparation and presentation

### a. Basis of Preparation

The Group maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value, recoverable amount or net realisable value in accordance with Indian Accounting Standards. The Financial Statements of the Group have been prepared to comply with the Indian Accounting standards (‘Ind AS’), including the rules notified under the relevant provisions of the Companies Act, 2013.

Subsidiaries are entities where the group exercise control or hold more than one-half of its total share capital. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The consolidated financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and the unrealised profits/losses.

### b. Basis of Presentation

i. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 (“the Act”). The Consolidated Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows” by use of Indirect method. The disclosure requirements with respect to items in the Consolidated Balance Sheet and Consolidated Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

ii. The Group’s Financial Statements are presented in Indian Rupees (INR), which is also its functional currency and all values are rounded to the nearest lakhs, except when otherwise indicated, as permitted by Schedule III to the Companies Act, 2013. Transactions and balances with values below the rounding off norm adopted by the Group have been reflected as “0” in the relevant notes to these financial statements.

#### iii. Current and Non-Current Classification

The Group presents assets and liabilities in the Balance Sheet based on Current/ Non-Current classification.

An asset is treated as Current when it is –

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

All other assets are classified as non-current.

A liability is current when: -

- It is expected to be settled in normal operating cycle;

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

The Group classifies all other liabilities as non-current.

### 2.3 Key Accounting Estimates and Judgements

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the group to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. The Group uses the following critical accounting estimates in preparation of its financial statements:

Key sources of estimation of uncertainty at the reporting date of consolidated financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of useful lives and carrying amounts of property, plant and equipment, fair value measurements of financial instruments, revenue recognition, employee benefits, valuation of deferred tax assets and leases, these are discussed below.

Outcomes within the next financial year that are different from the assumption could require a material adjustment to the carrying amount of the asset or liability.

#### a) Property, Plant and Equipment

Judgement is required in applying the recognition criteria as to what constitutes an item of property, plant and equipment. The Group uses judgement to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of the evidence available at the time of initial recognition. 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.

The Group reviews its carrying value of Property, plant and equipment carried at cost (net of impairment, if any) annually, when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the consolidated statement of profit and loss. It involves, among other techniques, estimations in respect of expected future cash flows and discount rates to arrive at present value of expected cash flows.

The carrying amount of Property, plant and Equipment is given at note no. 3

#### b) Financial Instruments

When the fair value of financial assets and financial liabilities recorded in the consolidated balance sheet cannot be measured based on quoted price in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The carrying value of fair value of financial instruments is given at note no. 4 to 7, 9 to 13, 17, 18 and 21 to 23.

#### c) Revenue Recognition

The Group derives its revenue primarily from sale of merchandise and commission from DCA cum CS business.

The Group's contract with customers could include promises to transfer multiple products and services to a customer. The Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

Judgment is also required to determine the transaction price for the contract and to describe the transaction price to each distinct

performance obligation. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

The Group uses judgement to estimate the value of the goods or services to the customer transferred to date relative to the remaining goods or services promised under contract which is used to determine the degree of completion of the performance obligation.

The amount of revenue recognised is given in note no. 26.

#### **d) Employee Benefits**

The accounting of employee benefit plans in the nature of defined benefit requires the Group to use assumptions. These assumptions have been explained under employee benefits note.

The carrying value of employee benefit plans in the nature of defined benefits is given in note no. 19, 25 and 31.

#### **e) Deferred Tax Assets**

A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Group exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

#### **f) Leases**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

The carrying value of lease obligations and Right of use assets is given at note no. 18 and 3 respectively.

## **2.4 Recent accounting developments**

Ministry of Corporate Affairs (“MCA”), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

- a) Ind AS 109: Annual Improvements to Ind AS (2021)
- b) Ind AS 103: Reference to Conceptual Framework
- c) Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
- d) Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its consolidated

financial statements.

## 2.5 Summary of Significant Accounting Policies

### a) Property, Plant and Equipment

Property, Plant and Equipment are stated at cost after deducting trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost, non-refundable purchase taxes, any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

The Group has opted cost model as its accounting policy for measurement after recognition.

Depreciation on Property, Plant and Equipment is provided using Straight Line Method taking life of the assets as given in the Schedule -II of Companies Act, 2013 on 95% of value of assets.

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.

Gains or losses arising from de-recognition of a Property, Plant and Equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

Property, plant and equipment are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the consolidated statement of profit and loss.

### b) Intangible Assets

Intangible assets purchased are measured at cost as of the date of acquisition, as applicable, less accumulated amortisation and accumulated impairment, if any.

The Group has opted cost model as its accounting policy for measurement after recognition.

Gains or losses arising from de-recognition of an Intangible Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

The Group's intangible assets comprises assets with finite useful life which are amortised on a straight-line basis over the period of their expected useful life.

Intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss

### c) Inventories

Inventories consists of raw materials, work in progress, finished goods and stores and spares. Inventories are valued at the lower of

cost and net realizable value except wastage which is valued at net realisable value. The cost of inventories shall comprise all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present, location and condition. The costs of inventories are assigned using the first in, first out (FIFO) formula. When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised.

#### **d) Cash and Cash Equivalents**

Cash and cash equivalents comprise of cash on hand, cash at banks, short-term deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **e) Financial Instruments**

##### **Financial Assets**

##### **Initial Recognition and Measurement**

The Group recognises a financial asset when it becomes party to the contractual provisions of the instrument. All Financial Assets are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value through Profit or Loss, are adjusted to the fair value on initial recognition.

Where the fair value of the financial asset at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

##### **Subsequent Measurement**

##### **Financial Assets measured at Amortised Cost**

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represent solely payments of principal and interest on the principal amount outstanding.

##### **Financial Assets measured at Fair Value through Other Comprehensive Income**

A Financial Asset is measured a FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that represents solely payments of principal and interest on the principal amount outstanding.

##### **Financial Assets measured at Fair Value through Profit or Loss**

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

##### **Impairment of Financial Assets**

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected Credit Losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

For Trade Receivables, the Group applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Group uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward-looking estimates are analysed.

For other assets, the Group uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

#### **Reclassification of Financial Assets**

Financial assets are reclassified subsequent to their recognition, if the Group changes its business model for managing those financial assets. Changes in business model are made and applied prospectively from the reclassification date which is the first day of immediately next reporting period following the changes in business model in accordance with principles laid down under Ind AS 109 – Financial Instruments.

#### **Financial Liabilities**

##### **Initial Recognition and Measurement**

The Group recognises a financial liability when it becomes party to the contractual provisions of the instrument. All Financial Liabilities are recognised at fair value and in case of financial liabilities classified as ‘subsequently measured at amortised cost’ are shown net of directly attributable cost.

Where the fair value of the financial liability at initial recognition differs from the transaction price an entity account for the difference as follows:

- As a gain or loss, if that fair value is evidenced by a quoted price in an active market for an identical asset or liability,
- Is deferred in other cases. The deferred difference is recognised as a gain or loss only to the extent it arises from a change in factor (including time) that market participants would take into account when pricing the asset or liability.

##### **Subsequent Measurement**

Financial Liabilities which are classified as ‘subsequently measured at amortised cost’ are carried at amortised cost using the effective interest method.

##### **Hedge Accounting**

The Group uses derivative financial instruments such as forward contracts to mitigate the risk of changes in exchange rates. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

Hedges that meet the criteria for hedge accounting are accounted for as follows:

##### **Fair Value Hedge**

The Group designates derivative contracts as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in foreign exchange rates. The gain or loss on the hedging instrument is recognised in profit or loss. The hedging gain or loss on the hedged item adjusts the carrying amount of the hedged item and is recognised in profit or loss.

##### **De-recognition of Financial Instruments**

The Group derecognises a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for de-recognition under Ind AS 109. A Financial liability (or a part of a financial liability) is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

#### **f) Provisions and Contingent Liabilities**

##### **Provision**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contingent Liabilities**

Disclosure of contingent liability is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources embodying economic benefits will be required to settle or a reliable estimate of amount cannot be made.

**g) Revenue Recognition**

Revenue is measured at the amount of consideration which the Group expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

**Sale of Goods**

Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Group has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

**Commission income**

The Group is also DCA cum Consignment Stockiest of ONGC Petro additions Limited (OPaL) to deal in granules. Generally, control is transferred upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Principal has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

**Job work and other services**

Revenue from rendering of other services is recognised over time by measuring the progress towards complete satisfaction of performance obligations by using output method at the reporting period.

**Interest Income**

Interest Income from a Financial Assets is recognised using effective interest rate method.

**Export Licences**

The revenue from transfer of export licences has been recognised when control over licences are transferred.

**h) Contract Balances****Trade Receivables**

A receivable represents the Group's right to an amount of consideration that is unconditional.

**Contract Liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract.

**i) Government Grants**

Government grants, including non-monetary grants at fair value, are recognised when there is reasonable assurance that:

- (a) The entity will comply with the conditions attaching to them; and
- (b) The grants will be received.



Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

#### **Presentation of Government grants**

Grant related to specific fixed assets are presented in the balance sheet by showing the grant as deduction from the gross value of asset concerned in arriving at their book value.

Grants related to income are presented as part of profit or loss.

#### **j) Employees Benefits Expense**

##### **Short-Term Employee Benefits**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

Leave encashment is accounted for on cash basis. Group compulsorily pays for encashment of leave within 12 months. Hence all payments are short term in nature.

##### **Post-Employment Benefits**

##### **Defined Contribution Plans**

The Group recognises contribution payable to the provident fund and ESIC scheme as an expense, when an employee renders the related service.

##### **Defined Benefit Plans**

The Group has opted Group Gratuity Scheme of Life Insurance Corporation of India. The Group makes contribution to the fund under that scheme. Provision for obligations is made for any shortfall in contribution to the fund as against the present value of defined benefit obligations towards gratuity at the reporting date.

Re-measurement gains and losses arising from adjustments and changes in actuarial assumptions are recognised in the period in which they occur in Other Comprehensive Income.

#### **k) Borrowing Cost**

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

#### **l) Impairment of Non-Financial Assets – Property, Plant and Equipment and Intangible Assets**

The Group assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the CGU to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

#### **m) Income Taxes**

##### **Income taxes**

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

##### **Current taxes**

Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the Income Tax authorities, based on tax rates and laws that are enacted at the reporting date.

#### **Deferred taxes**

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

#### **n) Leases**

The Group, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Group has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the lease term.

#### **o) Foreign Currencies Transactions and Translation**

##### **Initial Recognition and Measurement**

Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction i.e. spot exchange rate between the functional currency and the foreign currency.

##### **Subsequent recognition and Measurement**

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency at closing rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets which are capitalised as cost of assets.

#### **p) Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

## NON CURRENT ASSETS

## 3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Useful life (In Years)	Cost						Accumulated depreciation			Net carrying amount as at 31st March, 2022	Net carrying amount as at 31st March, 2021
		As at 1st April, 2021	Addition	Disposal / Subsidy Received	As at 31st March, 2022	As at 1st April, 2021	Depreciation for the period	Disposal	As at 31st March, 2022			
<b>PROPERTY, PLANT AND EQUIPMENT</b>												
Freehold Land	NA	81.28	-	-	81.28	-	-	-	-	-	-	81.28
Factory Building	30	3,486.88	29.75	95.22	3,421.41	2,67.30	115.39	-	382.69	3,038.72	-	3,219.58
Office Building	60	2.31	-	2.31	-	0.19	0.06	-	0.25	2.06	-	2.12
Building (Other than Factory Building)	60	143.90	72.58	-	216.48	7.11	2.37	-	9.48	207.01	-	136.80
Site Development	30	1.74	-	0.50	1.24	0.20	0.06	-	0.19	1.05	-	1.53
Plants & Equipments	15	5,619.02	519.64	211.25	5,927.42	1,467.64	684.22	-	2,151.85	3,775.57	-	4,189.19
Plants & Equipments (Sold During the Year)		26.19	-	26.19	(0.00)	-	-	9.17	-	(0.00)	-	-
Furniture and Fixture	10	147.81	1.78	1.13	147.81	41.08	15.44	-	56.52	91.29	-	106.08
Computer Equipments	3	56.72	14.06	0.50	72.27	33.98	14.21	-	48.20	24.08	-	24.74
Vehicles	8	284.74	44.16	-	328.91	69.81	36.42	-	106.22	221.48	-	214.94
Office Equipments	5	84.49	4.31	-	88.79	25.86	18.07	-	43.93	44.86	-	37.84
<b>Total (A)</b>		<b>9,936.43</b>	<b>686.28</b>	<b>334.78</b>	<b>10,287.92</b>	<b>1,922.33</b>	<b>886.24</b>	<b>9.24</b>	<b>2,795.33</b>	<b>7,487.40</b>		<b>8,014.10</b>
Previous Year Figure		6,831.56	3,224.23	119.35	9,936.44	1,279.11	741.57	98.35	1,922.33	7,487.40		5,552.45
<b>CAPITAL WORK IN PROGRESS</b>												
Capital expenditure on building (Other than Factory Building)		29.52	66.80	96.33	0.00	-	-	-	-	0.00	-	29.52
<b>Total (B)</b>		<b>29.52</b>	<b>66.80</b>	<b>96.33</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.00</b>	<b>-</b>	<b>29.52</b>
Previous Year Figure		1,383.69	668.22	2,024.14	2,777	-	-	-	-	29.52	-	1,383.69
<b>RIGHT OF USE ASSETS</b>												
Leasehold Land	5 to 99 Years	741.10	1,247.27	2.37	1,986.01	46.38	58.62	-	104.99	1,881.01	-	694.73
Leasehold Building		5.61	-	-	5.61	0.57	0.57	-	1.14	-	-	-
<b>Total (C)</b>		<b>746.71</b>	<b>1,247.27</b>	<b>2.37</b>	<b>1,991.61</b>	<b>46.94</b>	<b>59.19</b>	<b>-</b>	<b>106.13</b>	<b>1,881.01</b>	<b>-</b>	<b>694.73</b>
Previous Year Figure		273.31	38.25	-	311.55	22.42	12.79	-	35.21	694.73	-	258.34
<b>OTHER INTANGIBLE ASSETS</b>												
Computer Software	3	1.00	-	-	1.00	0.55	0.32	-	0.87	0.13	-	0.45
<b>Total (D)</b>		<b>1.00</b>	<b>-</b>	<b>-</b>	<b>1.00</b>	<b>0.55</b>	<b>0.32</b>	<b>-</b>	<b>0.87</b>	<b>0.13</b>	<b>-</b>	<b>0.45</b>
Previous Year Figure		1.00	-	-	1.00	0.24	0.32	-	0.55	0.45	-	0.76
<b>Total (A + C)</b>		<b>10,683.13</b>	<b>1,933.55</b>	<b>337.15</b>	<b>12,279.53</b>	<b>1,969.28</b>	<b>945.42</b>	<b>9.24</b>	<b>2,905.46</b>	<b>9,368.41</b>		<b>8,708.84</b>
Previous Year Figure Total (A + C)		7,104.87	3,262.48	119.35	10,247.99	1,301.53	794.36	98.35	1,957.54	8,708.83		5,810.79
<b>Grand Total of Assets (A + B + C + D)</b>		<b>10,713.66</b>	<b>2,000.35</b>	<b>433.47</b>	<b>12,280.54</b>	<b>1,969.83</b>	<b>945.74</b>	<b>9.24</b>	<b>2,906.33</b>	<b>9,368.54</b>		<b>8,738.80</b>
Previous Year Figure Total (A + B + C + D)		8,489.56	3,930.69	2,143.49	10,276.77	1,301.77	754.68	98.35	1,958.09	8,738.80		7,195.25

(i) a. Borrowing Cost Rs. Nil Capitalised during the year ( previous year Rs. 70.98 Lakhs) added to Property, Plant and Equipment/ Capital Work in Progress.

b. The capitalisation rate was the weighted average of the borrowing costs applicable to all borrowings that were outstanding during the period.

