



CNPCL/SE/2022/09/01

Date: 16th September, 2022

To,
BSE Limited
Compliance Department,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400001
Maharashtra
Ref: Security Code: 533407
ISIN:INE672K01025

Dear Sir/Madam,

Sub: Submission of Annual Report for the Financial Year 2021-22

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the financial year 2021-22 along with the Notice of the 18th Annual General Meeting (“AGM”) of the Company.

Kindly take the same on record.

Thanking you,

**Yours faithfully,
For CIL Nova Petrochemicals Limited**

**Pooransingh Mathuria
Whole Time Director
DIN: 07430356**

Encl: As above

**18TH
ANNUAL REPORT
2021-2022**



Company Information

BOARD OF DIRECTORS

1. Mr. Jyotiprasad Chiripal
2. Mr. Murlimanohar Goyal
3. Ms. Chinar Jethwani
4. Mr. Pooransingh Mathuria
5. Mr. Chintan Patel
6. Mrs. Pooja Shah

CHIEF EXECUTIVE OFFICER

Mr. Pradip Khandelwal (upto 25th September, 2021)
Mr. Shashank Paranjape (w.e.f. 12th November, 2021)

CHIEF FINANCIAL OFFICER

Mr. Satish Bhatt

COMPANY SECRETARY

Mr. Harsh Hirpara (upto 25th June, 2022)

BANKERS

1. State Bank of India
2. Bank of Baroda

REGISTERED OFFICE & PLANT

Survey No. 396(P), 395/4(P),
Moraiya Village, Sarkhej-Bavla Highway,
Tal. Sanand, Ahmedabad-382210.
Phone : +91-9825800060
Fax : +91-2717-250556,251612
Email : investorgrievances.cilnova@chiripalgroup.com
Website: www.cnpl.com

CORPORATE IDENTIFICATION NUMBER

L17111GJ2003PLC043354

CORPORATE OFFICE

"Chiripal House", Shivranjani Cross Roads,
Satellite, Ahmedabad - 380015.
Tel : 91-079-26734660-2-3
Fax : 91-079-26768656

REGISTRAR & TRANSFER AGENT

Link Intime India Private Limited

5th floor, 506 to 508, Amarnath Business Centre - I (ABC - I),
Beside Gala Business Centre,
Nr. St. Xavier's College Corner Off C. G. Road,
Navarangpura, Ahmedabad - 380009
Tel No : 079-26465179
Fax No : 079-26465179
Email : ahmedabad@linkintime.co.in

COMMITTEES OF BOARD

AUDIT COMMITTEE

Mr. Murlimanohar Goyal	Chairman
Mr. Jyotiprasad Chiripal	Member
Ms Chinar Jethwani	Member

NOMINATION & REMUNERATION COMMITTEE

Mr. Murlimanohar Goyal	Chairman
Mr. Jyotiprasad Chiripal	Member
Ms Chinar Jethwani	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Murlimanohar Goyal	Chairman
Mr. Jyotiprasad Chiripal	Member
Ms Chinar Jethwani	Member

CSR COMMITTEE

Mr Murlimanohar Goyal	Chairman
Mr. Jyotiprasad Chiripal	Member
Ms. Chinar Jethwani	Member

AUDITORS

M/S SAMIR M SHAH & ASSOCIATES

Chartered Accountants
B-516, Gopal Palace, Nr. Shiromani Flats,
Opp. Ocean Park, Satellite Road,
Ambawadi, Ahmedabad - 380015

SECRETARIAL AUDITOR

K. Jatin & Co.
307, Abhijot Square, B/h. Divyabhaskar,
S.G. Highway, Ahmedabad - 380 051

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 18th Annual General Meeting (AGM/Meeting) of **CIL Nova Petrochemicals Limited** will be held on 29th September, 2022 at 4:00 P.M. through Video Conferencing/Other Audio Visual means (VC/OAVM) to transact following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2022, the Reports of the Board of Directors and Auditors thereon.
2. To re-appoint Mr. Jyotiprasad Chiripal (DIN: 00155695) who is liable to retire by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. J. T. Shah and Co., Chartered Accountant as a Statutory Auditor of the Company for the period of five years.

