

Chandni Machines Limited

(FORMERLY KNOWN AS CHANDNI MACHINES PRIVATE LIMITED)

Regd. Office: 108/109.T.V.Industrial Estate, 52 S. K. Ahire Marg, Worli, Mumbai – 400 030.India

TeleFaxNo :022-24950328 Email :- jrgroup@jrmehta.com, sales@cml.net.in

CIN : L74999MH2016PLC279940

Date: September 6, 2023

To,
The Listing Department,
The BSE Limited,
Phiroze Jeejeebhoy Towers,
Fort, Mumbai - 400001

Scrip Code: 542627
Scrip ID: CHANDNIMACH

Dear Sir/Madam,

Sub: Annual Report of the Company for the Financial Year 2022-23.

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclosed herewith the Annual Report for the Financial Year 2022-23.

We request you to take the above information on records.

Thanking You.

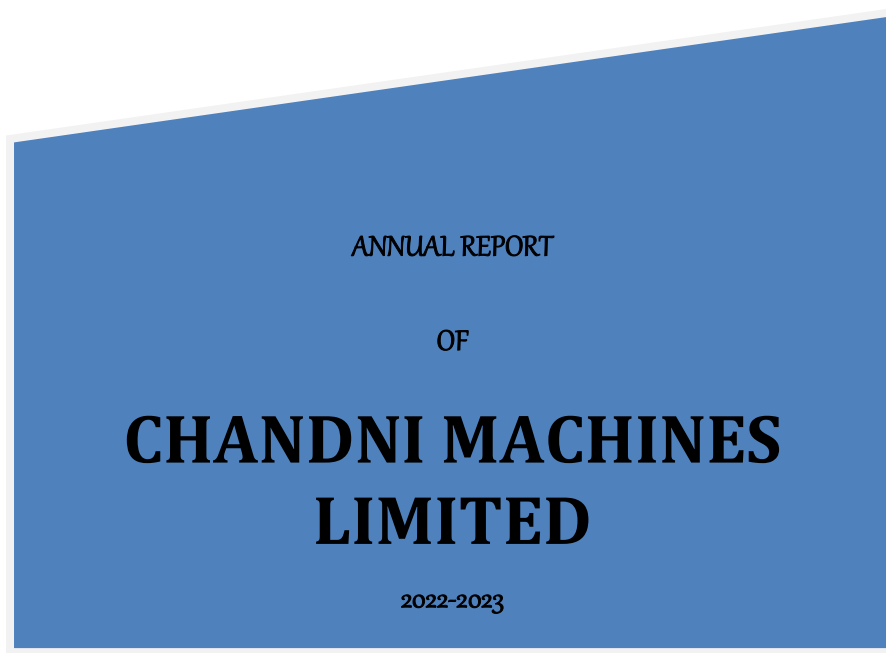
For Chandni Machines Limited

JAYESH
RAMNIKAL
MEHTA
Digitally signed by
JAYESH RAMNIKAL
MEHTA
Date: 2023.09.06 18:07:17
+05'30'

Jayesh R. Mehta
Chairman & Managing Director
DIN: 00193029



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BOARD AND COMMITTEES AS ON 31ST MARCH, 2023

THE BOARD OF DIRECTORS	COMMITTEES
Jayesh Ramniklal Mehta [Managing Director/ Chairperson]	AUDIT COMMITTEE
Amita Jayesh Mehta [Non -Executive Director]	Mr. Bharat Sugnomal Bhatia [Chairperson]
	Mr. Jayesh Ramniklal Mehta
Bharat Keshavlal Shah [Executive Director]	Mr. Richie Amin
	Mr. Rameshchand Garg
Mr. Richie Hiralal Amin [Independent Director]	NOMINATION AND REMUNERATION COMMITTEE
	Mr. Bharat Sugnomal Bhatia [Chairperson]
Rameshchand Garg [Independent Director]	Mr. Rameshchand Garg
	Mr. Richie Hiralal Amin
	Mr. Jayesh Ramniklal Mehta
Bharat Sugnomal Bhatia [Independent Director]	
	STAKEHOLDERS RELATIONSHIP COMMITTEE
	Mr. Rameshchand Garg [Chairperson]
	Mr. Bharat Sugnomal Bhatia
	Mr. Richie Hiralal Amin
	Mr. Jayesh Ramniklal Mehta
Chief Financial Officer	Mr. Bharat Keshavlal Shah
Company Secretary & Compliance Officer	Ms. Neelam Devani
Registered Office Address	108/109, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai - 400030
Registrar and Share Transfer Agent	Purva Sharegistry (India) Private Limited
	9, Shiv Shakti Industrial Estate, J.R. Boricha Marg, Lower Parel (East), Mumbai - 400011

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Secretarial Auditor	M/s N. L. Bhatia & Associates
Statutory Auditor	M/s Ambavat Jain & Associates, LLP, Chartered Accountant
Banks	HDFC Bank
	ICICI Bank
Website of the Company	www.cml.net.in

NOTICE TO SHAREHOLDERS

Notice is hereby given that 7th Annual General Meeting of the Members of CHANDNI MACHINES LIMITED will be held on Thursday, September 29, 2023 through Video Conferencing (VC) or other Audio-Visual Means (OAVM) at 03:00 PM to transact the following businesses:

ORDINARY BUSINESS:

1) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors Auditors and thereon;

2) To appoint a Director in place of Mrs. Amita Jayesh Mehta (DIN: 00193075), who retires by rotation and being eligible offers herself for re-appointment.

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

SPECIAL BUSINESS:

3) To Re-appoint and fix remuneration of Mr. Jayesh Ramniklal Mehta as a Chairman and Managing Director of the Company.

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

“RESOLVED THAT pursuant to provisions of Sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and Schedule V of the Act read with Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to other requisite approvals, if any, consent of the Members of the Company be and is hereby accorded for re-appointment of Mr. Jayesh Ramniklal Mehta (DIN: 00193029) as Chairman and Managing Director of the Company for a period of five years w.e.f. September 20, 2023 to September 19, 2028 at a remuneration not exceeding Rs. 45,000/- per month inclusive of perquisites as per applicable provisions of the Act read with rules thereof as amended from time to time on the terms and conditions of appointment and remuneration as approved by the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee.

RESOLVED FURTHER THAT where in any financial year during the currency of the tenure of Mr. Jayesh Ramniklal Mehta as Chairman and Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above as minimum remuneration, subject to the provisions prescribed under Section 197 read with Schedule V to the Companies Act, 2013 and rules framed thereunder and any other applicable provisions of the Act or any statutory modification(s) or re-enactment thereof.

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RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in regard to the said re-appointment as it may in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any director(s) and/or officer(s) of the Company, to give effect to this resolution.

**By the order of the Board
Chandni Machines Limited**

**Date: August 10, 2023
Place: Mumbai**

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

NOTES:

- i) An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business set out in Item No. 3 of the accompanying Notice to be transacted at the Annual General Meeting is annexed hereto.
- ii) In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated 13th January, 2021, Circular No.19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021 General Circular No. 02/2022 Dated 05th May, 2022 and General Circular No. 10/2022 dated December 28, 2022 (collectively referred to as “MCA Circulars”) and Circular numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79, dated May 12, 2020, SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/ PoD-2/P/CIR/2023/4 dated January 5, 2023, issued by the Securities and Exchange Board of India (“SEBI”) (hereinafter collectively referred to as “the Circulars”), other applicable circulars issued by the Securities and Exchange Board of India (SEBI) permitted to hold the Annual General Meeting (“AGM”) through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the “Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the 7th AGM of the Company is being held through VC / OAVM. The deemed venue for the 7th AGM shall be the Registered Office of the Company situated at 108/109, T. V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai- 400030.
- iii) Pursuant to the provisions of the Act, a Member entitled to attend and vote at the 7th AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM facility, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the 7th AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporate are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- iv) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

- v) The Board has appointed **M/s S P K G & Co. LLP**, Mumbai as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner.
- vi) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- vii) Institutional/Corporate Members intending to appoint their authorised representatives pursuant to Section 113 of the Act, to attend the 7th AGM through VC/OAVM or to vote through remote e-voting are requested to send a certified copy of the Board Resolution (PDF/JPG format) to the Scrutinizer by email at ashutosh.somani@spkg.co.in with a copy marked to www.cml.net.in
- viii) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- ix) Pursuant to the provisions of Section 91 of the Act, the Register of Members and the Share Transfer Books of the Company will remain closed from September 23, 2023 to September 29, 2023 (both days inclusive) for the purpose of 7th AGM of the Company.
- x) A brief detail of the director, who is being re-appointed, is annexed hereto as per the requirements of regulation 36 (3) of the SEBI Listing Regulations and as per the provisions of the Act.
- xi) In line with the MCA Circulars, the Notice of the AGM along with the Annual Report 2022-23 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories/RTA. The Notice convening the 7th AGM and Annual Report 2022-23 has been uploaded on the website of the Company at www.cml.net.in and may also be accessed from the relevant section on the website of the Stock Exchange, i.e. BSE Limited and at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
- xii) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on September 22, 2023 being Cut-off Date.
- xiii) Since the 7th AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

- xiv) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 29, 2023. Members seeking to inspect such documents can send an email to www.cml.net.in.
- xv) As per Regulations 39 and 40 of the Listing Regulations, as amended, listed companies can effect issuance of duplicate securities certificate; renewal / exchange, endorsement, subdivision/ split, consolidation of securities certificate; transfer, transmission and transposition, as applicable in Dematerialized form only with effect from 24th January, 2022.
- xvi) Further, SEBI vide its circular dated 3rd November, 2021, read with clarification dated 14th December, 2021 introduced common and simplified norms for processing investor's service request by Registrar and Transfer Agent(s) (RTAs) and norms for furnishing PAN, KYC details and Nomination. Accordingly, effective 1st January, 2022, the RTA shall not process any service requests or complaints received from the holder(s) / claimant(s), till PAN, KYC and Nomination documents/details are updated. On or after 1st April, 2023, in case of any of the above cited documents/details are not available in the folios, RTA shall be constrained to freeze such folios. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing the aforesaid details. This communication was also intimated to the Stock Exchanges and available on the website of the Company. In view of this requirement and to eliminate all risks associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to update their KYC details (through Form ISR-1, Form ISR-2 and Form ISR-3, as applicable) and consider converting their holdings to dematerialized form. Members can download Forms to make their service request with RTA from link <https://www.purvashare.com> or contact the Company's RTA - RTA 022 - 23016761 ('Registrar') at (email of RTA) support@purvashare.com for assistance in this regard
- xvii) As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH-13 or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialized form, the nomination form may be filed with the respective DPs. The relevant forms are available on the company website at www.cml.net.in
- xviii) Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, PAN, registration of nomination, Power of Attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the Registrar in case the shares are held in physical form, quoting their folio no. Further, Members may note that SEBI has mandated the submission of PAN by every participant in the securities market.
- xix) To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any joint holder / Member as soon

as possible. Members are also advised to periodically obtain / request their DP for statement of their shareholding and the same be verified from time to time.