Borrowings costs were capitalised during the financial year 2020-21 against qualifying assets under construction using a capitalisation rate of 7.50%.

(ii) The details of Property, Plant and Equipment which have been pledged as security are given in Note no. 17 & 21.

(iii) Right of Use assets consists of lease contracts entered into by the Company pertains for lands taken on lease to conduct its business in the ordinary course.

(iv) Capital Commitments

Commitments to the extent not provided for are Rs. Nil (Previous Year 35.00 lakhs)

(Refer note 2.5 (a) for accounting policy on Property Plant and Equipments and Note no 2.3 (a) for other Information)

(v) Subsidy amount included in Disposal / Subsidy Received as follows-

Particulars	(Rupees In Lakhs)
<b>UNIT-02</b>	
Plant and Machinery	54.01
Factory Building	24.73
<b>UNIT-SEZ PH-1</b>	
Plant and Machinery	74.50
Factory Building	70.48
<b>UNIT-COMSYN INDIA</b>	
Plant and Machinery	46.33
<b>Total</b>	<b>270.06</b>

## 4 Investments

(Rupees In Lakhs)

NON CURRENT INVESTMENT	As at 31st March, 2022	As at 31st March, 2021
<b>a. Investments in Equity Instruments</b>		
(i) of other entities (not being subsidiary / associate) (in unquoted instruments fully paid )	0.18	0.18
<b>b. Other Investments</b>		
(i) In LLP	(4.15)	-
<b>Total</b>	<b>(3.97)</b>	<b>0.18</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

## a. Information about investments in equity instruments-

(Rupees In Lakhs)

(i) Other entities	No. of Shares in (Lakhs)	Face Value Per Share in Rs.	As at 31st March, 2022	As at 31st March, 2021
Comsyn foundation	0.018	10.00	0.18	0.18
<b>Total</b>	<b>0.018</b>	<b>10.00</b>	<b>0.18</b>	<b>0.18</b>

Comsyn foundation is a company licenced under section 8 of the Companies Act, 2013 and is limited by shares.

## b) Other Investments

(Rupees In Lakhs)

Name of LLP	Profit Sharing Ratio as on 31.03.2022	Capital As at 31.03.2022
CK Associates Realty LLP	10%	(4.15)
<b>Total</b>	<b>0.10</b>	<b>(4.15)</b>

CK Associates LLP is a Limited Liability Partnership incorporated in FY 2021-22

## c) Other Information -

(Rupees In Lakhs)

(ii) Other information	As at 31st March, 2022	As at 31st March, 2021
Aggregate amount of quoted investment	-	-
Aggregate amount of unquoted investment	(4.15)	-
Aggregate market value of quoted investments	Not Applicable	Not Applicable
Aggergate amount of impairment in value of investment	-	-

## 5 Loans

(Rupees In Lakhs)

Loans to Investee	As at 31st March, 2022	As at 31st March, 2021
Loans Receivables considered good – Secured	278.52	-
<b>Total</b>	<b>278.52</b>	<b>-</b>

## a) Other Information -

(Rupees In Lakhs)

Investee	As at 31st March, 2022	As at 31st March, 2021
CK associates realty LLP	278.52	-

(Rupees In Lakhs)

Name of Party	Amount Outstanding	% of loans and Advances to total advances	Amount Outstanding	% of loans and Advances to total advances
CK associates realty LLP	278.52	97.65	-	-

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 person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

## 6. Others Financial Assets

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Security and Earnest Money Deposits	520.71	553.11
Security Deposit	58.26	-
<b>Total</b>	<b>578.97</b>	<b>553.11</b>

## 7. Other Non Current Assets

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
i. Capital Advances	33.35	143.67
ii. Advances other than the capital advances		
a. Security Deposits		
Sales Tax Department	0.15	0.70

b. Other Advances		
Prepaid Lease Rent (IND AS)	11.40	12.60
Prepaid Expenses (IND AS)	1.02	1.49
<b>Total</b>	<b>45.92</b>	<b>158.46</b>

## 8. Current Assets

### Inventories

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Valued at lower of cost and net realisable value except wastage which is valued at net realisable value		
(i) Raw Materials		
i) Material in Transit	-	202.82
ii) Material In Hand	1,352.27	1,344.04
(ii) Work-in-progress	2,046.94	1,256.52
(iii) Finished goods	2,279.04	2,685.68
(iv) Stock in trade	-	0.05
(v) Stores and spares	252.93	198.30
<b>Total</b>	<b>5,931.18</b>	<b>5,687.42</b>

(Refer note no 2.5 (c) for accounting policy on Inventories)

The carrying amount of inventory pledged as securities for borrowings is Rs. 5,931.18 lakhs ( Rs. 5,687.42 lakhs as at 31st March, 2021.

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b><u>Details of Inventory</u></b>		
<b>Raw Materials</b>		
Plastic Granules	1,046.41	1,163.50
Master Batch	137.81	101.91
Fabric	84.44	214.90
Bopp Film	35.34	9.43
Thread / Crimpt yarn / Filler Cord/ Belt	47.66	52.74
Liner	0.61	4.38
<b>Total</b>	<b>1,352.27</b>	<b>1,546.86</b>
<b>Work in Progress/Semi Finished Goods</b>		
Fabric (at Jobwork)	430.35	336.03
Fabrilated Thread	33.34	28.97
Re Process Granules	42.00	18.87
Goods in Process	1,181.45	657.15
U L F/LF/BSLF/BSLF-II/BELT	359.79	215.50
<b>Total</b>	<b>2,046.94</b>	<b>1,256.52</b>

<b>Finished Goods</b>		
HDPE Bags (FIBC)	482.47	377.84
HDPE Bags	86.17	110.98
HDPE/PP Thread	50.56	22.64
Fabric	104.91	81.18
Stock In Transit	1,426.26	2,026.36
Tarpauline(In SQF)	47.05	49.03
HDPE Wastage	10.10	3.20
Liner	13.49	3.19
Vermi Beds and Meltblown Non Woven Fabric	58.03	11.26
<b>Total</b>	<b>2,279.04</b>	<b>2,685.68</b>
<b>Stock in Trade</b>		
Fabric (HO)	-	0.01
Bags	-	0.01
Fabrics ( as such)	-	0.03
<b>Total</b>	<b>-</b>	<b>0.05</b>

**9. Trade receivables****(Rupees In Lakhs)**

	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2020</b>
<b>Trade receivables</b>		
Secured considered good		
Unsecured- considered good	3,588.20	2,134.01
Less: Loss Allowance	21.80	-
<b>Total (a)</b>	<b>3,566.41</b>	<b>2,134.01</b>
Credit Impaired	86.91	68.81
Less : Loss Allowance	86.91	68.81
<b>Total (b)</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>3,566.41</b>	<b>2,134.86</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

**(Rupees In Lakhs)**

	<b>As at 31st March, 2022</b>	<b>As at 31st March, 2021</b>
<u>Debts due by</u>		
Officers	2.41	2.41
<b>Total</b>	<b>2.41</b>	<b>2.41</b>

**Trade Receivables Ageing Schedule 31.03.2022****(Rupees In Lakhs)**

<b>Particulars</b>	<b>Outstanding for following periods from due date of payment</b>				
	<b>Less than 6 months</b>	<b>6 months - 1 year</b>	<b>1-2 Years</b>	<b>2-3 years</b>	<b>More than 3 years</b>
(i) Undisputed Trade receivables — considered good	3,371.06	211.16	3.49	1.55	0.94
(ii) Undisputed Trade Receivables — credit impaired	12.14	21.99	17.81	7.53	11.03
(iii) Disputed Trade Receivables — credit impaired	1.26	-	-	1.22	13.94
<b>Total</b>	<b>3,384.46</b>	<b>233.15</b>	<b>21.30</b>	<b>10.29</b>	<b>25.91</b>

## Trade Receivables Ageing Schedule 31.03.2021

(Rupees In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 years	More than 3 years
(i) Undisputed Trade receivables — considered good	2,134.86	-	-		-
(ii) Undisputed Trade Receivables — credit impaired	3.41	23.43	26.36	3.89	11.72
<b>Total</b>	<b>2,138.27</b>	<b>23.43</b>	<b>26.36</b>	<b>3.89</b>	<b>11.72</b>

## 10 Cash and Cash Equivalent

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
(a) Balance with banks	57.66	228.94
(b) Cash in hand	9.64	8.93
<b>Total</b>	<b>67.30</b>	<b>237.87</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

## 11 Other Bank Balances

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Balances with banks held as margin money or security against borrowings and guarantee.	449.29	367.18
<b>Total</b>	<b>449.29</b>	<b>367.18</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

## 12 Loans

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Loans		
unsecured, considered good	0.88	-
Others (Staff Loan)	5.81	7.68
<b>Total</b>	<b>6.70</b>	<b>7.68</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

## Information about Loans -

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Loans Receivables considered good - Unsecured	6.70	7.68
<b>Total</b>	<b>6.70</b>	<b>7.68</b>



(Rupees In Lakhs)

Name of Party	As at 31st March, 2022		As at 31st March, 2021	
	Amount Outstanding	% of loans and Advances to total advances	Amount Outstanding	% of loans and Advances to total advances
Staff Loans	6.70	2.35	7.58	100.00

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 person(s) or entity(ies), including foreign entities (“Intermediaries”) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

### 13 Other Financial Assets

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Other Recoverable	17.80	13.69
<b>Total</b>	<b>17.80</b>	<b>13.69</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

### 14 Other Current Assets

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Other Advances (includes advance for RM)	506.07	794.47
Export Benefit Receivable	273.17	97.43
VAT Refund Claim	8.21	21.28
Interest Subvention Receivable	20.56	-
Service Tax Recoverable	0.43	0.43
Unreconciled Debtors	(0.85)	(0.85)
Deposits for Appeal (VAT, CST, ET )	1.65	2.66
Prepaid Expenses	23.28	26.74
Advance Duty Deposit	2.01	0.83
GST Recoverable	953.53	783.75
Other Receivable	1.73	-
<b>Total</b>	<b>1,789.79</b>	<b>1,722.72</b>

**EQUITY AND LIABILITIES**
**15 Equity share capital**
**(Rupees In Lakhs)**

	As at 31st March, 2022	As at 31st March, 2021
(a) Authorised share capital 1,50,00,000 Equity Shares of Rs. 10/- each (Previous year 1,30,00,000 Equity Shares of R 10/-each)	1,500.00	1,300.00
(b) Issued and Subscribed :- 1,24,02,400 equity shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)	1,240.24	1,181.74
(c) Fully Paid up Capital :- 1,24,02,400 equity shares of Rs. 10/- each (Previous year 1,18,17,400 Equity Shares)	1,240.24	1,181.74
<b>Total Paid-up Capital</b>	<b>1,240.24</b>	<b>1,181.74</b>

**a The Details of Shareholders holding more than 5% shares :-**
**(Equity Shares In Lakhs)**

Shares held by Shareholder holding more than 5% share in the company	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares in (Lakhs)	% Held	No. of Shares in (Lakhs)	% Held
Super Sack Private Limited	35.35	28.51	35.35	29.92
Pradeep Kumar Agrawal	1.36	1.10	7.36	6.23
Mohan Lal Choudhary	6.39	5.15	5.39	4.56

**b Shares held by promoters at 31st March, 2022**
**(Equity Shares In Lakhs)**

Shares held by promoters at the end of the year			
Promoter name	No. of Shares in (Lakhs)	% of total \ shares	% Change during the year
Anil Choudhary Huf	4.71	3.79	-
Mangilal Mohan Lal Huf	1.40	1.13	-
Ravindra Kumar Mohan Lal Choudhary Huf	2.69	2.17	-
Vidhya Choudhary	2.24	1.81	-
Mohan Lal Choudhary	6.39	5.15	0.80
Ravindra Kumar Choudhary	3.85	3.10	1.55
Hem Lata Choudhary	0.26	0.21	-
Munni Devi Choudhary	1.50	1.21	-
Anil Choudhary	5.99	4.83	0.80
Pramal Choudhary	4.08	3.29	1.55
Veenal Choudhary	5.21	4.20	-
Ashay Choudhary	0.25	0.20	-
Pramal Choudhary (Huf)	0.20	0.16	-
Super Sack Private Limited	35.35	28.51	-
Pravi Investments LLP	3.99	3.22	-
<b>Total</b>	<b>78.11</b>	<b>62.98</b>	