“RESOLVED THAT pursuant to provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. J.T. Shah and Co., Chartered Accountants (FRN: 109616W), consent of the members of the Company be and hereby accorded to the appointment for the five consecutive years i.e. from the F.Y. 2022-23 to F.Y. 2026-27, as the Statutory Auditors of the Company who shall hold office from the conclusion of the 18th Annual General Meeting (AGM) till the conclusion of the 23rd AGM of the Company, at a remuneration as may be decided by the Board of Directors of the Company in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT any Director of the Company be and are hereby severally authorized to file requisite forms with the Registrar of Companies, Ahmedabad and further to do all such acts, deeds, things and matters as may be necessary to give effect to the above resolution.”

SPECIAL BUSINESS:

4. To Consider and if thought fit to pass with or without modification(s) or re-enactment(s) the following resolution as an Ordinary Resolution.

“RESOLVED THAT, pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 if any, and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Consent of the Company be and is hereby accorded to the remuneration payable to M/s. A. G. Tulsian & Co., Cost Accountants (Firm Registration No. 100629) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022 as set out in the Statement annexed to the Notice convening this Annual General Meeting.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to the aforesaid resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 188, all other applicable provisions of the Companies Act, 2013, read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, the consent of the Company be and is hereby accorded to the Company to carry out transactions with related parties and for the maximum amounts as mentioned herein below for the each year 2022 – 2023 and 2023-24.

Sr. No.	Nature of the transactions as per section 188 of the Companies Act, 2013.	Name of the Director/KMP who is related and nature of their relationship	Name of the related party	Receipts (₹ in Crore)	Payment (₹ in Crore)
1.	Purchase and Sale of Goods	Mr. Jyotiprasad Chiripal and his relative are Common Director	Chiripal Polyfilm Limited	250.00	250.00
2.	Purchase and Sale of Goods	Mr. Jyotiprasad Chiripal and his relative are Common Director	Chiripal Industries Limited	250.00	250.00
3.	Purchase and Sale of Goods	Mr. Jyotiprasad Chiripal and his relative are Common Director	Nandan Denims Limited	50.00	50.00

“RESOLVED FURTHER THAT the transactions may be entered into subject to the compliance of criteria mentioned under Companies Act, 2013 and rules made there under, SEBI (LODR) Regulations, 2015 as amended from time to time and in compliance with all other applicable provisions thereto.”

“RESOLVED FURTHER THAT any Director(s), be and is/are hereby, authorized to do all such acts, deeds, things incidental thereto and sign/execute such agreements, documents and papers to give effect to the above mentioned resolution.”

By Order of the Board
For, CIL Nova Petrochemicals Limited

Sd/-
Jyotiprasad Chiripal
Chairman
DIN: 00155695

Place: Ahmedabad
Date: 13th August, 2022

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and May 5, 2022 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM or Meeting”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the relevant Board Resolution together with the specimen signatures of their authorized representatives to attend and vote on their behalf at the Meeting.
4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to Special Business setting out material facts is annexed hereto.
5. Information as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to Brief resume of Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold Directorships and the Memberships of Board Committees, shareholding and relationships between directors inter-se as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are provided in the Annexure to the explanatory statement attached to this Notice.
6. Shareholders may be aware that the Companies Act, 2013, permits service of the Notice of the Annual General Meeting through electronic mode. Further, in line with circular issued by the Securities and Exchange Board of India (SEBI) and consequent changes in the Rule 11 of the Companies (Accounts) Rules, 2014 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, companies can send Annual Report in electronic mode to Members who have registered their e-mail addresses for the purpose.