xx) In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

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

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

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

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

- (i) The voting period begins on September 26, 2023 09.00 A.M. and ends on September 28, 2023 05.00 P.M. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 22, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders’ resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

(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 abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is

	<p>available at https://eservices.nSDL.com. Select "Register Online for IDEAS "Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at 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 CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 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.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID

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- a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on **“SUBMIT”** tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) (On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@cml.net.in, 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 7days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/ EGM 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/EGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM/EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders maybe considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

- (1)** For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**
- (2)** For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
- (3)** For Individual Demat shareholders - **Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE ACT

Item No. 3:

The Board of Directors of the company at their meeting held on August 24, 2023 approved re-appointment of Mr. Jayesh Ramniklal Mehta (DIN: 00193029) as a Chairman and Managing Director of the Company. Keeping in view Mr. Jayesh Ramniklal Mehta's (DIN: 00193029) rich and varied experience in the business of manufacturing of machines, his involvement in the operations of the Company over a long period of time, and his pioneering role in guiding the Company and contribution towards improvement in performance of the Company, the Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, at their Meeting held on August 24, 2023 approved the re-appointment of Mr. Jayesh Ramniklal Mehta (DIN: 00193029) as Chairman and Managing Director of the Company for a period of five years with effect from September 20, 2023 at a remuneration not exceeding Rs. 45,000/- per month inclusive of perquisites as per applicable provisions of the Act read with rules thereof as amended from time to time on the terms and conditions of appointment and remuneration as approved by the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee. The remuneration shall be paid to Mr. Jayesh Ramniklal Mehta (DIN: 00193029) as the minimum remuneration in the event of absence or inadequacy of profits in any financial year of the Company. It is proposed to seek the members' approval for the re-appointment and remuneration payable to Mr. Jayesh Ramniklal Mehta (DIN: 00193029) as Chairman & Managing Director of the Company, in terms of the applicable provisions of the Act and Regulation as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

Save and except the above, none of the other Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the resolution at Item No. 3 for approval of members by way of a Special Resolution

ANNEXURE - I

Details of Directors seeking re-appointment at the Annual General Meeting (Pursuant to Regulation 36(3) of the Listing Regulations) and SS-2 Secretarial Standard on General Meetings seeking re-appointment at ensuing 7th Annual General Meeting.

S.No.	Particulars	Details	
1.	Name of the Director	Jayesh Ramniklal Mehta	Amita Jayesh Mehta
2.	Age	61	59
3.	DIN	00193029	00193075
4.	Date of Birth	15/08/1962	01/11/1963
5.	Date if first appointment on the Board	12/04/2016	12/04/2016
6.	Qualifications	Textile engineer	Commerce Graduate
7.	Expertise	Mr. J R Mehta has over 26 years experience in the textile industry.	Mrs. Amita Jayesh Mehta deals with the sourcing of Materials.
8.	Other Directorships	Candour Techtex Limited Absolute Plastics Private Limited JR Auto Components Private Limited KJM Engineering Tools Private Limited Humans Of Bombay Stories Private Limited Jumping Genius School Private Limited	Candour Techtex Limited JR Auto Components Private Limited KJM Engineering Tools Private Limited
9.	Number of meetings of the Board attended during the year	7	7
10.	Listed companies (other than Chandni Machines Limited) in which he /she holds directorship and committee membership* *includes only Audit Committee & Stakeholders' Relationship Committee	Candour Techtex Limited	Candour Techtex Limited
11.	Shareholding in Chandni Machines Limited	8,38,418	5,51,925
12.	Relationship between directors inter-se	Ms. Amita Jayesh Mehta is relative of Mr. Jayesh Ramniklal Mehta.	Mr. Jayesh Ramniklal Mehta is relative Ms. Amita Jayesh Mehta.

DIRECTOR'S REPORT

To
The Members
Chandni Machines Limited,

Your Directors have pleasure in presenting the 7th Annual Report together with Audited Financial Statements for the year ended 31st March, 2023 of **CHANDNI MACHINES LIMITED**. The Financial Results of the Company have been summarized and given below:

1. FINANCIAL SUMMARY /PERFORMANCE OF THE COMPANY :

(In Rupees)

Particulars	March 31, 2023	March 31, 2022
Revenue from Operations	51,62,15,967	1,49,04,55,063
Other Income	35,06,470	22,69,160
Total Revenue	51,97,22,437	1,49,27,24,223
Profit before Depreciation, Interest and Tax (PBDIT)	70,96,684	2,37,62,014
Less: Depreciation	20,90,940	24,03,077
Less: Finance Cost	1,30,352	2,00,823
Profit Before Tax	48,75,392	2,11,58,113
Provision for Tax:		
Current Tax	9,89,725	47,94,648
Deferred tax	3,90,163	7,17,008
Profit/(Loss) After Tax	34,95,504	1,56,46,457
Balance brought forward from previous year	3,07,74,269	1,51,27,812
Balance carried to Balance sheet	3,42,69,773	3,07,74,269

2. REVIEW OF OPERATIONS:

Turnover of the Company has decreased to **Rs. 51,62,15,967/-** in the Current Year as compared to **Rs. 1,49,04,55,063/-** Lakhs in the Previous Year.

The Profit before tax has decrease to **Rs. 48,75,392/-** in the Current Year as compared to **Rs. 2,11,58,113/-** in the Previous Year.

The Net Profit after tax has decrease to **Rs.34,95,504/-** in the Current Year as compared to **Rs. 1,56,46,457/-** in the Previous Year.

3. DIVIDENDS:

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

The Company has formulated a Dividend Distribution Policy which has been approved by the Board. In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 ('SEBI Listing Regulations') the Dividend Distribution Policy is hosted on the website of the Company at www.cml.net.in

4. TRANSFER TO RESERVES:

The Company had profits **Rs. 34,95,504/-** as at March 31, 2023. An amount of **Rs. 34,95,504/-** is proposed to be retained in the Profit & Loss Account.

5. CHANGE IN NATURE OF BUSINESS, IF ANY:

During the financial year, there has been no change in the business of the Company or in the nature of business carried by the Company during the financial year under review.

6. MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which financial statement relate and the date of the Report.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

As on 31st March, 2023 your Company does not have any Subsidiary, Associate or Joint Venture Companies.

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

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

9. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No.	Name of Director	Designation	Appointment Date	Resignation Date
1.	Mr. JayeshRamniklal Mehta	Chairperson& Managing Director	12.04.2016	-
2.	Mr. Bharat Sugnomal Bhatia	Non- Executive & Independent Director	20.09.2018	-
3.	Mr. Rameshchand Garg	Non- Executive & Independent Director	20.09.2018	-
4.	Mr.RichieHiralal Amin	Non- Executive & Independent Director	08.11.2021	-
5.	Mrs. AmitaJayesh Mehta	Non- Executive Director	12.04.2016	-
6.	Mr. Bharat Keshavlal Shah	Director & Chief Financial Officer	07.02.2018	-

7.	Ms. NeelamDevani	Company Secretary and Compliance Officer	01.12.2021	-
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As on 31st March, 2023, the following were the Key Managerial Personnel of the Company as per Section 203 of the Companies Act, 2013 and the rules made thereunder:

- Mr. JayeshRamniklal Mehta - Chairperson& Managing Director
- Mr. Bharat Keshavlal Shah - Director & Chief Financial Officer
- Ms. NeelamDevani - Company Secretary & Compliance Officer

10. **DECLARATION BY INDEPENDENT DIRECTORS:**

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

The Company convened Independent Director's Separate Meeting in terms of Schedule - IV to the Companies Act, 2013 on 2nd February, 2023.

11. **MEETINGS OF THE BOARD OF DIRECTORS:**

The Board of Directors duly met Seven (7) times during the financial year from 01st April, 2022 to 31st March, 2023. The dates on which meetings were held are 30th May 2022, 13th August 2022, 21st October 2022, 16th December 2022, 2nd February 2023, 25th February 2023 and 31st March 2023. All the Members were present in the Meeting.

The gap between two Board Meetings didn't exceed 120 days as per Section - 173 of the Companies Act, 2013 except for the first quarter due to global pandemic.

12. **ATTENDANCE OF DIRECTORS:**

Attendance of Directors at the Board Meetings held during the financial year ended 31st March, 2023 and at last AGM are as under:

Name of Director	Category	Number of Board Meetings		Attendance at the last AGM
		Held	Attended	Held on 29.09.2022
Mr. JayeshRamniklal Mehta	Managing Director	7	7	Yes
Mrs. AmitaJayesh Mehta	Non- Executive Director	7	7	Yes
Mr. Bharat Keshavlal Shah	Chief Financial Officer, Executive Director	7	7	Yes
Mr. Bharat Sugnomal Bhatia	Non-Executive, Independent	7	7	Yes

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Mr. Rameshchand Garg	Non-Executive, Independent	7	7	Yes
Mr. Richie Hiralal Amin	Non-Executive, Independent	7	7	Yes

Attendance of Directors at the Committee Meetings held during the financial year ended 31st March, 2023:

Name of Director	Audit Committee Meeting		Nomination & Remuneration Committee Meeting		Stakeholder Relationship Committee	
	Held	Attended	Held	Attended	Held	Attended
Mr. Jayesh Ramniklal Mehta	4	4	1	1	4	4
Mr. Bharat Sugnomal Bhatia	4	4	1	1	4	4
Mr. Rameshchand Garg	4	4	1	1	4	4
Mr. Richie Hiralal Amin	4	4	1	1	4	4

13. COMMITTEES:

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

- **Audit Committee:**

The Composition of Audit Committee is in alignment with provision of Section-177 of the Companies Act, 2013 read with the rules issued thereunder and Regulation-18 of the SEBI Listing Regulations. The members of the Audit Committee are financially literate and have experience in financial management.

The Composition of Audit Committee is as under:

Name of the Director	Designation	Position on the Committee
Mr. Bharat Sugnomal Bhatia	Non Executive Independent Director	Chairperson
Mr. Rameshchand Garg	Non Executive Independent Director	Member
Mr. Jayesh Ramniklal Mehta	Managing Director	Member
Mr. Richie Hiralal Amin	Non Executive Independent Director	Member

During the year Four (4) meetings of Audit Committee was held on 30th May 2022, 13th August 2022 and 21st October 2022 and 2nd February 2022. All the members were present in the Meeting.