## Shares held by promoters at 31st March, 2021

(Equity Shares In Lakhs)

Shares held by promoters at the end of the year			
Promoter name	No. of Shares in (Lakhs)	% of total \ shares	% Change during the year
Anil Choudhary Huf	4.71	3.98	-
Mangilal Mohan Lal Huf	1.4	1.18	-
Ravindra Kumar Mohan Lal Choudhary Huf	2.69	2.28	-
Vidhya Choudhary	2.24	1.9	-
Mohan Lal Choudhary	6.39	4.56	-
Ravindra Kumar Choudhary	3.85	1.63	6.68
Hem Lata Choudhary	0.26	0.22	0.21
Munni Devi Choudhary	1.5	1.27	0.21
Anil Choudhary	5.99	4.22	0.42
Pramal Choudhary	4.08	1.82	-
Veenal Choudhary	5.21	4.41	-
Ashay Choudhary	0.25	0.21	0.21
Pramal Choudhary (Huf)	0.2	0.17	0.17
Super Sack Private Limited	35.35	29.92	0.79
Pravi Investments LLP	3.99	3.38	0.62
<b>Total</b>	<b>78.11</b>	<b>61.15</b>	

## c. Reconciliation of number of share

(Rupees In Lakhs)

Equity Shares	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares in (Lakhs)	Rs.	No. of Shares in (Lakhs)	Rs.
Opening balance	118.17	1,181.74	118.17	1,181.74
Issued during the year	5.85	58.50	-	-
<b>Closing balance</b>	<b>124.02</b>	<b>1,240.24</b>	<b>118.17</b>	<b>1,181.74</b>

## d Terms/ Rights attached to equity shares :

The company has only one class of equity shares having a par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

## e Preferential issue

The Company has issued 15,00,000 warrants of Rs. 130.00 each convertible into equity shares on preferential basis to promoter, promoter group and other specified person categorized as public and received up-front subscription of Rs. 32.50 per warrant aggregating Rs. 487.50 Lakhs. The promoter and promoter group has exercised the option for conversion of warrant into equity shares for their total 5,85,000 warrants by paying Rs. 97.50 per warrant aggregating Rs. 570.375 Lakhs. Thus 5,85,000 shares of Rs. 10 each were allotted to promoter and promoter group at a premium of Rs. 120 per share on 26th March, 2022.

## f Capital Management

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company's objective

for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders.

**g Earnings Per Share**

Basic earnings per share is calculated by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year adjusted for bonus element in equity share.

Diluted earnings per share adjusts the figures used in determination of basic earnings per share to take into account the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as at the beginning of the period unless issued at a later date.

(Rupees In Lakhs except EPS)

Earning per share	As at 31st March, 2022	As at 31st March, 2021
<b>Calculation of Basic EPS:</b>		
Total Profit or Loss attributable to shareholders	1,830.79	1,198.29
Net Profit (loss) for calculation of basic EPS	1,830.79	1,198.29
Weighted average number of equity shares (In Lakhs)	118.25	118.17
Basic EPS	15.48	10.14
<b>Calculation of Diluted EPS:</b>		
Profit(loss) after tax	1,830.79	1,198.29
Weighted average number of equity shares (In Lakhs)	125.04	118.17
Diluted EPS	14.64	10.14

**h Terms of securities convertible into equity shares**

- (i) The Company has issued 15,00,000 warrants of Rs. 130.00 each convertible into equity share on preferential basis to promoter, promoter group and other specified person categorized as public and received up front subscription of Rs. 32.50 per warrant aggregating Rs. 487.50 Lakhs. The promoter and promoter group has exercised the option for conversion of warrants into equity shares for their total 5,85,000 warrants by paying 97.50 per warrant aggregating Rs. 570.385 Lakhs. Thus 9,15,000 share warrants are outstanding at carrying value of Rs. 297.38 Lakhs
  - (ii) If the entitlement against the Warrants to apply for the equity shares is not exercised within the aforesaid period of 18 (Eighteen) months, the entitlement of the Warrant holders to apply for equity shares of the Company along with the rights attached thereto, shall expire and the amount paid as Upfront amount on the application shall be liable for forfeiture as per provisions of the SEBI (ICDR) Regulations, 2018.
  - (iii) Latest date of conversion is 18 months from the allotment date i.e. . Latest Date is 14.04.2023 Earliest date of conversion was 15.10.2021.
  - (iv) The Equity shares so allotted upon conversion of warrants shall be listed at the BSE Ltd. where the existing shares of the Company are listed.
- (i) The company has received Total Rs. 1057.88 Lakhs by issue of securities out of which Rs. 487.50 Lakhs was used upto 31.03.2022 for a specific purpose and balance amount outstanding of Rs. 570.38 Lakh will be used for Long term and short term working capital, General corporate purpose, investment and providing loans to subsidiary.

## 16 Other Equity

(Rupees In Lakhs)

Other equity consist of following:	As at 31st March, 2022	As at 31st March, 2021
<b>Capital reserve</b>		
Opening Balance	9.23	9.23
Closing Balance	9.23	9.23
<b>General Reserve</b>		
Opening Balance	10.88	10.88
Closing balance	10.88	10.88
<b>Security Premium Reserve</b>		
Opening Balance	406.53	406.53
Add: Premium on shares issued during the year	702.00	-
Closing balance	1,108.53	406.53
<b>Retained Earnings</b>		
Surplus(deficit) in the statement of Profit & Loss		
<b>Balance as per last financial statement ( Refer table below for details *)</b>	<b>6,261.42</b>	<b>5,282.70</b>
Profit/ (Loss) during the year	1,830.79	1,198.29
Other Comprehensive Income for the year ( Movement in re-measurment of Defined benefits plans)	32.04	(42.30)
<b>Total Comprehensive Income for the year</b>	<b>1,862.83</b>	<b>1,155.99</b>
Final Dividend FY 2019-20	-	177.26
Final Dividend FY 2020-21	236.35	-
<b>Net surplus in the statement of profit and loss</b>	<b>7,887.90</b>	<b>6,261.42</b>
<b>Total</b>	<b>9,016.55</b>	<b>6,688.06</b>
<b>Share Warrant</b>	297.38	
<b>Other Comprehensive Income (OCI)</b>		
Add: Movement in OCI (Net) during the year	15.52	
<b>Total Other Equity</b>	<b>9,329.44</b>	<b>6,688.06</b>

\* Retained earnings as at 1st April 2021 comprises of following balances:-

(Rupees In Lakhs)

Retained earnings as at 1st April 2021	6,318.96
Other comprehensive on account of remeasurment of net defined benefits plan as at 1st april 2021	(57.54)
<b>Total</b>	<b>6,261.42</b>

\* Retained earnings as at 1st April 2020 comprises of following balances:-

(Rupees In Lakhs)

Retained earnings as at 1st April 2020	5,297.93
Other comprehensive on account of remeasurment of net defined benefits plan as at 1st april 2020	(15.23)
<b>Total</b>	<b>5,282.70</b>

## 17 Borrowing

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b>(a) Term loans</b>		
From Banks		
secured	2,774.41	2,991.51
<b>(b) Other loans</b>		
unsecured	-	141.04
<b>Net Amount</b>	<b>2,774.41</b>	<b>3,132.55</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

Other Information	As at 31st March, 2022	As at 31st March, 2021
<b>a Loans guaranted by directors</b>	<b>2,355.22</b>	<b>2,543.42</b>

**b Terms of Repayment of term loans and other loans:****b1 Term Loan from Kotak Mahindra Bank Limited**

Term loan from Kotak Mahindra Bank Limited Rs 1743.41 Lakhs (Previous year balance Rs 1592.23 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (i.e. Company) (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties :-

Nature of Security -

- Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.
- Property situated at Block A & B of office premises at 3-4 Jaora Compound, MYH Road, Indore.

The Term Loan is further secured by Personal Guarantee(s) of Shri Anil Choudhary, Managing Director and Smt Ranjana Choudhary, Whole Time Director of the Company and by Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).

Term Loan from Kotak Mahindra Bank Limited consists of Rupee Term Loan of Rs. 286.1 Lakhs (Previous balance Rs. 387.54 ) and Foreign Currency Term Loan (FCTL in Euro) of Rs. 773.74 Lakhs (Previous balance Rs. 1060.99 Lakhs). There repayments are as –

- FCTL - 5933FC0400000002 of Rs. 203.18 Lakhs having interest rate 3.50 %(Euro 2,39,972.18) (Previous balance Rs. 277.83 Lakhs interest rate 3.50 %(Euro 3,22,686.03)) is repayable in Sixteen Equated Quarterly Installments of Euro 23,270 each starting from December, 2018 to September, 2022 and Balance of Euro 1,99,283.72 will be convert in INR in December, 2022 .
- FCTL – 5933FC0400000003 of Rs. 196.38 Lakhs having interest rate 3.50 % (Euro 2,31,962.10)(Previous balance is Rs. 268.75 Lakhs , Interest rate 3.50 % (Euro 3,12,144.83)) is repayable in Sixteen Equated Quarterly Installments of Euro 22,552 each starting from December, 2018 to September, 2022 and Balance of Euro 1,92,512.75 will be convert in INR in

December, 2022 .

- (iii) FCTL – 5933FC0400000004 of Rs. 138.22 Lakhs having interest rate 3.50 % (Euro 1,63,267.69) (Previous balance is Rs.189.01 Lakhs , Interest rate 3.50 % (Euro 2,19,527.32)) is repayable in Sixteen Equated Quarterly Instalments of Euro 15,828 each starting from June, 2019 to March, 2023 and Balance of Euro 1,05,923.93 will be convert in INR in June, 2023.
- (iv) FCTL – 5933FC0400000005 of Rs. 143.15 Lakhs having interest rate 3.50 %(Euro 1,69,091.29 ) (Previous balance is Rs. 195.36 Lakhs , Interest rate 3.50 %(Euro 2,26,897.65)) is repayable in Sixteen Equated Quarterly Installment of Euro 16,275 each starting from September, 2019 to June, 2023 and Balance of Euro 94,747.89 will be convert in INR in September, 2023.
- (v) FCTL – 5933FC0400000006 of Rs. 92.81 Lakhs having interest rate 3.50 % (Euro 1,09,631.53 ) (Previous balance is Rs. 130.04 , Interest rate 3.50% (Euro 151,039.94 )) is repayable in Forty Six Equated Monthly Installment of Euro 3,814 each starting from June, 2020 to March, 2024 and balance of Euro 22,678.25 will be convert in INR in April, 2024.
- vi) Rupee Term Loan I (No. - 5933TL0100000177) of Rs. 181.98 Lakhs having interest rate 7.00 % (Previous balance Rs.243.49 Lakhs, Interest rate 8.45%) is repayable in Eighteen Equated Quarterly Installment of Rs. 19.57 Lakhs each starting from June, 2020 to September, 2024 and last installment of Rs. 6.38 Lakhs in December, 2024.
- (vii) Rupee Term Loan II (No.-5933TL0100000216) of Rs. 83.71 Lakhs having interest rate 7.00 % (Previous balance Rs. 116.28 Lakhs, Interest rate 8.25%) is repayable in Forty Nine Equated Monthly Installment of Rs. 3.36 Lakhs each starting from June, 2020 to June, 2024 and last installment of Rs. 0.76 Lakhs in July, 2024.
- (viii) Rupee Term Loan III (No.-5933TL0100000225) of Rs. 20.32 Lakhs having interest rate 7.00 %(Previous balance Rs. 27.77 Lakhs, Interest rate 8.70%) is repayable in Fourty Nine Equated Monthly Installment of Rs. 0.78 Lakhs starting from June, 2020 to July, 2024 and last installment of Rs. 0.56 Lakhs in August, 2024.
- (ix) Nature of Security -
  - (a) Plant & Machinery Situated at Plot no 5/1 sector-IPithampur ( Plot taken on sub lease)  
Rupee Term Loan No.-5933TL0100000291 of Rs. 359.57 Lakhs(Previous Year 388.12 Lakhs) is repayable in Seventy two Monthly Installments ( Including Nine Months Moratorium) of starting from 15th November, 2021 to 15th January, 2027

## **b2 Term Loan from HDFC Bank Limited**

Term Loan from HDFC Bank Limited consists of Rupee Term Loan of Rs.1541.14 Lakhs {Previous balance Rs. 1547.18 Lakhs}.

Term loan from HDFC Bank Limited is secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 2247.75 sqmtrs each and building thereon situated at plot No. S-3/1, 3/2 Sector 1 Industrial Area, Pithampur, Dist. Dhar. It is further secured by exclusive first charge by way of equitable mortgage of leasehold factory land admeasuring about 929 sqmtrs& building thereon at Plot No. 309, Sector 1, Industrial Area, Pithampur, Dist. Dhar (M.P.). The loan is further secured by Equitable Mortgage of the lease hold factory land admeasuring about 722 sqmtrs and Building thereon at Plot No. S-2/1, Sector - 1, Pithampur DistDhar and hypothecation of entire machineries, electric installations, furniture and fixtures, office equipments and other movable fixed assets of the Company, situated at the above mentioned all factories, present and future. The loan also secured by exclusive 1st charge by way of hypothecation of entire machineries, electrical installations and other movable fixed assets of the company, situated at PH No. 36, village Galihara, Tehsil Sitamau, District Mandsaur present and future.

There repayment is as –

- (i) Rupee Term Loan I (No.-83511438) of Rs. 731.99 Lakhs having interest rate 7.50% (Previous balance is Rs. 868.47 Lakhs, interest rate 7.50%) is repayable in Eighty Seven Equated Monthly Installment of Rs. 16.42 Lakhs starting from June, 2020 to July, 2026 and last installment of Rs. 7.18 Lakhs in August, 2026.
- (ii) Rupee Term Loan II (No.-85084604) of Rs. 9.28 Lakhs having interest rate 7.50% (Previous balance is Rs. 35.77 Lakhs interest rate 7.50%) is repayable in Eighteen Equated Monthly Installment of Rs. 2.36 Lakhs starting from February, 2021 to July, 2022.