In view of the above, the Company would communicate the important and relevant information, events and send the documents including the intimations, notices, annual reports, financial statements etc. in electronic form, to the email address of the respective Member. To support green initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses in the following manner:

The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs with their Depository Participant are requested to register their e-mail address at the earliest. To enable the Company to use the same for serving documents to them electronically Shareholders holding shares in physical form may provide their e-mail address by sending an e-mail at investorgrievances.cilnova@chiripalgroup.com along with their Full Name and Folio Number.

Electronic copy of the Annual Report including Notice of the 18th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes. The Annual Report of the Company would also be made available on the Company's website <http://cnpcil.com/annual-reports/>.

7. The Company or its Registrars and Transfer Agents, Link Intime India Private Limited (“Link Intime”) cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participants.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the

Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to Link Intime India Private Limited.

9. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
10. MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM, AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION. Members are requested to bring their Attendance Slip along with copies of their Annual Report at the meeting.
11. Member / proxy holder shall hand over the attendance slip, duly filled in all respect, at the entrance for attending the Meeting along with a valid identity proof such as the PAN card, passport, AADHAR Card or driving license.
12. With a view to serving the Members better and for administrative convenience, an attempt would be made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
13. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
14. During the period beginning 24 hours before the time fixed for the commencement of Meeting and ending with the conclusion of the Meeting, a Member would be entitled to inspect the proxies lodged at any time during the business hours of the Company. All documents referred to in the notice and the explanatory statement and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. and 1.00 p.m., on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Meeting and at the venue of the Meeting for the duration of the Meeting.
15. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
16. Members desirous for any information or queries on accounts / financial statements or relating thereto are requested to send their queries at least seven days in advance to the Company at its registered office address to enable the Company to collect the relevant information and answer them in the Meeting.
17. Members who still hold share certificates in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
18. Voting through Electronic means In compliance with Section 108 and other applicable provisions of the Companies Act, 2013, if any, read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and SEBI (LODR) Regulations, 2015, the Company is pleased to provide its Shareholders with the facility of "remote e-voting" (e-voting from a place other than venue of the AGM), to enable them to cast their votes at the business at the 18th AGM may be transacted through such voting. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable all its Shareholders to cast their vote electronically. The facility for voting, either through electronic voting system or ballot/polling paper shall also be made available at the venue of the AGM, apart from the remote e-voting facility provided prior to the date of AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting.

The Company has appointed Mr. Jatin Kapadia of M/s. K. Jatin & Co., Practicing Company Secretaries, as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. The Scrutinizer shall make a consolidated Scrutinizer's report of the total votes cast in favor or against, if any, during the remote e-voting, not later than three days of conclusion of the meeting, to the Chairman or a person, authorized by him in writing. The Chairman or a person, authorized by him in writing, shall declare the results of the AGM forthwith. The results declared along with the Scrutinizer's report shall be placed on the Company's website and on the website of CDSL and shall be communicated to the Stock Exchanges.
19. In accordance with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, the Company has fixed 22nd September, 2022 as the "cut-off date" to determine the eligibility to vote by electronic means or in the general meeting. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of remote e-voting as well as voting in the general meeting.
20. In compliance with the aforesaid MCA Circulars and SEBI Circular. Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.cnpcl.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and on the website of CDSL.
21. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
22. Members holding shares in physical form are requested to promptly notify in writing any changes in their address/ bank account details to Link Intime India Private Limited, 506-508, Amarnath Business Centre - 1, Beside Gala Business Centre, Near St. Xavier's College Corner, Off C. G. Road, Navrangpura, Ahmedabad - 380 009. Members holding shares in electronic form are requested to notify the changes in the above particulars, if any, directly to their Depository Participants (DP).
23. The resolutions shall be deemed to be passed on the date of the Meeting, subject to receipt of sufficient votes.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**Process and manner for voting through electronic means:**