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

● **Nomination and Remuneration Committee:**

The Composition of Nomination & Remuneration Committee is as under:

Name of the Director	Designation	Position on the Committee
Mr. Bharat Sugnomal Bhatia	Non Executive Independent Director	Chairperson
Mr. Rameshchand Garg	Non Executive Independent Director	Member
Mr. Jayesh Ramniklal Mehta	Managing Director	Member
Mr. Richie Hiralal Amin	Non Executive Independent Director	Member

During the year one (1) meeting of Nomination and Remuneration Committee was held on 13th August 2022

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

● **Stakeholders' Relationship Committee:**

The Composition of Stakeholder Relationship Committee is as under:

Name of the Director	Designation	Position on the Committee
Mr. Rameshchand Garg	Non Executive Independent Director	Chairperson
Mr. Bharat Sugnomal Bhat	Non Executive Independent Director	Member
Mr. Jayesh Ramniklal Mehta	Managing Director	Member
Mr. Richie Hiralal Amin	Non Executive Independent Director	Member

During the year Three (4) Meetings of Stakeholder Relationship Committee was held on 30th May, 2022, 13th August 2022, 21st October 2022 and 2nd February, 2023. All the members were present in the Meeting.

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

14. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

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

The criteria for appointment of Board of Directors and Remuneration Policy of your Company are placed on the website of the Company <http://www.cml.net.in>

15. FAMILIARIZATION PROGRAMME:

The details of programs for familiarization of Independent Directors with the Company, their roles, responsibilities, in the Company and related matters are put up on the website of the Company at the link: <http://www.cml.net.in>

16. BOARD EVALUATION:

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

17. PARTICULARS OF EMPLOYEES:

The statement of particulars of Appointment and Remuneration of managerial personnel pursuant to Section - 197(12) of the Companies Act, 2013 read with Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the "Annexure - I"

Pursuant to Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employees of the Company was in receipt of the

remuneration during the financial year 2022-2023, which in aggregate was in excess of Rs. 1.02 Crores per year or Rs. 8.5 Lakhs per month or in excess of remuneration drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

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

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

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

19. DIRECTORS RESPONSIBILITY STATEMENT:

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

- In the preparation of the Annual Accounts for the financial year ended 31st March, 2023, the applicable accounting standards have been followed and there are no material departures.
- The Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the 31st March, 2023 and of its profit for the year.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis.
- The Directors have laid down Internal Financial Controls to be followed by the Company and such Internal Financial Controls are adequate and were operating effectively, and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. PUBLIC DEPOSITS:

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

21. LOAN FROM DIRECTOR:

During the year under review, your Company has not received any loan from Mr. Jayesh Ramniklal Mehta, Managing Director of the Company along with a declaration in writing to the effect that the amount given by him is not from the funds acquired by him by borrowing or accepting loans from others.

22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The particulars of Loans, Guarantees, and Investments have been disclosed in the Financial Statements read together with Notes annexed to and forming an integral part of the Financial Statements.

23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All Related Party Transactions are entered on Arm's Length Basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. The disclosure of Related Party Transactions as required under Section - 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is given in "Annexure - II" of this Report.

The details of transactions with Related Parties are also provided in the Company's Financial Statements in accordance with the Accounting Standards.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the Company's website and can be seen at the link: www.cml.net.in

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Since the company is involved in Trading of machinery, the provisions of conservation of energy and technology absorptions are not applicable to the company.

During the year under review your company has following Foreign Exchange Earnings and Outgo:

Particulars	F.Y. 2022-2023	F.Y. 2021-2022
Foreign Exchange Earnings	NIL	NIL

Foreign Exchange Outgo	2,73,254	1,61,312/-
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25. RISK MANAGEMENT:

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

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

26. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

In pursuant to the provisions of Section - 177 (9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism / Whistle Blower Policy is available on the website of the Company: <http://www.cml.net.in>

27. CORPORATE SOCIAL RESPONSIBILITY:

Your Company does not fall in the ambit of limit as specified in Section 135 of the Companies Act, 2013, read with Rule framed there under in respect of Corporate Social Responsibility.

28. STATUTORY AUDITOR AND STATUTORY AUDITOR'S REPORT:

The Statutory Auditor of the Company were re-appointed at the 6th Annual General Meeting held on September 29, 2022, to hold the office for a period of five years till the conclusion of the 11th Annual General Meeting to be held in the year 2027, in terms of the applicable provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules 2014. The Auditors' Report on Standalone Financial Statements for the financial year 2022-2023, issued by M/s. Ambavat Jain & Associates LLP, Chartered Accountants, does not contain any qualification, observation, disclaimer, reservation or adverse remark.

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

29. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of Section - 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company appointed M/s. N L Bhatia & Associates, Practicing Company Secretaries to conduct

the Secretarial Audit of the Company for the financial year 2022-2023. The Report is attached herewith as “**Annexure – III**” to the Board’s Report.

There are no qualifications, reservations, adverse remark or disclaimer in the Secretarial Audit Report.

During the year under review, no instances of fraud were reported by the Secretarial Auditors of the Company.

30. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI):

Your Directors state that the applicable Secretarial Standards have been followed during the financial year 2022-2023.

31. ANNUAL RETURN:

The Annual Return for F.Y. 2022-2023 is available on the website of the Company at www.cml.net.in

32. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation - 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of this Annual Report as “**Annexure – V**”.

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

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

Further the company has maintained structured digital database (SDD) under regulation 3(5) of SEBI (Prohibition of Insider Trading) Regulations, 2015 for capturing and maintain the trail of sharing UPSI of the company with the Designated Persons.

34. CORPORATE GOVERNANCE:

Pursuant to the Regulation - 15(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the compliance with the Corporate Governance provisions shall not apply to listed entities having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous

financial year. The Equity Share Capital of the company is less than ten crore and the net worth of the company is less than Twenty five crore, therefore the provisions pursuant to Regulation 15(2) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is not Applicable to the company and is not required to make report Corporate Governance.

35. DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. The Company has provided a safe and dignified work environment for employee which is free of discrimination. The objective of this Policy is to provide Protection against Sexual Harassment of Women at Workplace and for Redressal of any such complaints of harassment.

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

36. INSIDER TRADING CODE:

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has formulated a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('Fair Disclosure Code') which are in force. The Fair Disclosure Code is available on the website of the Company at www.cml.net.in

37. LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid Annual Listing Fees for the year 2023-2024 to the Stock Exchanges i.e. The BSE Limited where the Company's shares are listed.

38. CAUTIONARY STATEMENT:

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

39. ACKNOWLEDGEMENT:

Your Directors would like to express their appreciation for the assistance and co-operation received from the Company's Customers, Vendors, Bankers, Auditors, Investors, Government Authorities and Stock Exchange during the year under review. Your Directors place on record their appreciation

of the contributions made by employee at all levels. Your Company's consistent growth was made possible by their hard work, solidarity, co-operation and support.

For and on behalf of Board of Directors

Date: August 10, 2023
Place: Mumbai

Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures in terms of Sub-Section 12 of Section - 197 of the Companies Act, 2013 read with Rule - 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended 31st March, 2023.

S.No.	Requirement	Disclosure	
		Name of Director	Ratio
•	The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	Mr. Jayesh Ramniklal Mehta	2.36:1
		Mrs. Amita Jayesh Mehta	0.09:1
		Mr. Bharat Sugnomal Bhatia	0.17:1
		Mr. Rameshchand Garg	0.09:1
		Mr. Bharat Shah	0.09:1
		Mr. Richie Amin	0.09:1
•	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the financial year.	Name of Director/ CEO/CFO/CS	Percentage increase in their remuneration during the Financial Year ended 2023
		Mr. Jayesh R Mehta	NIL
		Mrs. Amita Jayesh Mehta	NIL
		Mr. Bharat Sugnomal Bhatia	NIL
		Mr. Rameshchand Garg	100%
		Mr. Bharat Shah	NIL
		Mr. Richie Amin	NIL
		Ms. Neelam Devani	200%
•	The percentage increase in the median remuneration of employees in the Financial Year	Not Applicable	

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•	Number of permanent employees on the rolls of Company at the end of Financial Year	08 employees
•	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Not Applicable
•	Affirmation that the remuneration is as per the Remuneration Policy of the Company.	It is affirmed that the remuneration paid is as per the Remuneration Policy of the Company

**For and on behalf of Chandni Machines
Limited**

**Date: August 10, 2023
Place: Mumbai**

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

Form No. AOC-2

(Pursuant to Clause (h) of Sub-Section (3) of Section - 134 of the Act and Rule - 8(2) of the Companies (Accounts) Rules, 2014)

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

(i) **Details of contracts or arrangements or transactions not at arm's length basis: NIL**

There were no contracts or arrangements, or transactions entered into during the year ended 31st March, 2023, which were not at arm's length basis.

(ii) **Details of material contracts or arrangement or transactions at arm's length basis:**

Name of the Related parties	Nature of contracts / arrangements / transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advances, if any
Candour Techtex Limited	Sale of Goods	01-04-2022 to 31-03-2023	25,000	N.A.
	Rent/Compensation Received	01-04-2022 to 31-03-2023	5,28,589	
	Rent/Compensation Paid	01-04-2022 to 31-03-2023	10,57,371	
Mr. Jayesh Ramniklal Mehta	Remuneration paid to Managing Director	01-04-2022 to 31-03-2023	5,40,000	
Ms. Neelam Devani	Salary & Bonus	10-12-2022 to 31-03-2023	1,80,000	

For and on behalf of Chandni Machine Limited

Date: August 10, 2023
Place: Mumbai

Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029

**To,
The Members,
Chandni Machines Limited**

Our Report of even date is to be read along with this letter:

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We have followed the auditing standards issued by the Institute of Company Secretaries of India ("ICSI") and audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records. We believe that the processes and practices, we have followed are aligned with Auditing Standards issued by the Institute of Company Secretaries of India ("ICSI") provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required we have obtained the Management Representation about the Compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For M/S. N. L. Bhatia & Associates
Practicing Company Secretaries
UIN: P1996MH055800
PR NO.: 700/2020**

Sd/-

**N L Bhatia
Partner
FCS:1176**

CP. NO.: 422

UDIN:F001176E000782473

Date: August 10, 2023

Place: Mumbai.

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023
[Pursuant to Section - 204(1) of the Companies Act, 2013 and Rule No. - 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Chandni Machines Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and adherence to good governance practices by “**Chandni Machines Limited**” having **Corporate Identification Number (CIN) L74999MH2016PLC279940** (hereinafter called “**the Company**”). Secretarial Audit was conducted in conformity with the Auditing Standards issued by the Institute of Company Secretaries of India (“**the Auditing Standards**”) and the processes and practices followed during the conduct of Audit are aligned with the Auditing Standards to provide us a reasonable basis for evaluating the Corporate Conducts/ Statutory Compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns files and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our Opinion, the Company has, during the Audit period covering the **Financial Year ended on March 31, 2023**, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2023 according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the Rules made thereunder including statutory amendments made thereto and modifications thereof for the time being in force.
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulation and Bye-Laws framed thereunder.
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):-

1. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
2. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
3. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
4. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018; **Not Applicable during the financial year**
5. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable during the financial year**
6. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable during the financial year**
7. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable during the financial year**
8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the financial year**
9. Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable during the financial year**

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

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI);
- (ii) Guidelines issued by MCA and SEBI relating to conducting the meeting via video conferencing and Other Audio-Visual means.