- (iii) Rupee Term Loan III (No.-85084592/ Solar ) of Rs. 208.10 Lakhs having interest rate 7.50% (Previous balance is Rs. 253.27 Lakhs interest rate 7.50%) is repayable in Sixty Equated Monthly Installment of Rs. 5.22 Lakhs starting from February, 2021 to January, 2026.
- (iv) Rupee Term Loan IV (No.-85256245) of Rs. 372.98 Lakhs having interest rate 7.50% (Previous balance is Rs. 367.98 interest rate 7.50% ) is repayable in Eighty Four Equated Monthly Installment of Rs. 6.45 Lakhs starting from June, 2021 to March, 2028.
- (v) Rupee Term Loan V (No.-450555362) GECL- 01 of Rs. 146.79 Lakhs having interest rate 7.50% (Previous balance is nil ) is repayable in Thirty Six Equated Monthly Installment of Rs. 4.62 Lakhs starting from September, 2022 to August, 2025 ( First Twelve Months Moratorium ) .

### b3 Term Loan from State Bank of India

- (i) Loan under Guanteed Emergency Credit Line (GECL) by way of Working Capital Term Loan (WCTL) from State Bank of India Rs. 167.72 Lakhs (Trading Division) (Previous balance is Rs. 200 Lakhs) is secured by extension of charge over the existing primary and collateral securities and receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

Rupee Term Loan GECL Trading Division (No.- 00000039692366967) of Rs. 167.72 Lakhs Having interest rate 7.40 % (Previous balance is Rs. 200 Lakhs, Interest rate 7.50%) is repayable in Thirty Six Monthly Installment of Rs. 6.54 Lakhs starting from September, 2021 to August, 2024 (First Twelve Months Moratorium).

- (ii) Loan under Guanteed Emergency Credit Line (GECL) by way of Working Capital Term Loan (WCTL) from State Bank of India Rs. 416.00 Lakhs having interest rate is 7.40% (Previous balance is Rs. NIL ) is secured by extension of charge over the existing primary and collateral securities and receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

Rupee Term Loan GECL Unit-01 (No.- 00000040365831307) of Rs. 416 Lakhs (Previous balance is nil) is repayable in Thirty Six Monthly Installment of Rs. 11.55 Lakhs starting from August, 2022 to July, 2025 (First Twelve Months Moratorium).

### b4 Other Term Loans

Term Loan (Car Loan) from Axis Bank Limited Rs. 33.65 Lakhs (Previous balance Rs 49.06 Lakhs) is secured by hypothecation of Mercedes Benz Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Car Loan) from Axis Bank Limited Rs. 40.22 Lakhs (Previous balance Nil) is secured by hypothecation of Mercedes Benz Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Car Loan) from HDFC Bank Limited Rs. 19.28 Lakhs (Previous balance Nil) is secured by hypothecation of Toyota Innova Car in the name of the Company and secured by personal guarantee of Shri Anil Choudhary, Managing Director of the Company.

Term Loan (Commercial Vehicle Loan) from Yes Bank Limited Rs. 6.30 Lakhs (Previous balance Rs. 11.27 Lakhs) is secured by hypothecation of one Eicher Vehicle.

- (i) Term Loan (Car Loan) - II (No. - 6401) from Axis Bank Limited of Rs. 6 Lakhs having interest rate 9.26 % (Previous balance Rs. 23.90 Lakhs, Interest rate 8.26%) is repayable in Thirty five equated monthly instalment of Rs. 1.61 Lakhs each commencing from August, 2019 to June, 2022 and last installment of Rs. 1.27 Lakhs in July, 2022. Secured by hypothecation



of Mercedes Banz Car.

- (ii) Term Loan (Car Loan) from HDFC Bank Limited of Rs. 4.74 Lakhs having interest rate 7.41 % (Previous balance Rs. 12.32 Lakhs Interest rate 7.41%) is repayable in Thirty Six equated monthly instalment of Rs. 0.70 Lakhs each commencing from November, 2019 to October, 2022. Secured by hypothecation of Vehicle Innova .
- (iii) Term Loan (Car Loan) from ICICI Bank Limited of Rs. 8.91 Lakhs having interest rate 8.66 %(Previous balance Rs. 13.94 Lakhs Interest rate 8.66%) is repayable in Thirty Six equated monthly instalment of Rs. 0.50 Lakhs each commencing from November, 2020 to October, 2023. Secured by hypothecation of Eicher Truck.
- (iv) Term Loan (Car Loan- 1327) from Bank of Baroda of Rs. 40.33 Lakhs having interest rate 7.35 % (Previous balance Rs. 46.28 Lakhs Interest rate 7.35%) is repayable in Eighty Three equated monthly instalment of Rs. 0.76 Lakhs each commencing from August, 2020 to June, 2027 and last installment of Rs. 0.79 Lakhs in July, 2027. The term loan is secured by hypothecation of vehicle VOLVO S-90.
- (v) Term Loan (Car Loan- 1756) from Bank of Baroda of Rs. 25.45 Lakhs having interest rate 7.35 % (Previous balance is nil) is repayable in Seventy Two equated monthly instalment of Rs. 0.41Lakhs each commencing from September, 2021 to August, 2028 and last installment of Rs. 0.34 Lakhs in September, 2028. The term loan is secured by hypothecation of Innova Car.

#### Unsecured loan

In case of all unsecured loans, there is no fixed repayment schedule. There is no default in repayment of any loan or interest thereon. The company has repaid all unsecured loans as at reporting date.

### 18 Lease Liabilities

(Rupees In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease Liability-Non Current	677.04	538.03
Lease Liability-Current	59.53	7.51
<b>Total</b>	<b>736.57</b>	<b>545.54</b>

#### Lease obligations

- a. Incremental Borrowing Rate applied to lease liabilities is 7.50 %
- b. The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

#### Maturity Profile of Lease Liability

(Rupees In Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Below 3 Months	23.56	23.39
3-6 Months	11.42	12.00
6-12 Months	19.42	24.80
1-3 Years	182.97	128.48
3-5 Years	186.87	144.57
Above 5 Years	474.51	527.11

## 19 Provisions

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Employee benefits (Non Current)		
Net defined benefit obligations for gratuity	271.63	209.09
<b>Total</b>	<b>271.63</b>	<b>209.09</b>

## 20 Deferred tax liabilities

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b>Deferred tax liabilities/assets (net)</b>		
Deferred tax liability		
Timing difference on account of Depreciation	298.10	299.96
Deferred tax asset		
Timing difference on account of Expenses allowable on payment basis	(51.07)	38.36
<b>Net Deferred Tax</b>	<b>247.03</b>	<b>338.32</b>

(Refer note no 2.5 (m) for accounting policy)

## CURRENT LIABILITIES

## 21 Borrowings

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b>Short term borrowings</b>		
(a) Loans repayable on demand		
(i) From banks		
Secured		
Comsyn (Kotak Mahindra Bank CC A/c)	145.79	15.40
Cash Credit Loan (Unit II)	347.13	487.85
Cash Credit Loans (Unit - I)	1,500.25	2,052.39
Cash Credit SBI (Trading Segment)	382.13	625.71
Cash Credit Loans (Unit - SEZ)	1,722.87	957.90
Current Maturities of Long Term Debts	781.34	706.38
(ii) From Other		
Unsecured	-	84.03
<b>Total</b>	<b>4,879.50</b>	<b>4,929.67</b>
The above amount includes:		
Secured borrowings	4,879.50	4,845.63
Unsecured borrowings	-	84.03
<b>Total</b>	<b>4,879.50</b>	<b>4,929.67</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

## Other Information

### Terms of Repayments of loan

#### Kotak Mahindra Bank Limited

Working Capital Loan from Kotak Mahindra Bank Limited of Rs. 3223.11 Lakhs Having interest rate 6.50% (Previous balance Rs. 3010.29 Lakhs) is secured by first and exclusive hypothecation charge on all existing and future receivables/ current assets/ movable assets/ movable fixed assets of the Borrower (excluding assets (vehicles) financed by other banks/FIs) of Unit I and SEZ. It is further secured by exclusive mortgage on following properties-

- (a) Property situated at S-4/3, S-4/2 & S-4/3A, Sector – I, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- (b) Property situated at Plot No. 15, 16, 17 and 18 Special Economic Zone, Pithampur, District Dhar (M.P.) consisting of leasehold land and building thereon.
- (c) Property situated at Plot No. 40-45, Shalimar Residency, Mhow, Indore consisting of freehold land and building thereon.
- (d) Property situated at Block A & B of office premises at 3-4 Jaora Compound, MYH Road, Indore.

The Working loan is also guaranteed by Shri Anil Choudhary Managing Director, Smt. Ranjana Choudhary, Whole Time Director of the company, Pradeep Kumar Agrawal and Ashok Kumar Agrawal shareholders of the Company and Corporate Guarantee of Super Sack Pvt Ltd (Corporate Promoter of the Company).

Working Capital Loan from KOTAK Bank Limited of Rs. 145.79 Lakhs having interest rate 7.25 % (Previous balance Rs. 15.40 Lakhs) is primarily secured by hypothecation of Stock, Book Debts collaterally secured by Equitable Mortgage of PPE at Plot No. S-5/1, Sector – I, Pithampur, Dhar (M.P.) and Corporate guarantee given by parent company Commercial Synbags Limited .

#### HDFC Bank Limited

Working Capital Loan from HDFC Bank Limited of Rs. 476.53 Lakhs having interest rate 7.00% (Previous balance Rs. 7.49 Lakhs) is primarily secured by hypothecation of Plant and Machinery, Stock, Book Debts, FD of Unit – II and collaterally secured by Equitable Mortgage of property at Plot No. S-2/1, 3/1, 3/2 Sector – I, Pithampur, Dhar (M.P.) consisting of leasehold land and building thereon.

#### State Bank of India

Working Capital Loan from State Bank of India of Rs. 382.13 Lakhs (Previous balance Rs. 625.71 Lakhs) is secured by first charge by way of hypothecation of company's stock/ receivable created out of bank finance, Fixed Deposit and collaterally secured by Equitable Mortgage of leasehold factory land and building constructed thereon situated at Plot No. S-4/1, Sector – I, Pithampur, Dhar (M.P.) and further secured by personal guarantee of Shri Anil Choudhary, Managing Director and Smt. Ranjana Choudhary, Director of the Company.

#### Unsecured loan

In case of all unsecured loans, there is no fixed repayment schedule. There is no default in repayment of any loan or interest thereon. The company has repaid all unsecured loans as at reporting date.

## 22 Trade Payables

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
(A) Total outstanding dues of creditors micro and small enterprises; and	255.12	156.98
(B) Total outstanding dues of creditors other than micro and small enterprises	1,295.37	1,011.19
<b>Total</b>	<b>1,550.48</b>	<b>1,168.17</b>
Disclosures under Micro, Small and Medium Enterprises Development Act, 2006		
a. Interest Payable on outstanding to Micro and Small enterprises ( Included in A above)		
a. The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year;	Principal Rs. 18.92 Interest Rs 0.10	Principal Rs 11.06 Interest Rs 00.32
b. Interest Paid to micro and small enterprises during the accounting year		
b. The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	0.32	-
c. The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	-	-
d. The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
e. The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 43 for other information)

## Trade Payables ageing schedule as on 31.03.2022

(Rupees In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	250.65	4.47	-	-	255.12
(ii) Others	1,280.60	12.70	1.78	0.29	,295.37
<b>Total</b>	<b>1,531.25</b>	<b>17.17</b>	<b>1.78</b>	<b>0.29</b>	<b>1,550.48</b>

Note : MSME Trade Payables to the extent of Rs 1.62 Lacs & reported as outstanding from 1-2 years have become disputed. The goods / PPE are to be returned and not amount would become payable.

## Trade Payables ageing schedule as on 31.03.2021

(Rupees In Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	155.39	1.58	-	-	156.98
(ii) Others	997.76	7.03	4.13	2.27	1,011.19
<b>Total</b>	<b>1,153.15</b>	<b>8.61</b>	<b>4.13</b>	<b>2.27</b>	<b>1,168.17</b>

## 23 Other Financial Liabilities

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Interest accrued but not due on borrowings	-	4.46
Outstanding liability for payables	2.84	4.20
Upskill Development DDUGKY	32.51	233.13
Creditors for Capital Goods	35.76	17.91
Employees Security Deposit	13.07	8.47
Firm Commitments	10.41	3.86
<b>Total</b>	<b>94.58</b>	<b>272.03</b>

(Refer note no 2.5 (e) for accounting policy, note no 2.3 (b) and note no 44 for other information)

Information about government grant under Deen Dayal Upadhyaya Grameen Kaushalaya Yojna

- a. **Nature of Grant :** The company has entered into MOU for execution of projects under Deen Dayal Upadhyaya Grameen Kaushalaya Yojna (DDU-GKY) Guidelines July 2016, (as may be amended from time to time the skill training and placement programme of the ministry of rural development (MoRD). Grants-in Aid is provided to the company for the execution of aforesaid purpose

- b. **Extent of government grants recognized in the financial statements -**

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Expenses incurred	200.63	260.19
Grant recognised to meet the expenses	(200.63)	(260.19)

## 24 Other Current Liabilities

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
Revenue received in advance	251.87	596.32
T.D.S./T.C.S. Payable	25.88	13.66
Other Employee Benefit Payables	638.12	553.76
CSR	33.57	22.19
<b>Total</b>	<b>949.44</b>	<b>1,185.94</b>

## 25 Provisions

(Rupees In Lakhs)

	As at 31st March, 2022	As at 31st March, 2021
<b>Employee benefits (Current)</b>		
Net defined benefit obligations for gratuity	27.73	10.44
<b>Total</b>	<b>27.73</b>	<b>10.44</b>

(Refer note no 2.5 (j) for accounting policy on employee benefits and 2.3 (d) for other information)

## 26 Revenue From Operations

(Rupees In Lakhs)

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
Revenue from contracts with customers		
<b>(a) Sale of product</b>		
Finished goods	29,872.44	20,149.69
Traded goods	1,851.59	1,039.90
<b>(b) Sale of services</b>		
Commission Received	186.53	160.76
Jobwork Charges	348.56	9.10
<b>(c) Other Operating Revenues</b>		
	-	12.56
<b>Total</b>	<b>32,259.13</b>	<b>21,372.01</b>

(Refer note no 2.5 (g) for accounting policy on revenue and note no 2.3 (c) for other information)

The invoicing schedules agreed with customers include periodic performance based payments and milestone based progress payments. Invoices are payable within contractually agreed credit period.