1. 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 the General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021 and 02/2022 dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January, 2021 and 5th May, 2022 respectively issued by the Ministry of Corporate Affairs and SEBI Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 & SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 18th AGM. The facility of casting votes by a member using remote e-voting as well as e-voting system during the 18th AGM will be provided by CDSL. Instructions for remote e-voting are provided herein below at point no. (A.). Members whose email ids are not registered with the Company/RTA/Depositories, for obtaining Annual Report & the login credentials for e-voting for the resolutions are requested to refer the instructions provided at point no. (B.). Instructions for shareholders attending the 18th AGM through VC or OAVM are given at point no. (C.). Further, instructions for e-voting during the 18th AGM are provided at point no. (D.).
2. The Members who have cast their vote by remote e-voting prior to the Annual General Meeting may also attend the meeting through VC or OAVM but shall not be entitled to cast their vote again.
3. The Members can join the 18th AGM in the VC or OAVM mode 15 minutes before the scheduled time of the commencement of the meeting and it will be closed on expiry of 15 minutes from the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the 18th AGM through VC or OAVM is limited upto 1000 members on first come first serve basis. This will not include large Shareholders (i.e. 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 18th AGM without restriction on account of first come first serve basis.
4. The attendance of the Members attending the 18th AGM through VC or OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Thursday, 22nd September, 2022, shall be entitled to avail the facility of remote e-voting as well as e-voting system at the 18th AGM.
6. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and holding shares as on the Cut-off date i.e. Thursday, 22nd September, 2022, shall be entitled to exercise his/her vote electronically. i.e. through remote e-voting or through e-voting system at the 18th AGM. Such members may obtain Sequence No. for e-voting by sending a request at investorgrievances.cilnova@chiripalgroup.com and cast vote after following the instructions as provided in the Notice convening the meeting, which is available on the websites of the Company and CDSL. However, if you are already registered with CDSL for remote e-voting then you can use your existing User ID and password for casting your vote.
7. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
8. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. Thursday, 22nd September, 2022.
9. M/s. K. Jatin & Co., Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting system on the date of 18th AGM in a fair and transparent manner.
10. The voting results will be declared on receipt of Scrutinizers Report. The voting results along with the Scrutinizer's Report will be placed on the website of the agency www.evotingindia.com and also on the website of the Company www.cnpcl.com, within 2 days after the conclusion of the 18th AGM of the Company and will also be submitted to the Bombay Stock Exchange (BSE) where the shares of the Company are listed.

(A.) The instructions for shareholders for remote 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 remote E-voting period commences at 10:00 a.m. on Monday, 26th September, 2022 and ends at 5:00 p.m. on Wednesday, 28th September, 2022 (both days inclusive). During this period shareholders of the Company holding shares either in physical form or dematerialized form as on the Cut-off date i.e. Thursday, 22nd September, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of 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.

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from an e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. 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	<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 available at https://eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	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's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available on abovementioned websites.

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 022- 23058738 and 22-23058542-43.
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.

(iv) Login Method for e-voting and joining virtual meeting for physical shareholders and shareholders other than individual holding in Demat form:

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

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field which will be communicated by email.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (3).

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

9. For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in the Notice of AGM.
10. Click on the EVSN of CIL Nova Petrochemicals Limited on which you choose to vote.
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
16. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

Additional facility for Non – Individual shareholders and Custodians – for remote evoting only:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- 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 and can be delink in case of any wrong mapping.
- It is mandatory that a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution / Authority Letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company by email to cskjco@gmail.com and investorgrievances.cilnova@chiripalgroup.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

(B.) The Process for those Shareholders whose email addresses are not registered with the Company/ Depositories, for obtaining AGM Notice along with Annual Report & login credentials for e-Voting:

1. For Physical shareholders:-

Please send a request letter mentioning therein Name of shareholder, Folio No., Mobile No. and Email ID alongwith self-attested copy of PAN Card by email to Company's RTA at ahmedabad@linkintime.co.in and also to the Company at investorgrievances.cilnova@chiripalgroup.com.

2. For Demat shareholders:-

Please send a request letter mentioning therein Name of shareholder, Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID) along with Client Master or copy of Consolidated Account Statement and self-attested copy of PAN Card by email to Company's RTA at ahmedabad@linkintime.co.in and also to the Company at investorgrievances.cilnova@chiripalgroup.com.