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

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. All the decisions at the Board Meetings were passed unanimously and with requisite majority in General Meeting

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

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CHANDNI MACHINES LIMITED

with applicable laws, rules, regulations and guidelines. All notices received from regulatory authorities have been replied in time.

During the period under review, the Company had paid an amount of Rs. 14,160/- each as a fine to BSE Limited ("BSE") for the delayed compliances under Regulation - 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For M/S. N. L. Bhatia & Associates
Practicing Company Secretaries
UIN: P1996MH055800
PR NO.: 700/2020

Sd/-

N L Bhatia
Partner
FCS:1176

CP. NO.: 422

UDIN: F001176E000782473

Date: August 10, 2023
Place: Mumbai.

LIST OF APPLICABLE LAWS

1. Tax Laws:

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

2. Employee Laws:

- a. Payment of Gratuity Act, 1972 and Payment of Gratuity (Central) Rules, 1972.
 - b. The Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975.
 - c. The Payment of Wages Act, 1936.
 - d. The Minimum Wages Act 1948.
 - e. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and Scheme framed thereunder.
 - f. The Employees' State Insurance Act 1948.
 - g. Factories Act, 1948 and rules made thereunder
 - h. Labour Welfare Fund Act.
- 3. Environment (Protection) Act, 1986**
- 4. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

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

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

According to a market research report, the "Injection Molding Machine Market by Machine Type (Hydraulic, All-electric, and Hybrid), Clamping Force (0-200, 201-500 and Above 500), Product Type (Plastic, Rubber, Metals), End-Use Industry (Automotive, Packaging) and Region - Global Forecast to 2027", Injection molding machine market size is projected to reach USD 12.4 billion by 2027 from USD 10.4 billion in 2022 growing at a CAGR of 3.6%. The growth is largely driven by factors such as high demand from the automotive, packaging, and electrical & electronics industries. The rising consumption of plastics in various industries, increasing demand for injection molding machines as well.

The key global players in the injection molding machine market include Haitian International Holdings Limited (China), Chen Hsong Holdings Ltd. (China), Engel Austria GmbH (Austria), Sumitomo Heavy Industries Limited (Japan), Hillenbrand, Inc. (U.S.). The global and regional players have sizable shares in the injection molding machine market. They are focusing on strategies such as new product launches, acquisitions, and expansions, and partnerships & agreements to expand their businesses globally.

201-500 tons force was largest clamping force segment for global injection molding machine market, in terms of value, in 2021”

Based on clamping force, 201–500 ton-force segment accounted for the largest market share, in terms of value, in 2021 and is projected to register the highest CAGR during the forecast period. Demand for medium sized molded parts from end-use industries such as automotive, packaging, and consumer goods is driving the high demand for the segment during the forecast period.

“Based on product type, plastic is projected to be the fastest growing segment for injection molding machine market between 2022 and 2027”

The injection molding machine market for plastic products accounted for the largest share, in terms of value, in 2021. This dominance is expected to continue during the forecast period due to the increasing demand for plastic products from automotive, consumer goods, and packaging end-use industries, where injection molding machines are used to make a wide range of plastic products such as automotive parts, chairs, toys, syringes, bottles, and construction kits

“Healthcare is projected to be the fastest growing end-use industry in injection molding machine market between 2022 and 2027.”

Since injection molding machines offer high precision and accuracy for complex injection molded parts, these machines are preferred for manufacturing medical products. Due to the outbreak of coronavirus across the globe, the demand for medical equipments witnessed an explosive surge, driving the market for injection molding machines in healthcare industry. In addition, the technological advancements in the medical industry towards micro parts is further fueling the demand for high precision molded parts.

"Asia Pacific projected to be fastest growing region for the injection molding machine market during the forecast period"

Asia Pacific region is offering lucrative opportunities for the growth of the injection molding machine market. Growing economies like China, India, Thailand and Vietnam are offering favourable investment opportunities in major end-use industries like automotive, healthcare, electronics and consumer goods. Rise in population in the region is driving the domestic demand for all these sectors, fueling the injection molding machine market.

INDIAN MARKET

The India injection molding machine market size was estimated at USD 0.73 billion in 2021 and is anticipated to expand at a compounded annual growth rate (CAGR) of 6.1% from 2022 to 2030. The rising adoption of personal mobility, and increased penetration of alternative-engine powertrain vehicles, is likely to drive demand for electric vehicles in the automotive sector and thus drive the industry expansion for injection molding machine.

Growing adoption of automation and increasing demand for automobiles and consumer goods are expected to fuel the growth of the injection molding machine market. Increased demand from households, changing lifestyles of individuals, greater access to finance, and increased disposable incomes all contribute to the growth of the Indian consumer electronics industry, which are expected to drive the growth of this industry over the forecast period.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Organization implements to provide direction, increase efficiency and strengthen adherence to policies. Employees discharge their assigned responsibilities to increase efficiency in the execution of work. Financial Statement provide correct and reliable information maintaining proper accounts.

For and on behalf of Chandni Machine Limited

Date: August 10, 2023
Place: Mumbai

Sd/-
Jayesh Ramniklal Mehta
Managing Director
DIN: 00193029

INDEPENDENT AUDITOR'S REPORT

To
The Members
Chandni Machines Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Chandni Machines Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2023 and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023 and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* Section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Allowance for credit losses in respect of Trade receivables -	
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The Company determines the allowance for credit losses in respect of trade receivables	Our audit procedures related to the allowance for credit losses for the trade
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<p>based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries it deals with. In calculating expected credit losses in respect of these trade receivables, the Company also considered the relevant credit information for its customers to estimate the probability of default in future and has taken into account possible effect of present scenario of recession worldwide.</p> <p>We identified allowance for credit losses as a key audit matter because of the significant judgement involved in calculating the expected credit losses. This required a high degree of auditor judgment and an increased extent of effort when performing audit procedures to evaluate the reasonableness of management's estimate of the expected credit losses.</p>	<p>receivables included the following, among others:</p> <ul style="list-style-type: none"> • We tested the effectiveness of controls over the (1) development of the methodology for the allowance for credit losses, including consideration of the current and estimated future economic conditions, (2) completeness and accuracy of information used in the estimation of probability of default, and (3) computation of the allowance for credit losses. • For a sample of trade receivables, we tested the input data such as credit reports and other credit related information used in estimating the probability of default by comparing them to external and internal sources of information. • We evaluated the incorporation of the applicable assumptions into the estimate of expected credit losses and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • We evaluated the qualitative adjustment to the historical loss rates, including assessing the basis for the adjustments and the reasonableness of the significant assumptions.
<p>Measurement and valuation of inventory</p>	
<p>As at 31 March 2023 the Company has inventory amounting to Rs.5,19,05,301/-. (Refer Note no.8) This was determined a key audit matter, as the measurement and valuation of the inventory at the year-end involves significant judgement and estimate.</p> <p>The Company uses internal and external experts, to perform volumetric assessments, on basis of which the quantity for these inventories is estimated.</p>	<p>Our audit procedures relating to the measurement of inventory included the following:</p> <p>(a) Understanding and evaluating the design and operating effectiveness of controls over physical count and measurement of such inventory;</p> <p>(b) Evaluation of competency and capabilities of management's experts;</p> <p>(c) Observing, physically or through remote access, inventory measurement and count procedures carried out by management, to ensure its appropriateness and completeness;</p> <p>(d) Obtaining and inspecting, inventory measurement and physical count results for such inventories, including assessing and evaluating the results of analysis performed by management in respect of differences between book and physical quantities.</p> <p>Based on the above procedures performed, we did not identify any material exceptions in the measurement of inventory quantities.</p>

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other Information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements as mentioned in Note no 46;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There has been 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 person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (e) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (f) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) hereinabove, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and

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CHANDNI MACHINES LIMITED

Auditors) Rules, 2014 is not applicable for the financial year ended 31 March 2023.

- (C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act as amended:

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

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

Sd/-

Ashish J Jain
Partner
Membership No.111829

Place: Mumbai
Date: 29 May, 2023

ICAI UDIN No: 23111829BGVYQJ3118

CHANDNI MACHINES LIMITED
(Formerly known as Chandni Machines Private Limited)

Annexure – A to the Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on other Legal & Regulatory Requirements’ Section of our report of even date)

- [i] (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
(B) The Company does not have Intangible assets.
- (b) These Property, Plant & Equipments have been physically verified by the management at reasonable intervals during the year considering the size of the Company and nature of its assets and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) during the year.
- (e) According to the information and explanations given to us, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- [ii] (a) As informed to us, the inventory in the Company’s possession has been physically verified at reasonable intervals during the year by the management. Considering the size of the Company and nature of its business, in our opinion, the coverage and procedure of such verification by the management is appropriate. As informed to us, no discrepancies of 10% or more in the aggregate were noticed on verification between physical stock and book records were not material.
- (b) According to the information and explanations given to us, the Company has not been sanctioned any working capital limits from banks or financial institutions on the basis of security of current assets during the year.
- [iii] According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted advances in nature of loans or made investments in or provided any guarantee or security to companies, firms, Limited Liability Partnerships, or any other parties during the year. However, the Company has granted interest free loans to its employees and unsecured loans to companies and firms during the year and the details of such loans are stated in sub-clause (a) below.
- (a) The Company has not granted advances in nature of loans or made investments in or stood guarantee or provided security to any other entity. However, the Company has

provided interest free loans to its employees and unsecured loans to companies and firms during the year.

- (A) According to the information and explanations given to us, the Company does not have any subsidiaries, joint venture, and associates at any time during the year and hence, this sub-clause is not applicable.
- (B) According to the information and explanations given to us, the Company has granted loans to parties other than subsidiaries, joint venture and associates as below:

Particulars	Amount (in Rs.)
Aggregate amount of loans during the year -	
Employees	Nil
Others	2,55,00,000
Balance outstanding as at balance sheet date -	
Employees	72,083
- Others	1,30,00,000

- (b) According to the information and explanations given to us, in our opinion, the terms and conditions of the loans given are prima facie not prejudicial to the Company's interest.
- (c) According to the information and explanations given to us, in respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.
- (d) According to the information and explanations given to us, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us, there is no loan granted falling due during the year and hence, this sub-clause is not applicable.
- (f) According to the information and explanations given to us, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- [iv] According to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of loans given during the year. The provisions of Section 185 of the Act are not applicable in respect of loans given by the Company. The Company has neither made any investment nor provided guarantee or security during the year.
- [v] According to the information and explanations given to us, the Company has not accepted any deposits or any amounts which are deemed to be deposits within the meaning of provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable.