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>(i) List of Manufacturing Sales (Domestic) (Net of GST)</b>		
Sale of HDPE/PP Tarpaulin	1,929.52	950.90
Sale of HDPE/PP Bags	1,602.27	1,091.77
Sale of ULF/LF/BSLF/BSLF-II/BELT	259.10	211.72
Sale of HDPE/PP Bags (FIBC)	1,640.00	1,553.50
Sale of HDPE/PP Wastage / Scrap	33.22	59.38
Sale of Vermi Beds	74.37	100.31
Sale of Liner/Film	63.85	40.02
Sale of Fabrilated Thread	2.52	-
Sale of RP Granules	0.45	47.32
Sale of Rope	1.01	-
Sale of Filler Cord	2.36	-
Sale of Flexible Pouch	30.17	25.25
Sale of Other Consumables	0.79	11.78

Sale of HDPE Flexible Pipe	263.63	6.16
Sale of PP Multifilament Yarn	112.47	53.07
Sale Of Other Material	0.23	-
Sale of Electricity	-	-
	6,015.96	4,151.19
Add : Freight on Local Sales/ Other Expenses	13.12	12.93
<b>Total</b>	<b>6,029.08</b>	<b>4,164.12</b>

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>(ii) Manufacturing Sales (Export) (Net of GST)</b>		
Fabric	243.48	82.91
F I B C Bags	19,270.73	13,971.22
Bags (Normal)	2,106.93	1,136.35
Tarpaulin	45.22	117.56
Belt	0.71	0.03
Liner/Film	1.95	2.25
PP Yarn	10.29	-
Other Consumables	0.36	10.61
Filler Cord	4.30	-
	21,683.98	15,320.94
Add: Freight on Export Sales	1,780.10	481.49
Foreign Exchange Rate Differences	374.18	180.17
Other Charges on Sales	8.39	5.52
<b>Total</b>	<b>23,846.65</b>	<b>15,988.11</b>

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>(iii) Trading Sales</b>		
PP Granules	1,235.14	806.69
HD Granules	22.82	87.65
LD Granules	562.87	140.70
Master Batch	30.77	4.86
<b>Total</b>	<b>1,851.59</b>	<b>1,039.90</b>

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>(iv) Sales Return Manufacturing</b>		
Bags	3.29	-
Tarpaulin	-	2.55
<b>Total</b>	<b>3.29</b>	<b>2.55</b>
<b>Total Sales</b>	<b>31,724.04</b>	<b>21,189.59</b>

## 27 Other Income

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Interest income	111.14	118.04
Early Payment Incentive	79.83	15.69
Share in Profit /(Losses) in Investment in C K Associates Reality LLP	(4.25)	-
Export Benefit Received ( Gain )	144.91	(140.81)
Other non operating income (net of expenses directly attributable to such income)	29.65	0.12
<b>Total</b>	<b>361.27</b>	<b>(6.96)</b>

(Rupees In Lakhs)

a. Interest income comprises of	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
interest on bank balances and bank deposits		
(i) Interest income on financial assets that are measured at Amortised cost	37.41	20.75
(ii) Other interest	73.74	97.29
<b>Total</b>	<b>111.14</b>	<b>118.04</b>

- b. Other Non operating Income includes government grant in the nature of Industrial Department Subsidy Amounting is 29.65 Lakhs (Rs. Nil in Previous financial year)

## 28 Cost of material Consumed

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>Raw Material Consumed</b>		
Opening Stock	1,546.86	369.79
Add: Purchases	17,277.82	12,714.50
	18,824.68	13,084.29
Less: Closing Stock	1,352.27	1,546.86
<b>Total Raw Material Consumed</b>	<b>17,472.41</b>	<b>11,537.43</b>

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>Purchases Of Raw Material</b>		
PP Granules (All)	11,627.49	8,504.90
HDPE Granules (All)	975.77	453.93
LD Granules (All)	1,964.73	1,319.15
Master Batch (All)	1,407.12	1,069.20
BOPP Film/Tape	209.42	112.15
Purchase of Tarpaulin	-	33.52
HDPE Bags	4.12	-
Wastage	(0.00)	0.51



RP Granules	270.92	6.96
Liner	0.04	1.43
Fabric (All)	70.85	601.11
Crimpt yarn	241.73	162.33
Liner	9.99	-
PP Coated Bags	0.88	0.16
Fabrilated Thread	36.94	104.24
HDPE/PP Belt/Tie	2.27	0.10
FIBC	0.15	-
Filler Cord	68.19	51.84
Other Material	13.98	
<b>Total</b>	<b>16,904.57</b>	<b>12,421.55</b>
Add : Custom Duty/Freight on purchase	377.93	291.33
Add : Foreign Exchange Rate Difference	(4.68)	1.61
<b>Total</b>	<b>17,277.82</b>	<b>12,714.50</b>

**29 Purchase of Stock in Trade(Traded goods)****(Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Trading Purchase	-	102.63
Master Batch	42.16	3.55
PP/HD/LD/LLD Granules	1,746.26	828.35
<b>Total</b>	<b>1,788.43</b>	<b>934.53</b>

**30 Changes in Inventory of Finished Goods, Work in Progress and Stock In Trade :-****(Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>Inventories (at close)</b>		
Work in Process	2,046.94	1,256.52
Finished Goods	2,268.93	2,682.48
Goods in Trade	-	0.05
Wastage	10.10	3.20
<b>Inventories (at commencement)</b>		
Work in Process	1,256.52	860.17
Finished Goods	2,682.48	1,537.53
Goods in Trade	0.05	0.05
Wastage	3.20	1.85
<b>Net Increase/ (Decrease)</b>	<b>383.71</b>	<b>1,542.66</b>

## 31 Employee Benefit Expenses

(Rupees In Lakhs)

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b><u>Salaries And Wages</u></b>		
Salaries And Wages	2,375.30	2,369.20
Salaries And Wages (Office)	427.49	149.14
Salaries And Wages (Director)	126.96	65.88
Bonus	321.21	178.50
House Rent Allowance	231.01	182.09
Education Allowance	59.44	41.80
Medical Allowance	61.57	44.29
Gratuity	120.03	90.84
Leave Encashment	20.40	17.43
Conveyance Allowance	62.43	46.07
Goodwork	46.17	49.74
Washing Allowance	114.13	107.48
Other Allowances	14.62	10.40
Attendance Bonus	84.73	122.34
Stipend to Trainee	1.59	0.17
<b><u>Contribution To Provident And Other Funds</u></b>		
Provident Fund	149.60	179.14
E.S.I.C.	84.76	77.73
<b><u>Staff Welfare Expenses</u></b>		
Staff Welfare	27.87	23.44
<b>Total</b>	<b>4,329.32</b>	<b>3,755.66</b>
<b>Out of above</b>		
Manufacturing related	3,168.48	2,988.92
Others	1,160.84	766.75
<b>Total</b>	<b>4,329.32</b>	<b>3,755.66</b>

(Refer note no 2.5 (j) for accounting policy on employee benefits and 2.3 (d) for other information)

**a. Defined Contribution Plans :**

All eligible employees of the Company in India are entitled to receive benefits under the provident fund plan. The Company makes provident fund contribution, a defined contribution plan, for qualifying employees. It also contributes to employee state insurance corporation, which is also defined contribution plan. The Company recognised Rs. 149.60 lakhs (Previous Year : 179.14 lakhs) and Rs. 84.76 lakhs ( Previous Year : Rs. 77.73 lakhs) respectively for PF and ESIC contribution in statement of profit and loss Provident fund and ESIC are managed through government administered funds.

**b. Defined benefit obligations and plans**
**Details of defined benefit obligations and plan assets:**
**(Rupees In Lakhs)**

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Gratuity</b>		
<b>Change in defined benefit obligations:</b>		
Present Value of Benefit Obligation at beginning of the year	241.09	108.77
Current service cost	104.02	87.22
Interest cost	16.39	7.40
Accrual (gain)/loss	(41.21)	50.21
Benefits paid	(11.12)	(12.50)
<b>Obligation at the end of the year</b>	<b>309.18</b>	<b>241.09</b>

**(Rupees In Lakhs)**

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Change in plan assets:</b>		
Fair value of plan assets at the beginning of the year	21.56	31.34
Expected Return on Plan Assets	1.11	1.77
Employers' contribution	0.53	2.00
Actuarial (losses) / gains	(2.20)	(1.05)
Benefits paid	(11.12)	(12.50)
<b>Fair value of plan assets at the end of the year</b>	<b>9.87</b>	<b>21.56</b>

**(Rupees In Lakhs)**

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Amounts recognised in the balance sheet consist of:</b>		
Present value of obligations at the end of the year	(309.18)	(241.09)
Fair value of plan assets at the end of year	9.87	21.56
<b>Net Liability / (Asset) recognised in Balance Sheet</b>	<b>(299.31)</b>	<b>(219.53)</b>

**(Rupees In Lakhs)**

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Expense/ (Gain) recognised in the statement of profit and loss consists of:</b>		
<b>Employee benefits expense:</b>		
Current service cost	104.02	87.22
Interest cost	16.39	7.40
Others	(0.53)	

<b>Other comprehensive income:</b>		
Expected Return on Plan Assets	(1.11)	(1.77)
Net actuarial losses (gains) recognised in the year	(39.01)	51.26
<b>Expense/ (Gain) recognised in the statement of profit and loss</b>	<b>79.78</b>	<b>144.10</b>

	For the year ended on 31st March,2022	For the year ended on 31st March,2021
<b>Key assumptions used in the measurement of gratuity is as below:</b>		
Discount rate	6.80%	6.80%
Rate of escalation in salary	6.00%	6.00%

### Description of Plans and risks

Defined benefit plans of the Company comprises Gratuity.

The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment.

The Company has opted the Employee Group Gratuity Scheme of the insurance service provider Life Insurance Corporation of India ("LIC"). Payments for Gratuity are funded through investments with Life Insurance Corporation of India.

The Company's investment strategy in respect of its funded plans is implemented within the framework of the applicable statutory requirements. The plans expose the Company to a number of actuarial risks such as investment risk, interest rate risk, longevity risk and inflation risk. The Company has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long-term returns in order to limit the cost to the Company of the benefits provided.

The company makes annual contribution to the Employee's Group Gratuity Cum Life Assurance Scheme of the Life Insurance Corporation of India, a funded benefit plan for qualifying employees. The Scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

The figures of present value of the defined benefit obligation and the related current service cost were as measured and provided to us by a consulting actuary.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2021-22.

(Rupees In Lakhs)

Sensitivity analysis	For the year ended on 31st March,2022
<b>Effects of Key Assumptions on Defined Benefit Obligations</b>	
1 % increase in Discount Rate/ Resulting decrease in Liability	266.47
1 % decrease in Discount Rate / Resulting increase in Liability	345.94
1 % increase in Salary Escalation Rate /Resulting increase in Liability	345.85
1 % decrease in Salary Escalation Rate / Resulting decrease in Liability	265.92
1 % Increase Withdrawal Rate / Resulting decrease in Liability	330.78
1 % decrease in Withdrawal Rate/ Resulting decrease in Liability	300.42

**c. Compensated Absences**

As regards compensated absences, the Company has policy for encashment of leaves (which is compulsorily paid within one year from the end of the financial year) standing to the credit of the employees on cash basis.

**32 Finance cost**
**(Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Interest to Bank	483.07	251.21
Interest on Term Loan	51.20	97.76
Interest on Leased Liabilities (IND AS)	39.65	13.96
Interest on Buyer's Credit	(1.30)	8.24
Interest on unsecured loan	7.16	11.93
Interest to Others	9.70	0.29
Exchange Difference Regarded as an adjustment to borrowing cost	26.90	6.84
Bank Charges	41.71	23.49
<b>Total</b>	<b>658.09</b>	<b>413.72</b>
<b>Finance cost comprises of</b>		
a. Interest expenses on financial liabilities that are measured at amortised cost	540.14	369.15
b. Interest on Lease liabilities	39.65	13.96
c. other finance costs	51.41	23.78
<b>Total</b>	<b>631.20</b>	<b>406.89</b>

**33 Other Expenses**
**(Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>(a) Manufacturing expenses</b>		
Weaving Charges	494.95	106.61
Lamination Charges	-	5.95
Power & Fuel	1,107.25	955.10
Consumables	0.17	679.21
Bags Making Charges	342.95	8.39
Tarpaulin Making Charges	6.93	
Repairs & Maintenance Plant & Machinery	390.86	456.77
<b>(b) Selling and distribution expense</b>		
Advertisement & Publicity	1.77	2.88
Freight Expenses	2,518.36	1,008.64
Packing & Forwarding Expenses	186.78	128.72
Sales Promotion & Entertainment	19.76	12.40
Commission	47.06	36.84
Loss Allowances	42.82	48.22
Travelling by Directors	2.53	-
Travelling by Others	10.35	5.37
<b>(c) Administration &amp; Other Expenses</b>		
Conveyance Expenses	71.55	87.95
Cleaning services	48.48	35.65