- [vi] As informed to us, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act for any of the product of the Company.
- [vii](a) In our opinion and according to the information and explanations given to us, the Company has generally been regular in depositing with the appropriate authorities the undisputed statutory dues applicable to it. There were no arrears of outstanding undisputed statutory dues as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues which have not been deposited on account of any dispute.
- [viii] According to the information and explanations given to us, the Company has not surrendered or disclosed any unrecorded transactions in the books of account as income during the year in the tax assessments under the Income-tax Act, 1961.
- [ix] (a) The Company has not obtained any other loans or borrowings from the banks, financial institutions, government nor issued any debentures.
- (b) As informed to us, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) According to the information and explanations given to us, the Company has not availed any term loans during the year. Accordingly, paragraphs 3 (ix)(c) of the Order are not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the Balance Sheet, in our opinion, the Company has not utilized any funds raised on short term basis for long term purposes.
- (e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates, or joint ventures. Accordingly, paragraphs 3 (ix)(e) and 3(ix)(f) of the Order are not applicable.
- [x] (a) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3 (x)(a) of the Order is not applicable.
- (b) According to the information and explanations give to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially, or optionally convertible) during the year. Accordingly, paragraph 3(x)(b) of the Order is not applicable.

- [xi] (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year.
- [xii] According to the information and explanations given to us, the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- [xiii] According to the information and explanations given to us, in our opinion, the transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- [xiv](a) According to the information and explanations provided to us and based on our examination, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
- [xv] According to the information and explanations given to us, the Company has not entered non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- [xvi](a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.
- (b) According to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- (c) According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given to us, the Company is not in any group as defined in Core Investment Companies (Reserve Bank) Directions 2016.
- (xvii) The Company has not incurred any cash losses in the current financial year and in the immediately preceding financial year.

- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us, the provisions of Section 135 of the Companies Act are not applicable to the Company during the year. Accordingly, paragraph 3(xx) of the Order is not applicable.

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

Sd/-
Ashish J Jain
Partner
Membership No.111829

Place: Mumbai
Date: 29 May, 2023

ICAI UDIN No: 23111829BGVYQJ3118

Annexure - B to the Independent Auditors' Report

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

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

Opinion

We have audited the internal financial controls over financial reporting with reference to standalone financial statements of Chandni Machines Limited (hereinafter referred to as "the Company") as of 31st March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Considering the size of the Company and nature of its business, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to standalone financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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

Sd/-
Ashish J Jain
Partner
Membership No.111829

Place: Mumbai
Date: 29 May, 2023
ICAI UDIN No: 23111829BGVYQJ3118

CHANDNI MACHINES LIMITED						
(Formerly known as Chandni Machines Private Limited)						
Balance Sheet as at 31st March, 2023						
PARTICULARS		Note No.	AS AT 31/03/2023 Rs	AS AT 31/03/2022 Rs		
I	ASSETS					
(1)	NON-CURRENT ASSETS					
	(a)	Property, Plant and Equipment	3	24,457,575	25,175,461	
	(b)	Right of use assets	4	5,098,861	2,694,688	
	(c)	Financial Assets				
	(i)	Other Financial Assets	5	341,119	402,090	
	(d)	Other non-current assets	6	51,000	227,718	
	(e)	Income-tax Assets (net)	7	333,776	3,508,065	
(2)	CURRENT ASSETS					
	(a)	Inventories	8	51,899,335	30,261,401	
	(b)	Financial Assets				
	(i)	Trade receivables	9	1,314,323	3,048,364	
	(ii)	Cash and cash equivalents	10	2,265,464	15,237,208	
	(iii)	Bank balances other than (ii) above	11	19,011,638	38,511,638	
	(iv)	Loans	12	13,000,000	-	
	(v)	Other financial assets	13	61,232	97,907	
	(c)	Other current assets	14	8,397,894	34,433,756	
	Total Assets			126,232,216	153,598,296	
II	EQUITY AND LIABILITIES					
(1)	EQUITY					
	(a)	Equity Share capital	15	32,274,330	32,274,330	
	(b)	Other Equity	16	38,372,714	34,877,210	
(2)	LIABILITIES					
A	NON -CURRENT LIABILITIES					
	(a)	Financial Liabilities				

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CHANDNI MACHINES LIMITED

	(i)	Lease liabilities	17	2,922,427	1,337,298
	(ii)	Other Financial Liabilities	18	410,873	-
	(b)	Deferred tax liabilities (Net)	19	1,286,082	867,538
	(c)	Provisions	20	303,087	227,183
(B)	CURRENT LIABILITIES				
	(a)	Financial Liabilities			
	(ia)	Lease liabilities	21	2,208,074	1,470,214
	(ii)	Trade payables	22		
	(a)	total outstanding dues of micro enterprises & small enterprises		33,892	-
	(b)	total outstanding dues of creditors other than micro enterprises & small enterprises		1,787,758	2,945,300
	(b)	Other Current Liabilities	23	46,632,979	76,510,885
	(c)	Current Income-tax	24	-	3,088,338
		Total Equity and Liabilities		126,232,216	153,598,296

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Significant Accounting Policies

The accompanying notes are an integral part of the financial statements

As per our report of even date
For Ambavat Jain & Associates LLP
Firm Registration No. 109681W

Sd/-

Ashish J. Jain
Partner
Membership No. 11182

On behalf of the Board

Sd/-

J.R. Mehta
Director
DIN 00193029

Sd/-

Neelam Devani
Company Secretary
Membership No. A47166

Sd/-

R.C. Garg
Director
DIN 03346742

Sd/-

Bharat Shah
Chief Financial
Officer
DIN 08066115

Place : MUMBAI
Date : 29-05-2023

Place : MUMBAI
Date : 29-05-2023

<u>CHANDNI MACHINES LIMITED</u>				
(Formerly known as Chandni Machines Private Limited)				
Statement of Profit and Loss for the year ended 31st March, 2023				
Particulars		Note No.	2022-23 Rs.	2021-22 Rs.
Income				
I	Revenue From Operations	25	516,215,967	1,490,455,063
II	Other Income	26	3,506,470	2,269,160
III	Total Income (I + II)		519,722,437	1,492,724,223
Expenses				
a)	Purchases of Stock-in-Trade	27	518,460,820	1,430,752,720
b)	Change in inventories of Stock-in-Trade	28	(21,637,934)	6,553,963
c)	Employee benefits expenses	29	5,900,851	5,598,673
d)	Finance costs	30	130,352	200,823
e)	Depreciation & amortization	3 & 4	2,090,940	2,403,077
f)	Other expenses	31	9,902,016	26,056,854
	Total Expenses (IV)		514,847,045	1,471,566,110
V	Profit before tax (III - IV)		4,875,392	21,158,113
VI	Tax expenses :	32		
	(i) Current tax		989,725	4,794,648
	(ii) Tax of earlier years		(28,381)	54,196
	(iii) Deferred tax		418,544	662,812
			1,379,888	5,511,656
VII	Profit for the year (V - VI)		3,495,504	15,646,457
VIII	Other Comprehensive Income		-	-
IX	Total Comprehensive Income for the year (VII+VIII)		3,495,504	15,646,457
X	Earnings per equity share	33		
	(a) Basic		1.08	4.85
	(b) Diluted		1.08	4.85

Significant Accounting Policies

2

The accompanying notes are an integral part of the financial statements

As per our report of even date
For Ambavat Jain & Associates LLP
Firm Registration No. 109681W

Ashish J. Jain
Partner
Membership No. 111829

Place : MUMBAI
Date : 29-05-2023

On behalf of the Board

Sd/-

J.R. Mehta
Director
DIN 00193029

Sd/-

NeelamDevani
Company Secretary
Membership No. A47166

Place : MUMBAI
Date : 29-05-2023

Sd/-

R.C. Garg
Director
DIN 03346742

Sd/-

Bharat Shah
Chief Financial
Officer
DIN 08066115

CHANDNI MACHINES LIMITED
(Formerly known as Chandni Machines Private Ltd)
Statement of Cash Flow the period ended 31st March 2023

Accounting Policy

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

Particulars	2022-23 Rs	2021-22 Rs
Cash flow from operating activities		
Profit before Tax	4,875,392	21,158,113
Adjustment for :		
Depreciation & amortization	2,090,940	2,403,077
Preliminary Expenses W/off	-	90,338
Demerger Expenses Written off	227,717	252,884
Allowance for credit loss	-	1,488,940
Cancellation of Lease (Ind AS)	(110,468)	(43,811)
Interest Income	(663,989)	-
Interest Expenses	128,054	200,823
Cash operating profit before working capital changes	6,547,646	25,550,364
Adjustment for :		
(Increase)/Decrease in Trade receivables	1,734,041	215,296,755
(Increase)/Decrease in Inventories	(21,637,934)	6,553,963
(Increase)/Decrease in Other Financial Assets	19,536,675	(22,497,907)
(Increase)/Decrease in Other Current Assets	26,035,863	86,211,438
(Increase)/Decrease in Other Non-Current Assets	(51,000)	75,000
(Increase)/Decrease in Other Non-Current Financial Assets	60,972	(24,207)
Increase/(Decrease) in Current Liabilities	410,873	-
Increase/(Decrease) in Provisions	75,904	227,183
Increase/(Decrease) in Trade payables	(1,123,650)	(199,694,861)
Increase/(Decrease) in Non -Current Liabilities	(29,877,906)	(94,501,598)
Cash generated from operating activities	1,711,484	17,196,130
Income taxes paid (net of refund)	(875,393)	(4,719,305)
Net Cash generated from operating activities	836,091	12,476,825
Cash flow from Investing activities		
Purchase of Property, Plant and Equipments	(41,068)	(163,654)

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Additions to Right to use asset	(4,885)	-
Net cash generated/(used) from investing activities	(45,953)	(163,654)
Cash flow from Financing activities		
Short term borrowings repaid	-	(300,000)
Payment of Lease liabilities	(1,425,871)	(1,753,871)
Loans given	(13,000,000)	-
Interest received	663,989	-
Net cash generated/(used) from financing activities	(13,761,882)	(2,053,871)
Net Increase/(decrease) in cash and cash equivalents	(12,971,744)	10,259,300
Cash and cash equivalents at the beginning of the year	15,237,208	4,977,908
Cash and cash equivalents at end of the year	2,265,464	15,237,208

As per our report of even date
For Ambavat Jain & Associates LLP
Firm Registration No. 109681W

Sd/-

Ashish J. Jain
Partner
Membership No. 111829

On behalf of the Board

Sd/-

J.R. Mehta
Director
DIN 00193029

Sd/-

NeelamDevani
Company Secretary
Membership No. A47166

Sd/-

R.C. Garg
Director
DIN 03346742

Sd/-

Bharat Shah
Chief Financial
Officer
DIN 08066115

Place : MUMBAI
Date : 29-05-2023

Place : MUMBAI
Date : 29-05-2023

CHANDNI MACHINES LIMITED.
(Formerly known as Chandni Machines Private Ltd)

STATEMENT OF CHANGES IN EQUITY

<u>A. Equity Share Capital</u>				
<u>(1) 2022-23</u>				
Balance at the beginning of the Current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
3,22,74,330	-	3,22,74,330	-	3,22,74,330
<u>(2) 2021-22</u>				
Balance at the beginning of the Current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in Equity Share Capital during the current year	Balance at the end of the current reporting period
3,22,74,330	-	3,22,74,330	-	3,22,74,330

B. Other Equity

	Reserves and Surplus		Items of Other Comprehensive Income	Total Other Equity
	Capital Reserve	Retained Earnings		
As at 1st April 2021	4,102,941	15,127,812	-	19,230,753
Profit for the year		15,646,457		15,646,457
Other Comprehensive income			-	
Total comprehensive income for the year		15,646,457	-	15,646,457
As at 31st March 2022	4,102,941	30,774,269	-	34,877,210
Profit for the year		3,495,504		3,495,504

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CHANDNI MACHINES LIMITED

Other Comprehensive income			-	
Total comprehensive income for the year	-	3,495,504	-	3,495,504
As at 31st March 2023	4,102,941	34,269,773	-	38,372,714

CHANDNI MACHINES LIMITED
(Formerly known as Chandni Machines Private Ltd.)
NOTES ON THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Chandni Machines Ltd. is a public company limited by shares, domiciled in India and incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at 108/109, T.V. Industrial Estate, 52, S.K. Ahire Marg, Worli, Mumbai 400 030, India. Its shares are listed on BSE Ltd in India.

The Company is primarily engaged in trading of engineering goods.

The financial statements are approved by the company's board of directors on 30-05-2023.

2. SIGNIFICANT ACCOUNTING POLICIES

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

1. Basis of preparation

1. Compliance with Ind AS

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

2. Historical cost convention

The Financial Statements have been prepared on a historical cost basis, except otherwise stated in the financial statements.

(iii) Use of estimates

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

3. Current versus non-current classification

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

c) Fair value measurement

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

d)Revenue recognition

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

Sale of Products and Services

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

Engineering Services

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

Interest Income

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

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

e) Transactions in Foreign Currency

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

f) Cash and cash equivalents

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

g) Trade receivables

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

h) Inventories

Inventories are valued at the lower of cost and net realizable value.

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

i) Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less depreciation.

Historical Cost represents direct expenses incurred on acquisition or construction of the assets and the share of indirect expenses relating to construction allocated in proportion to the direct cost involved.

Depreciation methods, estimated useful lives and residual value

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

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

j) Lease

As a Lessee

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

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

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

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

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

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

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of

use asset if the Company changes its assessment of whether it will exercise an extension or a termination option.

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

The weighted average incremental borrowing rate applied to lease liabilities is 6%.

As a lessor

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

k) Financial instruments

Financial assets

Initial recognition and measurement

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

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

Classification

- Cash and Cash equivalents
Cash and cash equivalent comprises cash on hand and demand deposits with banks.
- Debt Instruments

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

(i) Financial assets at amortised cost

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

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

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

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

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

Derecognition

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

Financial Liabilities

Initial recognition and measurement

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

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

Subsequent measurement

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

Derecognition

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

Impairment of financial assets

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

l) Trade and Other Payables

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

m) Borrowing costs

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

n) Employee Benefits

(i) Short-term obligations

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

(ii) Post-employment obligations

The Company operates the following post-employment schemes:

Provident Fund

The Company pays provident fund contributions to a fund administered by Government Provident Fund Authority. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

Gratuity

The Company has provided for gratuity in terms Payment of Gratuity Act, 1972 to eligible employees considering that all employees retire on the Balance Sheet date.

o) Tax expenses

(i) Current tax

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

(ii) Deferred Tax

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

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

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

p) Earnings per share

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

q) Impairment of assets

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

r) Segment Reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the period to acquire property and equipment and intangible assets including goodwill.

s) Provisions, Contingent Liabilities and Contingent Assets

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

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

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

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	GROSS CARRYING AMOUNT			DEPRECIATION				NET CARRYING AMOUNT		
	As at 01/04/2022	Additions	Deductions/ Adjustments	As at 31/03/2023	Upto 31/03/2022	For the year	Deductions/ Adjustments	Upto 31/03/2023	As at 31/03/2023	As at 31/03/2022
Office Premises	24,129,760	-	-	24,129,760	1,199,916	381,809	-	1,581,725	22,548,035	22,929,844
Furniture & Fixtures	281,016	41,068	-	322,084	56,672	29,726	-	86,398	235,686	224,344
Office Equipments	454,780	-	-	454,780	252,158	90,702	-	342,860	111,920	202,622
Computer	49,200	-	-	49,200	46,740	-	-	46,740	2,460	2,460
Vehicles	2,042,164	-	-	2,042,164	335,740	241,143	-	576,883	1,465,281	1,706,424
Air Conditioners	128,996	-	-	128,996	30,480	10,616	-	41,096	87,900	98,516
Electrical Fittings	51,967	-	-	51,967	40,716	4,958	-	45,674	6,293	11,251
Total	27,137,883	41,068	-	27,178,951	1,962,422	758,954	-	2,721,376	24,457,575	25,175,461
Total Previous Year	26,974,229	63,654	-	27,137,883	1,204,380	758,042	-	1,962,422	25,175,461	25,769,849

4. RIGHT OF USE ASSETS

Particulars	31/03/2023	31-3-2022
Balance at the beginning	2,694,688	3,210,857
Additions	5,449,261	1,688,085

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Deletion	1,713,102	559,219
Depreciation	1,331,986	1,645,035
Balance at the year end	5,098,861	2,694,688

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

	AS AT 31/03/2023 Rs	AS AT 31/03/2022 Rs
5	<u>OTHER NON-CURRENT FINANCIAL ASSETS</u>	
	(Unsecured considered good)	
	Security Deposits - Considered good	326,268
	Loan to Employees - Considered good	14,851
		341,119
		402,090
6	<u>OTHER NON-CURRENT ASSETS</u>	
	(Unsecured considered good)	
	Capital Advances	51,000
	Others	-
		51,000
		227,718

7	<u>INCOME TAX ASSETS (net)</u>	
	Advance Tax / TDS less provisions	333,776
		333,776
		3,508,065
8	<u>INVENTORIES</u>	
	(As taken, valued and certified by the management)	
	Stock-in-trade (including goods-in-transit)	51,899,335
		51,899,335
		30,261,401
9	<u>TRADE RECEIVABLES</u>	
	Trade Receivables	
	Unsecured, Considered good	1,314,323
	Credit Impaired	1,488,940
		3,048,364
		1,488,940

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	Less :- Allowance for credit loss	1,488,940	1,488,940
		1,314,323	3,048,364

9.1 Trade Receivables ageing schedule							
	Particulars	Outstanding for following periods from due date of payment - As at 31-03-2023					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i.	Undisputed Trade receivables (unsecured) - considered good	1,314,323	-	-	-	-	1,314,323
ii.	Undisputed Trade receivables (unsecured) - which have significant increase in credit risk	-	-	-	-	-	-
iii.	Undisputed Trade receivables (unsecured) - credit impaired	-	-	-	-	1,488,940	1,488,940
iv.	Disputed Trade receivables (unsecured) - considered good	-	-	-	-	-	-
v.	Disputed Trade receivables (unsecured) - which have significant increase in credit risk	-	-	-	-	-	-
vi.	Disputed Trade receivables (unsecured) - credit impaired	-	-	-	-	-	-
		1,314,323	-	-	-	1,488,940	2,803,263
	Less : Allowances for credit loss	-	-	-	-	1,488,940	1,488,940
	Total :-	1,314,323	-	-	-	-	1,314,323

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	Particulars	Outstanding for following periods from due date of payment - As at 31-03-2022					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
i.	Undisputed Trade receivables (unsecured) - considered good	141,600	-	188,800	63,612	2,654,352	3,048,364
ii.	Undisputed Trade receivables (unsecured) - which have significant increase in credit risk	-	-	-	-	-	-
iii.	Undisputed Trade receivables (unsecured) - credit impaired	-	-	-	-	1,488,940	1,488,940
iv.	Disputed Trade receivables (unsecured) - considered good	-	-	-	-	-	-
v.	Disputed Trade receivables (unsecured) - which have significant increase in credit risk	-	-	-	-	-	-
vi.	Disputed Trade receivables (unsecured) - credit impaired	-	-	-	-	-	-
	Total :-	141,600	-	188,800	63,612	4,143,292	4,537,304
	Less : Allowances for credit loss	-	-	-	-	1,488,940	1,488,940
	Total :-	141,600	-	188,800	63,612	2,654,352	3,048,364

10	<u>CASH & CASH EQUIVALENTS</u>		
	Balances with banks		
	-in current accounts	252,969	11,918,173

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	-in Fixed Deposits	700,000	1,700,000
	Cash on hand	1,312,495	1,619,035
		2,265,464	15,237,208
11	<u>OTHER BANK BALANCES</u>		
	Bank deposits with maturity of more than 3 months but less than 12 months	19,011,638	38,511,638
		19,011,638	38,511,638
12	<u>LOANS</u>		
	Loans Receivable	13,000,000	-
		13,000,000	-
13	<u>OTHER CURRENT FINANCIAL ASSETS</u>		
	(Unsecured, considered good)		
	Loans to employees	57,232	93,907
	Deposits	4,000	4,000
		61,232	97,907

14	<u>OTHER CURRENT ASSETS</u>		
	Unsecured, Considered Good		
	Balances with Govt. Authorities	597,048	631,900
	Claims & Other Receivables	4,297,892	679,139
	Advances to vendors	3,420,917	33,015,323
	Prepaid Expenses	82,036	107,395
		8,397,894	34,433,756
	Unsecured, Considered Doubtful		
	Advances to vendors/others	307,255	837,211
	Less :- Allowance for doubtful advances	307,255	837,211
		8,397,894	34,433,756

15	<u>EQUITY SHARE CAPITAL</u>		
(a)	AUTHORISED :		
	32,50,000 (32,50,000) Equity Shares of Rs. 10/-	32,500,000	32,500,000

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	each		
		32,500,000	32,500,000

(b)	ISSUED, SUBSCRIBED AND FULLY PAID		
	32,27,433 (32,27,433) Equity Shares of Rs.10/- each	32,274,330	32,274,330
		32,274,330	32,274,330
(c)	The reconciliation of the number of shares outstanding is set out below :		
	Equity Shares of Rs.10/- each at the beginning of the year	3,227,433	3,227,433
	Equity Shares of Rs.10/- each at the end of the year	3,227,433	3,227,433