Director's Sitting Fees	1.34	0.82
Advance License Fees	4.15	5.62
State Taxes	2.06	-
Factory Licence Expenses	2.98	2.36
GST Paid / Service tax / Excise Expenses	3.80	5.73
Insurance Expenses	76.44	74.08
Internet Expenses	3.58	4.09
Legal & Professional Charges	115.56	89.73
Loss/ ( Profit) on sale of vehicle	-	3.83
Loss/ ( Profit) on sale of Plant and Machinery	(0.59)	-
Membership Fees & Subscription	2.41	1.25
Miscellaneous Expenses	59.03	54.77
Prepaid Expense on EMD	0.95	1.57
Newspaper & Periodicals	-	-
Postage & Courier	14.55	14.83
Repairs of Computer	8.25	8.97
Repairs (Others )	11.12	11.67
Rebate, Shortage & Rate Difference	0.10	33.33
Rent,Rates & Taxes	40.07	34.82
Stationary & Printing	19.49	17.41
Telephone & Communication Expenses	3.87	5.30
Vehicle Running & Maintainance	23.00	10.42
Foreign Exchange Difference Loss/(Gain)	(44.88)	(32.02)
Water & Light Charges	18.08	93.46
Export Benefit Received ( Loss )	-	-
Cross Charges	-	-
Other Donation	2.00	1.31
(d) Auditors remuneration	2.25	2.00
(e) Corporate social responsibility	29.62	25.62
<b>Total</b>	<b>5,691.79</b>	<b>4,049.70</b>

The above schedule on 'other Expenses' includes the following nature of expenses -

**a. Short Term Lease Payment recognised as an expense on straight line basis over the lease term : (Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Sanwer Road Godown	5.16	3.60
Dhamnood Shed	16.12	13.32
Pithampur Hostel	9.87	8.69
<b>Short Term Leases</b>	<b>31.15</b>	<b>25.61</b>

**34 Other Comprehensive Income (Rupees In Lakhs)**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
<b>(a) Items will not be reclassified to profit and loss a/c</b>		
(i) Remeasurements of the defined benefit plans	39.01	(51.26)
<b>Total</b>	<b>39.01</b>	<b>(51.26)</b>

**35 Contingent Liabilities and Commitments (to the extent not provided for)**

(Rupees In Lakhs)

Particulars	31/03/2022	31/03/2021
<b>(i) Contingent liabilities</b>		
(a) Claims against the company not acknowledged as debt	211.16	12.64
(b) Guarantees excluding financial guarantees	1,053.00	1,053.00
(c) Other money for which the company is contingently liable	-	-
<b>(ii) Commitments</b>	-	-
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Refer note no. 3 for capital commitments)	-	59.96
(b) Uncalled liability on shares and other investments partly paid;	-	-
(c) Other commitments	-	-

In respect of Sales Tax

Demands amounting to Rs. 209.18 lakhs ( Previous Year 12.64 Lakhs) have been raised by the Indirect Tax Authorities which is contested by the company based on management evaluation and legal advice of tax consultants. Based on legal advice that these amounts would get deleted or substantially reduced, the Company has not recognised these as liabilities.

**36 Additional Regulatory Information-**

- (i) Immovable Properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the company and where such immovable property is jointly held with others, details are given to the extent of company's share. - The Company has no such immovable properties
- (ii) The company has not revalued its property, plant and equipments.
- (iii) There is no Capital Work in progress.
- (iv) There is no Intangible assets under development.
- (v) No proceedings have been initiated or pending against the company, under Prohibition of Banami Property Transaction Act.
- (vi) The company has borrowings from the bank or financial institutions on the basis of security of current assets.
- (vii) Quarterly returns or assessments of current assets filed by the company with banks or financial institutions are not in agreement with books of accounts. Following are the summary of reconciliation and reasons of material discrepancies-

Quarter	Particulars	Particulars of Security Provided	Amount as per Books of Accounts	Amount as reported in the Quarterly Returns/ Statements	Amount of Difference
I	Summary of All Banks	Stock in Trade	5,634.67	4,234.19	1,400.49
		Trade Receivables	2,505.41	3,863.12	(1,357.70)
II	Summary of All Banks	Stock in Trade	5,879.63	3,641.40	2,238.23
		Trade Receivables	2,999.49	4,826.50	(1,827.01)
III	Summary of All Banks	Stock in Trade	7,150.84	4,724.10	2,426.74
		Trade Receivables	3,272.69	5,246.05	(1,973.36)
IV	Summary of All Banks	Stock in Trade	5,769.68	3,827.15	1,942.53
		Trade Receivables	3,584.27	5,217.34	(1,633.07)

**Reason for Differences:**

**Inventory :** Inventory is valued as per companies accounting policy, at the time of finalisation of financial statements whereas the same is taken on estimated basis for submission before bank.

**Trade Receivables :**

Difference in trade receivables is due to following reasons -

- a. Recognition of revenue and trade receivables is made as per principles of IND AS 115 at the time of finalisation of financial statements. Whereas trade receivables are reported to banks without applying principles of Ind AS 115.
- b. Making of adhoc loss allowance when submitting statements to the bank while loss allowance as per IND AS 109 is made while finalising financial statements.
- (viii) The company was not declared wilful defaulter by any Bank/Financial Institution/other lender.
- (ix) Relationship with struck off Companies- Nil/None
- (x) Registration of charges or satisfaction with Registrar of Companies- No Charge registration or satisfaction was pending on the date of balance-sheet.
- (xi) Compliance with number of layers of companies- The Company has complied with laws in respect of number of layers of Companies.
- (xii) Details of Crypto Currency or virtual currency- Nil  
Details of items of exceptional and extraordinary nature- Nil
- (xiii) The company has not surrendered or disclosed any amount as income during the year in the tax assessment under the Income Tax Act, 1961.

**37 Income Taxes**
**a. The income tax expense consists of the following :-**
**(Rupees In Lakhs)**

	31/03/2022	31/03/2021
<b>Current Tax</b>		
Current tax expense for current year	379.64	276.65
Current tax expense/ (benefit) pertaining to prior years	-	-
<b>Total current tax expenses</b>	<b>379.64</b>	<b>276.59</b>
<b>Deferred Tax</b>		
Deferred tax expense for current year	(91.29)	(24.12)
Deferred tax benefit pertaining to prior years		
<b>Total income tax expense recognised in current year</b>	<b>288.35</b>	<b>252.48</b>

(Refer note no 2.5 (m) for accounting policy on Income Taxes)

- b. The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in statement of profit and loss is as follows:

**(Rupees In Lakhs)**

Particulars	31/03/2022	31/03/2021
Profit before tax	2,119.14	1,450.82
Indian statutory income tax rate	17.47%	17.47%
Expected income tax expense	370.21	253.46
<b>Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense</b>		
Tax on income at different rates		0.06
Tax Impact on Intra Group transaction	-	0.57
Others (net)	9.42	22.56
<b>Total income tax expense</b>	<b>379.64</b>	<b>276.65</b>



The Company has estimated that the Indian statutory income tax rate applicable to the Company would be 17.47% under sec 115JB for year ended 31st March 2022.

**c. Reconciliation between the average effective tax rate and the applicable tax rate**

(Rupees In Lakhs)

	31/03/2022	31/03/2021
	<b>Tax Rate %</b>	<b>Tax Rate %</b>
Statutory Income tax rate	17.47	17.47
Difference due to tax of previous year	-	0.85
other reasons	0.44	-
Average effective tax rate	17.91	18.32

**38 Segment Information**

The Company has determined following reporting segments based on the information reviewed by the Company's Chief Operating Decision Maker ('CODM'):

- a. Manufacturing segment - Business of manufacture and sale of FIBC, Jumbo bags, Poly Tarpauline, Woven Sacks / Bags, Box Bags, PP / HDPE Fabric, Liner and Flexible Packaging which mainly have same risks and returns.
- b. Trading segment - Trading of Granule (Del credere agent cum Consignment Stockiest)

Power generated from solar power is captively consumed. The solar power generation segment is integral part of manufacturing segment'.

The above business segments have been identified considering :

- a. the nature of products and services
- b. the differing risks and returns
- c. the internal organisation and management structure, and
- d. the internal financial reporting systems.

The Company's Chief operating Decision maker is Managing Director and Chief Executive Officer.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company with following additional policies for segment reporting.

- (a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".
- (b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

**CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES  
 FOR THE YEAR ENDED ON 31ST MARCH, 2022**

(Rupees In Lakhs)

Particulars	Manufacturing Segment	Trading Segment	Consolidated Total
	Current Year ended on 31.03.2022	Current Year ended on 31.03.2022	Current Year ended on 31.03.2022
<b>Revenue</b>			
Revenue from External Customers	32,072.59	186.53	32,259.13
Inter Segment Revenue	-	-	-
Other Operating Revenue	-	-	-
Interest & Other revenue	269.00	92.27	361.27
<b>Segment Revenues</b>	<b>32,341.60</b>	<b>278.80</b>	<b>32,620.40</b>
<b>Total Segment Revenue</b>	<b>32,341.60</b>	<b>278.80</b>	<b>32,620.40</b>
<b>Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)</b>			
Results	3,549.96	172.20	3,722.16
Less: Finance Cost	(556.55)	(101.55)	(658.09)
Less: Depreciation	(944.80)	(0.13)	(944.92)
Profit Before Tax	2,048.61	70.52	2,119.14
Less : Current Tax (Unallocated)	-	-	(379.64)
Less : Deferred Tax (Unallocated)	-	-	91.29
<b>Profit After Tax</b>	<b>2,048.61</b>	<b>70.52</b>	<b>1,830.79</b>
<b>Segment Assets</b>			
(a) Property, Plant & Equipments	9,368.04	0.37	9,368.41
(b) Capital Work In Progress	-	-	-
(c) Other Assets	11,629.44	1,098.58	12,728.02
(c) Unallocated	-	-	-
- Current Tax Assets	-	-	55.99
- Deffered Tax Assets	-	-	-
<b>Total</b>	<b>20,997.49</b>	<b>1,098.95</b>	<b>22,152.43</b>
<b>Segment Liabilities</b>			
(a) Borrowings	7,105.11	548.79	7,653.90
(b) Other Liabilities	3,492.86	137.58	3,630.44
(c) Unallocated	-	-	-
-Current Tax Liabilites	-	-	51.37
-Deferred Tax Liabilites	-	-	247.03
<b>Total</b>	<b>10,597.97</b>	<b>686.37</b>	<b>11,582.75</b>
Equity Share Capital	-	-	1,240.24
Other Equity	-	-	9,329.44
<b>Total Equity &amp; Liability</b>	<b>-</b>	<b>-</b>	<b>22,152.43</b>

**CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND SEGMENT LIABILITIES  
 FOR THE YEAR ENDED ON 31ST MARCH, 2021**

(Rupees In Lakhs)

Particulars	Manufacturing Segment	Trading Segment	Consolidated Total
	Current Year ended on 31.03.2021	Current Year ended on 31.03.2021	Current Year ended on 31.03.2021
<b>Revenue</b>			
Revenue from External Customers	21,108.29	263.72	21,372.01
Inter Segment Revenue	-	-	-
Other Operating Revenue	-	-	-
Interest & Other revenue	(121.04)	114.08	(6.96)
<b>Segment Revenues</b>	<b>20,987.25</b>	<b>377.80</b>	<b>21,365.05</b>
<b>Total Segment Revenue</b>	<b>20,987.25</b>	<b>377.80</b>	<b>21,365.05</b>
<b>Segment Results (Profit)(+)/ Loss (-) before tax, Depreciation and interest from Each segment)</b>			
Results	2,413.19	217.20	2,630.39
Less: Finance Cost	(308.19)	(105.53)	(413.72)
Less: Depreciation	(765.69)	(0.15)	(765.85)
Profit Before Tax	1,339.30	111.52	1,450.82
Less : Current Tax (Unallocated)	-	-	(276.65)
Less : Deferred Tax ( Unallocated)	-	-	24.12
<b>Profit After Tax</b>	<b>1,339.30</b>	<b>111.52</b>	<b>1,198.29</b>
<b>Segment Assets</b>			
(a) Property, Plant & Equipments	8,708.34	0.50	8,708.84
(a) Capital Work In Progress	29.52	-	29.52
(a) Other Assets	9,578.02	1,305.61	10,883.63
(c) Unallocated	-	-	-
- Current Tax Assets	-	-	48.59
- Deffered Tax Assets	-	-	-
<b>Total</b>	<b>18,315.88</b>	<b>1,306.11</b>	<b>19,670.58</b>
<b>Segment Liabilities</b>			
(a) Borrowings	7,235.25	826.96	8,062.22
(b) Other Liabilities	3,244.02	147.17	3,391.19
(c) Unallocated	-	-	-
-Current Tax Liabilities	-	-	9.06
-Deferred Tax Liabilities	-	-	338.32
<b>Total</b>	<b>10,479.27</b>	<b>974.13</b>	<b>11,800.78</b>
Equity Share Capital	-	-	1,181.74
Other Equity	-	-	6,688.06
<b>Total Equity &amp; Liability</b>	<b>-</b>	<b>-</b>	<b>19,670.60</b>

Details of revenue based on geographical location of customers is as below:

(Rupees In Lakhs)

	31.03.2022	31.03.2021
India	8,773.75	5,376.93
Outside India	23,846.65	15,988.11

#### Information about major customers

No single customer represents 10% or more of the Company's total revenue during the year ended March 31, 2022 and March 31, 2021.