(d)	The Company has only one class of equity shares. These shares rank paripassu in all respects including voting rights, entitlement to dividend and distribution of assets of the Company in the event of liquidation.		
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(e)	The details of Shareholders holding more than 5% shares			
	Name of the Shareholder	No of Shares	%	No of Shares
	Mr. Jayesh R. Mehta	838,418	25.98	838,418
	Mrs. Amita J. Mehta	551,925	17.10	551,925
	Mr. Chetan K. Mehta	277,585	8.60	386,195
	Mrs. Hetal C. Mehta	58,656	1.82	210,000

(f)	Shares held by promoters at the end of the year	As at 31-03-2023		
	Name of Promoter	No. of Shares	% of total shares	% change during the year
	Jayesh R. Mehta	838,418	25.98%	-
	Amita J. Mehta	551,925	17.10%	-
	Prerna Karan Khanna	13,400	0.42%	-
	ChandniChintanBhagat	12,500	0.39%	-
	J.R. Auto Components Pvt Ltd	84,442	2.62%	-
	Total	1,500,685	46.50%	
	Shares held by promoters at the end of the year	As at 31-03-2022		

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	Name of Promoter	No. of Shares	% of total shares	% change during the year
	Jayesh R. Mehta	838,418	25.98%	-
	Amita J. Mehta	551,925	17.10%	-
	Prerna Karan Khanna	13,400	0.42%	-
	Chandni Chintan Bhagat	12,500	0.39%	-
	J.R. Auto Components Pvt Ltd	84,442	2.62%	-
	Total	1,500,685	46.50%	

16	<u>OTHER EQUITY</u>		
	Reserves & Surplus		
a)	Capital Reserve		
	Opening Balance	4,102,941	4,102,941
	Closing Balance	4,102,941	4,102,941
b)	Retained Earnings		
	Opening Balance	30,774,269	15,127,812
	Add : Profit for the year	3,495,504	15,646,457
	Closing Balance	34,269,773	30,774,269
		38,372,714	34,877,210

17	<u>NON-CURRENT LEASE LIABILITIES</u>		
	Lease Liabilities	2,922,427	1,337,298
		2,922,427	1,337,298
(a)	The following is the movement in lease liabilities during the year ended 31st March		
	Balance as at beginning	2,807,512	3,275,030
	Additions	5,444,376	1,688,085
	Finance cost accrued during the period	128,054	200,823
	Deletions	(1,823,570)	(602,555)
	Payment of lease liabilities	(1,425,871)	(1,753,871)
	Balance at the end	5,130,501	2,807,512
(b)	Maturity analysis of lease liabilities		
	Contractual undiscounted cash flows		
	Less than one year	2,477,879	1,580,000

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	One to five years	3,061,206	1,368,000
	More than five years	-	-
	Total undiscounted lease liabilities at 31st March	5,539,085	2,948,000
	Lease liabilities included in the Statement of Financial position as at 31st March	5,130,501	2,807,512
	Current	2,208,074	1,470,214
	Non-Current	2,922,427	1,337,298
(c)	The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.		

18	<u>OTHER NON- CURRENT FINANCIAL LIABILITIES</u>		
	Security Deposit measured at amortised costs	410,873	-
		410,873	-
19	<u>DEFERRED TAX LIABILITIES/(ASSETS) (NET)</u>		
	Deferred tax Liabilities :		
	Timing difference on account of depreciation	1,883,287	1,571,651
		1,883,287	1,571,651
	Deferred Tax Assets :		
	Expenses allowable on payment basis under Tax Laws	145,139	118,667
	Allowances for doubtful debts /advances	452,066	585,446
		597,205	704,113
	Net Deferred Tax Liabilities/(Assets)	1,286,082	867,538
20	<u>PROVISIONS</u>		
	For Gratuity	303,087	227,183
		303,087	227,183
21	<u>CURRENT LEASE LIABILITIES</u>		
	Lease Liabilities (Refer note No. 16)	2,208,074	1,470,214
		2,208,074	1,470,214

22.1	<u>Trade Payables ageing schedule -</u>	
	Particulars	Outstanding for following periods from due date of payment - As at 31-03-2023

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		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i.	MSME	33,892	-	-	-	33,892
ii.	Others	1,745,275	-	-	42,483	1,787,758
iii.	Disputed Dues - MSME	-	-	-	-	-
iv.	Disputed Dues - Others	-	-	-	-	-
	Total :-	1,779,167	-	-	42,483	1,821,650
		Outstanding for following periods from due date of payment - As at 31-03-2022				
	Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
i.	MSME	-	-	-	-	-
ii.	Others	2,696,836	21,106	179,875	47,483	2,945,300
iii.	Disputed Dues - MSME	-	-	-	-	-
iv.	Disputed Dues - Others	-	-	-	-	-
	Total :-	2,696,836	21,106	179,875	47,483	2,945,300

23	<u>OTHER CURRENT LIABILITIES</u>		
	Advances received from customers	46,511,627	75,522,840
	Statutory Dues payable	121,352	988,045
		46,632,979	76,510,885
24	<u>CURRENT INCOME-TAX</u>		
	Income-tax Provisions	-	3,088,338
		-	3,088,338

25	<u>REVENUE FROM OPERATIONS</u>		
	Sales of Products	510,749,967	1,490,455,063
	Sales of Services	5,466,000	-

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		516,215,967	1,490,455,063
25.1	<u>PARTICULARS OF SALE OF PRODUCTS</u>		
	Engineering Goods	510,696,893	1,490,455,063
	Others	53,074	-
		510,749,967	1,490,455,063
25.2	<u>PARTICULARS OF SALE OF SERVICES</u>		
	Engineering Services	5,466,000	-
		5,466,000	-
26	<u>OTHER INCOME</u>		
	Interest Income :		
	on Bank Fixed Deposits	1,527,069	1,591,658
	on Loans	663,989	-
	on Others	22,872	13,472
	on Unwinding	25,696	26,219
	Foreign Exchange gains - (Net)	265,764	-
	Compensation received	528,589	594,000
	Rent Income	165,179	-
	Miscellaneous Income	114,100	43,811
	Sundry Balance W/off	193,211	-
		3,506,470	2,269,160

27	<u>PURCHASES OF STOCK-IN-TRADE</u>		
	Engineering Goods	518,460,820	1,430,752,720
		518,460,820	1,430,752,720
28	<u>CHANGES IN INVENTORIES OF STOCK-IN-TRADE</u>		
	Opening Stock		
	Stock-in-trade	30,261,401	36,815,364
	Less : Closing Stock :		
	Stock-in-trade (including goods-in-transit)	51,899,335	30,261,401

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		(21,637,934)	6,553,963
29	<u>EMPLOYEE BENEFITS EXPENSES</u>		
	Salaries, Wages, Bonus etc.	5,634,380	5,326,735
	Contribution to Provident Fund and other funds	68,146	48,234
	Employees Welfare Expenses	198,325	223,704
		5,900,851	5,598,673

		2022-23	2021-22
		Rs.	Rs.
30	<u>FINANCE COSTS</u>		
	Interest on lease liabilities	128,054	200,823
	Interest on Financial Liability (SD)	2,298	-
		130,352	200,823
31	<u>OTHER EXPENSES</u>		
	Bank Charges	1,078	902
	Clearing, Forwarding & Freight	195,300	676,980
	Commission on sales	3,896,241	16,641,237
	Contract labour charges	608,000	1,920,000
	Travelling & Conveyance	1,351,104	739,792
	Telephone, Postage & Telegram	52,709	84,132
	Electricity Charges	29,381	96,668
	Sales Promotion & Advertisement	473,685	575,189
	Insurance	30,479	27,090
	Legal & Professional Charges	209,600	547,333
	Rent	992,772	949,016
	Rates & taxes	55,500	55,500
	Repairs - Others	376,461	570,105
	General Expenses	1,176,490	1,107,270
	Payment to Auditors :		
	- As Auditor	225,500	225,500
	Foreign Exchange loss - (Net)	-	3,900
	Business Loss / Sundry balances w/off.	-	4,077
	Allowance for credit loss	-	1,488,940
	Preliminary Expenses w/off.	-	90,338
	Demerger Expenses w/off.	227,717	252,884
		9,902,016	26,056,854

32	<u>TAX EXPENSE</u>		
(a)	Income tax		

	Tax on profits for the year	989,725	4,794,648
	Tax for prior year	(28,381)	54,196
	Total income tax	961,344	4,848,844
(b) Deferred tax			
	Decrease / (Increase) in deferred tax assets	106,907	291,306
	(Decrease) / Increase in deferred tax liabilities	311,636	371,506
	Total deferred tax expense/(benefit)	418,543	662,812
	Total tax expense	1,379,887	5,511,656
(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate :			
	Profit before income tax expenses	4,875,392	21,158,113
	Tax at the current tax rate	1,227,039	5,325,074
	Tax effect of expenses which are not deductible :	198,973	19,743
	Tax effect due to IND AS adjustments	(17,744)	12,100
	Tax for prior year	(28,381)	6,276
	Interest	-	148,463
	Total tax expenses	1,379,887	5,511,656
33 EARNINGS PER SHARE :- BASIC AND DILUTED			
a)	Profit after tax	3,495,504	15,646,457
b)	Weighted Average Number of Equity shares outstanding	3,227,433	3,227,433
c)	The nominal value per Equity Share	10	10
d)	Earnings per Share -Basic & Diluted	1.08	4.85

34 FAIR VALUE MEASUREMENTS					
Financial instruments by category					
		As at 31-03-2023		As at 31-03-2022	
		FVPL	Amortised cost	FVPL	Amortised cost
	Financial Assets				
	Trade receivables	-	1,314,323	-	3,048,364
	Cash & Cash Equivalents	-	2,265,464	-	15,237,208
	Other Bank Balances	-	19,011,638	-	38,511,638
	Security Deposits	-	330,268	-	334,007
	Loans to Employees	-	72,083	-	165,990
	Loans	-	13,000,000	-	-
	Total Financial Assets	-	35,993,776	-	57,297,207

	Financial Liability				
	Trade payables	-	1,821,650	-	2,945,300
	Lease Liabilities	-	5,130,501	-	2,807,512
	Security Deposits	-	410,873	-	-
	Total Financial Liability	-	7,363,024	-	5,752,812

35. FAIR VALUE HIERARCHY

(i) Quantitative disclosures of fair value measurement hierarchy for assets and liabilities as at 31-03-2023:

	Fair value measurement using				
	Date of valuation	Quoted price in active market level(1)	Significant observable inputs level(2)	Significant unobservable inputs level(3)	Total
Financial Assets at amortised cost					
Trade Receivables	31/03/2023		1,314,323		1,314,323
Bank Balances	31/03/2023		952,969		952,969
Other Bank Balances	31/03/2023		19,011,638		19,011,638
Security Deposits	31/03/2023		330,268		330,268
Loans to Employees	31/03/2023		72,083		72,083
Loans	31/03/2023		13,000,000		13,000,000
Financial Liabilities at amortised cost					
Trade payable	31/03/2023		1,821,650		1,821,650
Lease Liabilities	31/03/2023		5,130,501		5,130,501
Security Deposits	31/03/2023		410,873		410,873

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

	Fair value measurement using				
	Date of valuation	Quoted price in active market level(1)	Significant observable inputs level(2)	Significant unobservable inputs level(3)	Total
Financial Assets at amortised cost					
Trade Receivables	31/03/2022		3,048,364		3,048,364

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Bank Balances	31/03/2022		13,618,173		13,618,173
Other Bank Balances	31/03/2022		38,511,638		38,511,638
Security Deposits	31/03/2022		334,007		334,007
Loans to Employees	31/03/2022		165,990		165,990

<u>Financial Liabilities at amortised cost</u>					
Trade payable	31/03/2022		2,945,300		2,945,300
Lease Liabilities	31/03/2022		2,807,512		2,807,512

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

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

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

36 FINANCIAL RISK MANAGEMENT

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

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

(A) **Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include borrowings, trade payables, trade receivables, loans and non-derivative financial instruments.