#### 39 Related Party Disclosures :-

(i) List of related parties where control exists and related parties with whom transaction have taken place and relationship :-

##### Name of the Related Parties

Relation	Name
Key Management Personnel	Shri Anil Choudhary Smt Ranjana Choudhary Shri Virendra Singh Pamecha Shri Hitesh Mehta Shri Vijay Kumar Bansal (appointed w.e.f. 14th February, 2021) Shri Milind Mahajan Shri Ravindra Choudhary Shri Abhishek Jain Shri Sandeep Patel (appointed w.e.f. 16th July, 2021)
Relatives of Key Management Personnel with whom there was transaction during the year	Shri Pramal Choudhary Smt Shruti Choudhary Smt Parul Choudhary Smt Vidhya Choudhary
Enterprises over which Key Management personnel or their relatives are able to exercise significant influence	M/s Choudhary Highway Services M/s Mohra Seeds M/s Page Paper Mart M/s Gangotri Enterprises M/s Pooranmal Laxminarayan
Investing Party in respect of which the reporting enterprise is an associate	M/s Super Sack Pvt Ltd

## (ii) Transactions with related parties are as follows :-

(Rupees In Lakhs)

Name of Party	Amount 31-03-2022	Outstanding balances as on 31-03-2022	Amount 31-03-2021	Outstanding balances as on 31-03-2021
<b><u>Key Managerial Person - Remuneration</u></b>				
Shri Anil Choudhary	57.00	4.75	40.38	3.75
Smt Ranjana Choudhary	18.00	1.50	13.00	1.25
Shri Virendra Singh Pamecha	14.10	1.25	12.50	1.10
Shri Hitesh Mehta	0.60	0.48	0.52	0.52
Shri Chintan Pushpraj Singhvi	-	-	-	-
Shri Milind Mahajan	0.44	0.34	0.30	0.30
Shri Vijay Kumar Bansal	0.30	0.21	-	-
Shri Ravindra Choudhary	33.00	2.75	25.87	2.25
Shri Abhishek Jain	10.18	0.85	9.63	0.85
Smt Anamika Gupta	-	-	0.92	-
Shri Sandeep Patel	3.51	0.32	2.08	0.30
Shri Ravindra Choudhary (Rent)	5.21	0.05	3.60	-
<b><u>Key Managerial Person- Unsecured loan taken by Company</u></b>				
Shri Anil Choudhary	-	-	50.00	75.92
Smt Ranjana Choudhary	-	-	-	8.11
Relatives of Key Managerial Person - Remuneration			-	-
Shri Pramal Choudhary	42.00	3.75	34.63	3.25
Smt Parul Choudhary	12.00	1.00	7.25	0.75
Smt Shruti Choudhary	11.50	1.00	5.75	0.50
Smt Hemlata Choudhary	5.50	0.50	-	-
Shri Ashay Choudhary	0.25	0.25	-	-
<b><u>Enterprises over which KMP personnels or their relatives are able to exercise significance Influence</u></b>				
Smt Vidhya Choudhary (Suprabhu) - Rent	16.12	1.17	13.32	1.20
Smt Vidhya Choudhary (Revera Farm House) - Rent	0.05	0.05	-	-
Choudhary Highway Services - (Purchase)	30.55	5.35	37.11	4.41
Page Paper Mart (Prop Shri Pramod Jain) - (Purchase)	0.08	-	-	-
Pooranmal Laxminarayan - (Purchase)	112.07	-	114.35	36.05
Carry (Purchase)	0.27	-	-	-
Mohra Seeds (Sales)	7.35	-	7.45	-
Pooranmal Laxminarayan (Sales)	29.69	(1.12)	9.68	(1.07)
M/s Gangotri Enterprises - (Sales)	0.01	2.41	-	2.41

**Remuneration paid to Key Managerial Person**

The above figures do not include provisions for gratuity as separate actuarial valuation are not available and the cost to develop it would be excessive.

The contributions to defined contribution plans for key management personnel in respect of Provident fund is Rs. 0.86 lakhs (Previous Year : Rs. 0.79 lakhs)

#### 40 Corporate Social Responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII there of by the company during the year is Rs. 29.37 Lakhs (Previous Year Rs. 25.62 Lakhs).
- (b) Expenditure related to Corporate Social Responsibility is Rs. 17.99 Lakhs (Previous Year Rs. 3.43 Lakhs)

Details of Amount spent towards CSR and nature of CSR activities are given below: (Rupees in Lakhs)

(Rupees In Lakhs)

Particulars	31/03/2022	31/03/2021
Promotion of Education	0.61	0.26
Animal Welfare	13.71	0.20
Fund set up by Central Government	-	0.05
Reduction of inequalities by socially and economically backward groups and upliftment of deprived under privileged	2.42	2.92
Health Care	1.25	-
<b>Total Amount</b>	<b>17.99</b>	<b>3.43</b>

(Rupees In Lakhs)

Particulars	31/03/2022	31/03/2021
(c) Short fall at the end of Year	11.38	22.19
(d) Total of Previous years short fall	87.75	76.37
(e) Reason for short fall : Since One Project has been Planned for a School nearby Indore/Pithampur for Poor/Privileged childrens and we are searching Land for the same. But we could not locate the same till now hence this is UNSPENT. However we are trying for the same and hopefully this will be completed during the upcoming years.		
(f) The shortfall amount (i.e. Unspent amount), in respect of other than ongoing projects, transferred to a fund specified in Schedule VII to the Act, as per section 135(5).	-	-
(g) The Shortfall amount (i.e. Unspent amount) pursuant to any ongoing projects, transferred to special account as per section 135(6)	11.38	22.19
(h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement is the provision during the year should be shown separately.	NA	NA
(i) Details of related party transactions, eg. Contribution to trust controlled by company in relation to CSR Expenditure as per relevant Accounting Standards	Nil	Nil

#### 41 Research & Development

The company conducts its R&D initiatives within the broad framework of innovation initiatives.

The company purchased technologically upgraded Circular Loom, Stitching Machine, Ultrasonic Cutting and Sealing Machine, for its units.

## 42. Ratio

	Numerator	Denominator	FY 21-22	FY 20-21	Deviation by >25%	Reasons
Current Ratio	Current Assets	Current Liabilities	1.56	1.35	16%	
Debt-Equity Ratio,	Total Debt	Shareholders Equity	0.79	1.09	(27%)	Company making cash accruals in abundant volume and repayment of liabilities are at pace and inflow of funds towards Preferential share money, hence shareholder's equity being raised in positive volume, effected ratio in positive way.
Debt Service Coverage Ratio,	Earnings available for debt service	Debt service = Interest & Lease Payments + Principal Repayments	1.41	2.50	(44%)	This year company making earning higher side but repayment of term loans/ payment of Interest and payment of lease rent is also higher hence effected this Ratio.
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.05	0.04	22%	
Inventory Turnover ratio,	Sales	Average Inventory	1.39	1.23	13%	
Trade Receivables turnover ratio,	Total Sales	Avg. Accounts Receivable	2.83	2.69	5%	
Trade payables turnover ratio,	Net Credit Purchases	Average Trade Payables	1.97	2.36	(17%)	
Net capital turnover ratio	Net Sales	Average Working Capital	1.17	1.08	8%	
Net profit ratio,	Net Profits after taxes	Sales	0.06	0.06	1%	
Return on Capital employed	Earnings before interest and taxes	Capital Employed	0.05	0.04	24%	
Return on investment	Return on Investment	Average Investment	(42.51)	NA	NA	

### 43 Financial Instruments

#### 43 a. Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2022 is as follows:

(Rupees In Lakhs)

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	"Derivative instruments not in hedging relationship"	Amortised cost	Total carrying value
<b>Financial Assets</b>							
Trade Receivables	9	-	-	-	-	3,566.41	3,566.41
Cash and cash equivalents	10	-	-	-	-	67.30	67.30
Bank Balances	11	-	-	-	-	449.29	449.29
Loan (Non-Current)	5	-	-	-	-	278.52	278.52
Loan (Current)	12	-	-	-	-	6.70	6.70
Investments	4	(3.97)	-	-	-	-	(3.97)
Other Financial Assets (Current)	13	-	-	17.80	-	-	17.80
Other Financial Assets ( Non Current )	6	79.12	-	-	-	499.85	578.97
<b>Total</b>		<b>75.15</b>	<b>-</b>	<b>17.80</b>	<b>-</b>	<b>4,868.06</b>	<b>4,961.01</b>
<b>Financial Liabilities</b>							
Borrowings (Current)	21	-	-	-	-	4,879.50	4,879.50
Borrowings ( Non Current )	17	-	-	-	-	2,774.41	2,774.41
Lease Liability (Current)	18	-	-	-	-	59.53	59.53
Lease Liability (Non Current)	18	-	-	-	-	677.04	677.04
Trade Payables	22	-	-	-	-	1,550.48	1,550.48
Other Financial Liabilities	23	-	-	10.41	-	84.17	94.58
<b>Total</b>		<b>-</b>	<b>-</b>	<b>10.41</b>	<b>-</b>	<b>10,025.12</b>	<b>10,035.54</b>

Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2021 is as follows:

(Rupees In Lakhs)

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	"Derivative instruments not in hedging relationship"	Amortised cost	Total carrying value
<b>Financial Assets</b>							
Trade Receivables	9	-	-	-	-	2,134.86	2,134.86
Cash and cash equivalents	10	-	-	-	-	237.87	237.87
Bank Balances	11	-	-	-	-	367.18	367.18
Loan (Current)	12	-	-	-	-	7.68	7.68
Investments	4	0.18	-	-	-	-	0.18
Other Financial Assets (Current)	13	-	-	-	-	13.69	13.69
Other Financial Assets ( Non Current )	6	27.57	-	-	-	525.54	553.11
<b>Total</b>		<b>27.75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,286.82</b>	<b>3,314.57</b>
<b>Financial Liabilities</b>							
Borrowings (Current)	21	-	-	-	-	4,929.67	4,929.67
Borrowings ( Non Current )	17	-	-	-	-	3,132.55	3,132.55
Lease Liability (Current)	18	-	-	-	-	7.51	7.51
Lease Liability (Non Current)	18	-	-	-	-	538.03	538.03
Trade Payables	22	-	-	-	-	1,168.16	1,168.16
Other Financial Liabilities	23	-	-	3.86	-	268.17	272.03
<b>Total</b>		<b>-</b>	<b>-</b>	<b>3.86</b>	<b>-</b>	<b>10,044.08</b>	<b>10,047.93</b>

Carrying amounts of trade receivables, Investments, cash and cash equivalents, bank balances, and trade payables as at March 31, 2022 and 2021, approximate the fair value.



Difference between carrying amount and fair value of Loans, Other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant. Fair value measurement of lease liabilities is not required.

**43 b. Financial Assets Pledged**
**(Rupees In Lakhs)**

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
Carrying amount of Financial assets pledged as collateral for liabilities	9 & 11	4,015.69	2,502.04
Carrying amount of Financial assets pledged as collateral for contingent liabilities	11	449.29	367.18
<b>Total</b>		<b>4464.98</b>	<b>2869.22</b>

Terms and conditions relating to pledge :-

Trade Receivables & Other Financial Assets: All existing/ future Trade Receivables & Other Financial Assets have been hypothecated to secure working capital loan. Fixed Deposit have been pledged to secure the Bank Gurantee issued in our favour.

**43 c. Profit/ Losses on Financial Assets/ Liabilities**
**(Rupees In Lakhs)**

Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
Net gains or net losses on financial assets measured as FVTPL upon initial recognition	32	(2.09)	1.79
financial assets measured at amortised cost	33	15.04	25.72
financial liabilities measured as FVTPL upon initial recognition		-	-
financial liabilities measured at amortised cost		-	-

**(Rupees In Lakhs)**

Particulars	31/03/2022	31/03/2021
An analysis of gain / loss recognised in statement of profit and loss, arising from the derocgnition of financial assets measured at amortised cost	15.04	25.72

These Financial Assets are considered by Management as irrecoverable and have been derecognised.

**43 d. Financial Risk Management**

The Company is exposed primarily to market risks being fluctuations in foreign currency exchange rates and interest rate, and other risks namely credit and liquidity risks, which may adversely impact the fair value of its financial instruments. The Company has constituted a Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Company has a risk management policy which covers risks associated with financial assets and liabilities. The focus of risk management committee is to assess the unpredictability of the financial environment and to mitigate the potential adverse effects on the financial performance of the Company.

**d1. Management of Market Risk**

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

**d2. Foreign Currency Exchange Rate Risk**

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets / liabilities are denominated in a currency other than the functional currency of the company.

The Company as per its risk management policy, uses derivative instruments primarily to hedge foreign exchange.

The foreign exchange rate sensitivity is calculated by aggregation of the net foreign exchange rate exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 1% against the functional currency of the Company.

**Foreign Currency Risk**
**(Rupees In Lakhs)**

Particulars	As at 31 March, 2022			As at 31 March, 2021			Note No.
	USD	EUR	GBP	USD	EUR	GBP	
Borrowings (Rupees in Lakhs)	-	773.75	-	-	1060.99	-	17
Trade and other receivables (Rupees in Lakhs)	1,453.61	382.46	215.17	763.68	33.31	31.48	9

Sensitivity analysis of 1% change in exchange rate at the end of reporting period net of hedges:

**(Rupees In Lakhs)**

Particulars	As at 31 March 2022			As at 31 March 2021		
	USD	EUR	GBP	USD	EUR	GBP
<b>1% Depreciation in INR</b>						
Impact on Equity / P&L (Rupees in Lakhs)	14.54	11.56	2.15	7.64	10.94	0.31
<b>Total</b>						
<b>1% Appreciation in INR</b>						
Impact on Equity / P&L (Rupees in Lakhs)	14.54	11.56	2.15	7.64	10.94	0.31
<b>Total</b>						

**d3. Interest Rate Risk**

The Company is also exposed to interest rate risk, changes in interest rates will affect future cash flows or the fair values of its financial instruments, principally debt. Any movement in the reference rates could have an impact on the Company's cash flows as well as costs. The Company is subject to variable interest rates on some of its interest bearing liabilities.

The exposure of the Company's borrowing to interest rate changes at the end of the reporting a period are as follows:

**(Rupees In Lakhs)**

Interest Rate Exposure			
Particulars	Note No.	As at 31st March, 2022	As at 31st March, 2021
<b>Borrowings</b>			
Non-Current – Floating (includes Current Maturities)	17 & 21	2,774.41	3,132.55
Current	21	4,879.50	4,929.67
<b>Total</b>		<b>7,653.90</b>	<b>8,062.22</b>

## Sensitivity analysis of 0.75% change in Interest rate:

(Rupees In Lakhs)

Interest Rate Sensitivity				
Particulars	31st March, 2022		31st March, 2022	
	Up Move	Down Move	Up Move	Down Move
Impact on Equity / P&L	24.27	24.27	63.88	63.88
<b>Total Impact</b>	<b>24.27</b>	<b>24.27</b>	<b>63.88</b>	<b>63.88</b>

**d4. Management Of Credit Risk**

Credit risk is the risk that a customer or counter party to a financial instrument fails to perform or pay the amount according to the contractual terms or obligations causing financial loss to the Company

Credit risk encompasses of risk of default, risk of deterioration of creditworthiness as well as concentration of risks.

Credit risk is controlled by analysing credit limits and creditworthiness of customers of a continuous basis to whom the credit has been granted.