(i) **Foreign currency risk**

Foreign currency risk arises from future commercial transactions and recognized assets or liabilities denominated in a currency that is not the Company's functional currency (INR). This is closely monitored by the Management to decide on the requirement of hedging.

The Company is not exposed to any foreign currency as on the Balance Sheet as there are no assets or liabilities denominated in foreign currency as on that date.

(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has given loans at fixed rate of interest and hence it is not exposed to interest rate risk.

(B) **Credit risk**

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

(C) **Liquidity risk**

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

Maturities of Financial Liabilities

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

	Not later than 1 year	Between 1 to 5 years	Later than 5 years	Total
31/03/2023				

	Non-derivatives				
	Trade Payables	1,821,650	-	-	1,821,650
	Lease Liabilities	2,208,074	2,922,427	-	5,130,501
	Security Deposit	-	410,873	-	410,873
		4,029,724	3,333,300	-	7,363,024
	31/03/2022				
	Non-derivatives				
	Trade Payables	2,945,300	-	-	2,945,300
	Lease Liabilities	1,470,214	1,337,298		2,807,512
		4,415,514	1,337,298	-	5,752,812

37 CAPITAL MANAGEMENT

For the purpose of the Company's capital management, equity includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholders value. The Company's Capital Management objectives are to maintain equity including all reserves to protect economic viability and to finance any growth opportunities that may be available in future so as to maximize shareholders' value. The Company is monitoring capital using debt equity ratio as its base, which is debt to equity. The Company's policy is to keep debt equity ratio below one and infuse capital if and when it is required through issue of new shares and/or better operational results and efficient working capital management. Presently the Company does not have any debt.

38 <u>MOVEMENT IN DEFERRED TAX LIABILITIES / (ASSETS)</u>								
Particulars	As on 31-03-2021	Charge/(Credit) to Statement of P&L	Charge/(Credit) to OCI	As on 31-03-2022	Charge/(Credit) to Statement of P&L	Charge/(Credit) to OCI	As on 31-03-2023	
		2021-22	2021-22		2022-23	2022-23		
<u>Deferred Tax Liability -</u>								
Timing difference on account of depreciation	1,200,145	371,506	-	1,571,651	311,636	-	1,883,287	

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		1,200,145	371,506	-	1,571,651	311,636	-	1,883,287
	Deferred Tax Assets -							
	Expenses allowable on payment basis under Tax Laws	55,173	(63,494)	-	118,667	(26,472)	-	145,139
	Unabsorbed Depreciation	541,734	541,734	-	-	-	-	-
	Allowance for doubtful debts / advances	398,512	(186,934)	-	585,446	133,380	-	452,066
		995,419	291,306	-	704,113	106,907	-	597,205
	Net Deferred Tax Liabilities	204,726	662,811	-	867,538	418,543	-	1,286,082

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

	31-03-2023	31-03-2022
i) Principal amount remaining unpaid on	33,892	Nil
ii) Interest due thereon as on	Nil	Nil
iii) Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, alongwith the amount of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
v) Interest accrued and remaining unpaid as at	Nil	Nil
vi) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are	Nil	Nil

actually paid to the small enterprises.		
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40. VALUE OF IMPORTS ON CIF BASIS

	<u>2022-23</u> <u>(Rs.)</u>	<u>2021-22</u> <u>(Rs.)</u>
Engineering Good	2,19,39,300	1,19,566

41. EXPENDITURE IN FOREIGN CURRENCY (ON ACCRUAL BASIS)

Foreign Travelling	2,73,254	1,61,312
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42. EMPLOYEE BENEFITS:

I. Defined Benefits Plans

The Company has provided for bonus amounting to Rs. 2,76,523/- (Previous year Rs. 2,62,808/-) for all its employees under the Payment of Bonus Act, 1965 which has been recognized in the Statement of Profit & Loss for the year.

The Company has provided for Gratuity amounting to Rs. 75,904/- (Previous year Rs. 2,27,183/-) for its eligible employees under the Payment of Gratuity Act, 1972 which has been recognized in the Statement of Profit & Loss for the year.

II. Defined Contribution Plans

a) Employers' Contribution to Provident Fund/Pension Scheme

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

	2022-23 Rs.	2021-22 Rs.
- Employers' Contribution to Provident - Fund/ Pension Scheme	59,625	40,544

43. LEASE

Amounts recognized in the Statement of Profit & Loss

	2022-23 Rs.	2021-22 Rs.
(i) Rental expense for small value or short-term operating leases	9,73,500	9,24,000
(ii) Interest on Lease Liabilities	1,28,054	2,00,823
(iii) Depreciation on Right of Use Assets	13,31,986	16,45,035

(iv) Rental income from operating leases	6,96,308	5,94,000
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44. **SEGMENT REPORTING**

The Company is primarily engaged in the business of trading in engineering goods and related items, which as per Indian Accounting Standard-108 on 'Operating Segments' is considered to be the only reportable business segment. The Company is operating in India which is considered as a single geographical segment.

45. **DISCLOSURE OF RELATED PARTIES AS PER THE REQUIREMENT IND AS 24**

a) Companies/Enterprises in which Key Management Personnel having significant influence and with whom transactions have taken place during the year and/or where balances exist:
(i) Candour Techtex Limited (Formerly known as Chandni Textiles Engineering Industries Limited)

b) Key Management Personnel:

- (i) Mr. Jayesh R. Mehta – Managing Director
- (ii) Mrs. Amita J. Mehta – Director
- (iii) Mr. Bharat K. Shah – Director and Chief Financial Officer
- (iv) Ms. Neelam Devani – Company Secretary & Compliance officer

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

<u>Nature of Transactions</u>	<u>Key-management Personnel</u>		<u>Companies/Enterprises in which Key Management personnel have significant influence</u>	
	31-03-2023	31-03-2022	31-03-2023	31-03-2022
<u>Sale of goods</u>				
Candour Techtex Limited			25,000	4,34,373
<u>Compensation Paid</u>				
Candour Techtex Limited			9,73,500	9,24,000
<u>Rent Paid</u>				
Candour Techtex Limited			83,871	Nil

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<u>Rent Received</u>				
Candour Techtex Limited			5,28,589	5,94,000
<u>Director Remuneration</u>				
Mr. J. R. Mehta	5,40,000	5,40,000		
<u>Directors Sitting Fees</u>				
Mrs. Amita J. Mehta	20,000	20,000		
<u>Salary & Bonus</u>				
Ms. Neelam Devani	1,80,000	60,000		
<u>Unsecured Loans repaid</u>				
Mr. J.R Mehta	Nil	3,00,000		
<u>Outstanding at the year end:-</u>				
<u>i. Trade Payable</u>				
Mr. J.R.Mehta	Nil	31,500		
Candour Techtex Limited	3,60,392	Nil		

46. CONTINGENT LIABILITY

Claims against the Company not acknowledged as debts represent suits filed by parties and disputed by the Company Rs. 22,58,385/- (Previous Year Rs. 22,58,385/-)

47. ADDITIONAL REGULATORY INFORMATION (TO THE EXTENT APPLICABLE) AS PER MCA'S NOTIFICATION NO. G.S.R. 207(E) DATED 24-03-2021

Ratios

Ratios	Numerator	Denominator	Current Year	Previous Year	Variation	Explanation for changes in ratio exceeding 25%
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Current ratio (in times)	Total current assets	Total current liabilities	1.637	1.50	8.97%	
Debt service coverage ratio (in times)	Net Operating Income	Total debt service (Interest + Lease payments)	4.169	2.82	48.07%	Higher debt service coverage ratio is on account of lower finance cost.
Return on equity ratio (in %)	Earning for equity shareholder	Average shareholders equity	5%	26.45%	-80.82%	Lower net profit has resulted in lower return on equity ratio
Inventory turnover ratio (in times)	Revenue from operations	Average inventory	12.566	44.44	-71.72%	Ratio has decreased due to fall in Revenue as compared to previous year.
Trade receivable turnover ratio (in times)	Revenue from operations	Average Trade receivable	236.650	9.37	2425.90%	Reduction in average accounts receivable, reflecting faster collection of dues from debtors together with higher net credit sales is the reason for higher debtor turnover ratio
Trade payables turnover ratio (in times)	Total purchases	Average Trade payables	217.523	9.30	2238.40%	Improvement in trade payable turnover ratio is attributable to higher credit purchases on the one hand and lower average trade payable on the other hand indicating quicker payment of dues to creditors
Net capital turnover ratio (in times)	Revenue from operations	Average working capital	14.152	45.84	-69.12%	Ratio has decreased due to fall in revenue from operations.
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.68%	1.050%	-35.50%	Decrease in sales and lower margin has resulted in fall in net profit margin.

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Return on capital employed (in %)	Profit before tax and finance costs	Capital Employed	6.96%	31.51%	-77.91%	Return on capital employed has decreased due to fall in profitability on account of lower sales and lower margin resulting in lower Earning before interest and tax
Return on investment (in %)	Income generated from invested funds	Average invested funds	0.000	0.00	-	Not Applicable

48. The previous year's figures are grouped / regrouped or arranged / rearranged wherever necessary to make them comparable with the current period's figures

**As per our report of even date
For Ambavat Jain & Associates LLP
Firm Registration No. 109681W**

Sd/-

**Ashish J. Jain
Partner
Membership No. 111829**

On behalf of the Board

Sd/-

**J.R. Mehta
Director
DIN 00193029**

Sd/-

**NeelamDevani
Company Secretary
Membership No. A47166**

Sd/-

**R.C. Garg
Director
DIN 03346742**

Sd/-

**Bharat Shah
Chief Financial
Officer
DIN 08066115**

**Place : MUMBAI
Date : 29-05-2023**

**Place : MUMBAI
Date : 29-05-2023**