**Exposure to Credit Risk**

The carrying amount of financial assets represents the maximum credit exposure.

The maximum exposure to credit risk is Rs 4961.01 lakhs ( Rs 3314.57 lakhs in preceding year) being the total of carrying amount of trade receivables, balance with banks, bank deposits and other financial assets.

**Trade receivables**

Concentration of credit risk with respect to trade receivables are limited, due to the Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis.

**Other financial assets**

The Company maintains exposure in bank balances and term deposits with banks. Considering insignificant amounts and short term nature, there is no significant risks pertaining to these assets.

**d5. Management of Liquidity Risk**

Liquidity risk arises from the Company's inability to meet its cash flow commitments on the due date.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company have access to undrawn lines of committed and uncommitted borrowing/ facilities

The Company has maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31st March, 2022 and 31st March, 2021. Cash flow from operating activities provides the funds to service and finance the financial liabilities on a day-to-day basis.

The following table shows a maturity analysis of the anticipated cash flows including interest obligations for the Company's non-derivative financial liabilities on an undiscounted basis, which therefore differ from both carrying value and fair value.

(Rupees In Lakhs)

Maturity analysis for financial liabilities for the year ended 31/03/2022	Note No.	carrying value	contractual cash flows	less than one year	Between one to five years	more than five year
<b>(a) a maturity analysis for non-derivative financial liabilities</b>						
Borrowings ( Current Liabilities)	21	4879.50	-	4879.50	-	-
Trade Payables	22	1550.48	-	1550.48	-	-
Borrowings ( Non- Current Liabilities)	17	2774.41	-	-	2,686.59	87.82
Other Financial Liabilities	23	94.58	-	94.58	-	-
Lease Obligations (Current)	18	59.53	-	59.53	-	-
Lease Obligations (Non Current)	18	677.04	-	-	369.84	307.20

(Rupees In Lakhs)

Maturity analysis for financial liabilities for the year ended 31/03/2021	Note No.	carrying value	contractual cash flows	less than one year	Between one to five years	more than five years
<b>(a) a maturity analysis for non-derivative financial liabilities</b>						
Borrowings ( Current Liabilities)	21	4929.67	-	4929.67	-	-
Trade Payables	22	1168.16	-	1168.16	-	-
Borrowings ( Non- Current Liabilities)	17	3132.55	-	-	3,040.11	92.44
Other Financial Liabilities	23	272.03	-	272.03	-	-
Lease Obligations (Current)	18	7.51	-	7.51	-	-
Lease Obligations (Non Current)	18	538.03	-	60.19	273.05	527.11

**43 e. Fair value measurement heirarchy as at 31st March 2022**

The following table summarises financial assets and liabilities measured at fair value

(Rupees In Lakhs)

Particulars	Note No.	Carrying Amount	Level of inputs used			Total
			Level 1	Level 2	Level 3	
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Trade Receivables	9	3,566.41	-	-	-	3,566.41
Cash and Cash Equivalents	10	67.30	-	-	-	67.30
Bank Balances	11	449.29	-	-	-	449.29
Loan (Non-Current)	5	278.52	-	-	-	278.52
Loan (Current)	12	6.70	-	-	-	6.70
Investments	7	-	-	-	-	-
Others Financial Assets ( Non Current Portion )	6	499.85	-	-	79.12	578.97
<b>At FVTPL</b>						
Forward Contract	13	-	17.80	-	-	17.80
Investments	4	-	-	-	(3.97)	-3.97
<b>Total</b>		<b>4,868.06</b>	<b>17.80</b>	<b>-</b>	<b>75.15</b>	<b>4,961.01</b>
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Borrowings ( Non- Current Liabilities)	17	2,774.41	-	-	-	2,774.41
Borrowings (Current)	21	4,879.50	-	-	-	4,879.50
Lease Liability (Current)	18	59.53	-	-	-	59.53
Lease Liability (Non Current)	18	677.04	-	-	-	677.04
Trade Payables	22	1,550.48	-	-	-	1,550.48
Other Financial Liabilities	23	84.17	-	-	-	84.17
<b>At FVTPL</b>						
Forward Contract	23	-	10.41	-	-	10.41
<b>Total</b>	<b>-</b>	<b>10,025.12</b>	<b>10.41</b>	<b>-</b>	<b>-</b>	<b>10,035.54</b>

Fair value measurement hierarchy as at 31st March 2021

The following table summarises financial assets and liabilities measured at fair value

(Rupees In Lakhs)

Particulars	Note No.	Carrying Amount	Level of inputs used			Total
			Level 1	Level 2	Level 3	
<b>Financial Assets</b>						
<b>At Amortised Cost</b>						
Trade Receivables	9	2134.86	-	-	-	2134.86
Cash and Cash Equivalents	10	237.87	-	-	-	237.87
Bank Balances	11	367.18	-	-	-	367.18
Loan (Current)	12	7.68	-	-	-	7.68
Investments	7	0.00	-	-	-	0.00
Other financial assets	13	13.69	-	-	-	13.69
Others Financial Assets ( Non Current Portion )	6	525.54	-	-	-	525.54
<b>At FVTPL</b>						
Other Financial Assets ( Non Current )	6	-	-	-	27.57	27.57
Investments	4	-	-	-	0.18	0.18
<b>Total</b>	-	<b>3286.82</b>	<b>0.00</b>	<b>0.00</b>	<b>27.75</b>	<b>3314.57</b>
<b>Financial Liabilities</b>						
<b>At Amortised Cost</b>						
Borrowings ( Non- Current Liabilities)	17	3132.55	-	-	-	3132.55
Borrowings (Current)	21	4929.67	-	-	-	4929.67
Lease Liability (Current)	18	7.51	-	-	-	7.51
Lease Liability (Non Current)	18	538.03	-	-	-	538.03
Trade Payables	22	1168.16	-	-	-	1168.16
Other Financial Liabilities	23	268.17	-	-	-	268.17
<b>At FVTPL</b>						
Forward Contract	23	3.86	-	-	-	3.86
<b>Total</b>	-	<b>10047.93</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10047.93</b>

Reconciliation of fair value measurement of the investment categorised at level 3:

(Rupees In Lakhs)

	31.03.2022 At FVTPL	31.03.2021 At FVTPL
Opening Balance	27.57	28.03
Addition during the year	49.67	17.44
Sale/Reduction during the year	0.00	19.69
Total Gain/(loss)	(2.09)	1.79
<b>Closing Balance</b>	<b>75.15</b>	<b>27.57</b>

#### 43 f. Derivative financial instruments and hedging activity

The company's revenue is denominated in various foreign currencies. Given the nature the business, a large portion of costs are denominated in Indian Rupees. This exposes the company to currency fluctuations.

The Board of Directors have constituted a Risk Management Committee to frame, implement and monitor the risk management plan of the company which inter alia covers risks arising out of exposure of foreign currency fluctuations.

The company uses various derivative instruments such as foreign exchange forward in which the counter party is generally the bank.

The following are outstanding foreign currency forward contracts, which have been designated as fair value hedges -

### Hedging Instruments

#### A. Fair Value hedge

##### Hedging Instruments

Particulars	Note No.	No. of Contracts	Nominal Amount of Contracts	Carrying Amount Assets (Rs.In Lakhs)	Carrying amount Liabilities (Rs. In lakhs)	Hedge Maturity
As at 31st March 2022						
<b>Foreign currency risk</b>						
Foreign currency - Forwards						
US Dollar	13	22	26,08,718	4.29	-	Sep-22
Euro	13	9	12,52,020	8.01	-	Jun-22
Great Britain Pound	13	5	2,34,319	5.49	-	Jul-22
As at 31st March 2021						
<b>Foreign currency risk</b>						
Foreign currency - Forwards						
US Dollar	13	40	18,50,000	-	4.45	Sep-21
Euro	13	24	943665	11.18	-	Sep-21
Great Britain Pound	13	17	3,70,000	0.56	-	Aug-21

Line Item in balance sheet - Shown under Other Financial Liabilities ( Current Assets) in FY 2021-22

Line Item in balance sheet - Shown under Other Financial Liabilities ( Current Assets) in FY 2020-21

### Hedged Item

#### A. Fair Value hedge

##### Hedged Item

Particulars	Note No.	Amount in Foreign Currency	Hedge Maturity
As at 31st March 2022			
<b>Items</b>			
<b>Trade Receivables and firm commitment</b>	23		
US Dollar		2608718	Sep-22
Euro		1252020	Jun-22
Great Britain Pound		234319	Jul-22
As at 31st March 2021			
<b>Items</b>			
Trade Receivables and firm commitment	23		
US Dollar		1850000	Sep-21
Euro		943665	Sep-21
Great Britain Pound		370000	Aug-21

43g. In respect of some financial assets the Company does not recognise a gain or loss on initial recognition of a financial asset or financial liability because the fair value is neither evidenced by a quoted price in an active market for an identical asset or

The Board of Directors have constituted a Risk Management Committee to frame, implement and monitor the risk management plan of the company which inter alia covers risks arising out of exposure of foreign currency fluctuations.

The company uses various derivative instruments such as foreign exchange forward in which the counter party is generally the bank.

The following are outstanding foreign currency forward contracts, which have been designated as fair value hedges -

### Hedging Instruments

#### A. Fair Value hedge

#### Hedging Instruments

Particulars	Note No.	No. of Contracts	Nominal Amount of Contracts	Carrying Amount Assets (Rs.In Lakhs)	Carrying amount Liabilities (Rs. In lakhs)	Hedge Maturity
As at 31st March 2022						
<b>Foreign currency risk</b>						
Foreign currency - Forwards						
US Dollar	13	22	26,08,718	4.29	Sep-22	
Euro	13	9	12,52,020	8.01	Jun-22	
Great Britain Pound	13	5	2,34,319	5.49	Jul-22	
As at 31st March 2021						
<b>Foreign currency risk</b>						
Foreign currency - Forwards						
US Dollar	13	40	18,50,000	-	Sep-21	
Euro	13	24	943665	11.18	Sep-21	
Great Britain Pound	13	17	3,70,000	0.56	Aug-21	

Line Item in balance sheet - Shown under Other Financial Liabilities ( Current Assets) in FY 2021-22

Line Item in balance sheet - Shown under Other Financial Liabilities ( Current Assets) in FY 2020-21

### Hedged Item

#### A. Fair Value hedge

#### Hedged Item

Particulars	Note No.	Amount in Foreign Currency	Hedge Maturity
As at 31st March 2022			
<b>Items</b>			
<b>Trade Receivables and firm commitment</b>	23		
US Dollar		2608718	Sep-22
Euro		1252020	Jun-22
Great Britain Pound		234319	Jul-22
As at 31st March 2021			
<b>Items</b>			
Trade Receivables and firm commitment	23		
US Dollar		1850000	Sep-21
Euro		943665	Sep-21
Great Britain Pound		370000	Aug-21

43 g. In respect of some financial assets the Company does not recognise a gain or loss on initial recognition of a financial asset or financial liability because the fair value is neither evidenced by a quoted price in an active market for an identical asset or

liability (i.e. a Level 1 input) nor based on a valuation technique that uses only data from observable markets. The Company has so concluded because these financial assets are interest free deposits made by the company. loss on initial recognition of a financial asset or financial liability because the fair value is neither evidenced by a quoted price in an active market for an identical asset or liability (i.e. a Level 1 input) nor based on a valuation technique that uses only data from observable markets. The Company has so concluded because these financial assets are interest free deposits made by the company.

(Rupees In Lakhs)

	31st March, 2022	31st March, 2021
Aggregate difference yet to be recognised in profit or loss at the beginning	14.09	11.59
reconciliation of changes	(1.67)	2.50
at the end of the period	12.42	14.09

A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2022

(Rupees In Lakhs)

	Note No.	Balance The beginning of the year	Change during the year	Bad debts written off	Balance at the end of the year
<b>The loss allowance measured at an amount equal to lifetime expected credit losses for trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15</b>	8 & 33	68.81	54.93	15.04	108.71
<b>Total</b>		<b>68.81</b>	<b>54.93</b>	<b>15.04</b>	<b>108.71</b>

A reconciliation by class of financial instrument from opening balance to closing balance of the loss allowance for the year ended 31/03/2021

(Rupees In Lakhs)

	Note No.	Balance The beginning of the year	Change during the year	Bad debts written off	Balance at the end of the year
<b>The loss allowance measured at an amount equal to lifetime expected credit losses for trade receivables, contract assets or lease receivables for which the loss allowances are measured in accordance with paragraph 109.5.5.15</b>	8 & 33	19.38	74.39	25.47	68.81
<b>Total</b>		<b>19.38</b>	<b>74.39</b>	<b>25.47</b>	<b>68.81</b>

The accompanying notes 1 to 43 are an integral part of these Financial Statement  
For and on Behalf of Board of Directors

As per our report of even date attached  
**Avinash Agrawal & Co.**  
 Chartered Accountant  
 FRN :022666C

**Anil Choudhary**  
 Managing Director  
 DIN 00017913

**Ranjana Choudhary**  
 Whole Time Director  
 DIN 03349699

**Ravindra Choudhary**  
 Chief Executive Officer

**Abhishek Jain**  
 Chief Financial Officer

**Sandeep Patel**  
 Company Secretary  
 M. No. - ACS 54908

Place: Indore  
 Date: 25.05.2022

**(CA Avinash Agrawal )**  
 Proprietor  
 M.No. 410875









# COMSYN

COMMERCIAL SYN BAGS LIMITED



# Mission

"To be a customer focused, globally competitive company in polypropylene woven products and in other chosen areas of plastic industry, through quality, technology and innovation"

**"Weaving Excellence"**



IS 15351:2015



(GEO MEMBRANE)  
CML-8200007799

IS 7903:2017



(HDPE TARPAULIN)  
CML-3289570

IS 15907:2010



(VERMI BED)  
CML-8200101286

IS 16190 : 2014



(HDPE PIPE)  
CML-8200116909

IS 14887 : 2014



(PP WOVEN SACK 50 KG)  
CML-8200123599

**COMSYN**  
COMMERCIAL SYN BAGS LIMITED

## Commercial Syn Bags Limited

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