(C.) The instructions for shareholders attending the AGM through VC or OAVM are as under:

1. Shareholders will be provided with a facility to attend the AGM through VC or OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC or OAVM to attend the AGM will be available in shareholders/members login where the EVSN of Company will be displayed.
2. For joining the 18th AGM through VC or OAVM, shareholders need good speed internet connectivity and Laptop having inbuilt camera or Desktop having webcam on the day of meeting to avoid any disturbance during the meeting.
3. 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.

4. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request letter in advance at least 7 days prior to meeting mentioning their name, demat account number/ folio number, email id and mobile number through registered email id at investorgrievances.cilnova@chiripalgroup.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id and mobile number through registered email id at investorgrievances.cilnova@chiripalgroup.com. The same will be replied by the Company suitably by email.
5. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

(D.) The instructions for shareholders for e-voting during the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned at point no. (A.) above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC or 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.
3. If any Votes are cast by the shareholders through the e-voting system available during the AGM and if the same shareholders have not participated in the meeting through VC or OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM through VC or OAVM. However, they will not be eligible to vote again at the AGM.

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, 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.

By Order of the Board
For, CIL Nova Petrochemicals Limited

Sd/-
Jyotiprasad Chiripal
Chairman
DIN: 00155695

Place: Ahmedabad
Date: 13th August, 2022

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

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. A.G. Tulsian & Co., Cost Accountants as a cost auditor of the Company to conduct the audit of the cost records of the company for the financial year ending 31st March, 2022, for a remuneration of ₹ 25,000/- (Rupees Twenty Five only) plus tax at applicable rate and out-of-pocket expenses incurred by them for conducting the audit of cost accounts of the company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2022. The Board recommends the resolution at Item No. 4 for your ratification.

None of the Directors or any key managerial personnel of the Company or any of their relatives is concerned or interested, financially or otherwise, in the resolution at out at Item No. 4.

Item No. 5

As per the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (hereinafter "Listing Regulations") except with the approval of the Shareholders by way of resolution.

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, the and Listing Regulations, requires that for entering into any contract or arrangement with the related party, the Company must obtain the prior approval of the Audit Committee and the Board of Directors and, if required, prior approval of the shareholders by way of an Ordinary Resolution must be obtained for material transactions.

There is no exemption thereunder even if such transaction is in the ordinary course of business of the entity and on arm's length basis. A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds rupees one thousand crore or ten per cent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

In the light of the provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013) the name of the related parties, name of the Director or Key Managerial Personnel who is related, if any and nature of relationship is mentioned in the resolution. The amount involved in the related party transactions entered into by the Company are within the limits prescribed and the condition specified by the Act and the Listing Regulations in addition to being in the ordinary course of business and at arms' length, but as a good corporate governance practice, the Company desires to pass an Special Resolution for the same. Therefore, approval for the below mentioned transactions is being taken:

1. Sale, purchase or supply of any goods or materials or stock-in-trade;
2. Selling or otherwise disposing of or buying, property of any kind or any capital asset;
3. Giving on rent or leasing of property of any kind;
4. Availing or rendering of any services including job work.

The support and services extended by the Company to its Group Companies in relation to business enhancement and for building up robust practices and processes are towards the benefit of all the Companies. The respective transactions have been carried out on arm's length basis and all factors relevant to the respective transactions have been considered by the Board.

By Order of the Board
For, CIL Nova Petrochemicals Limited

Sd/-
Jyotiprasad Chiripal
Chairman
DIN: 00155695

Place: Ahmedabad
Date: 13th August, 2022

ANNEXURE TO THE EXPLANATORY STATEMENT

Information pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting

Name	Mr. Jyotiprasad Chiripal
Age	67 years
Date of first appointment on Board	17 th December, 2003
Brief Profile	He has been associated with Chiripal Group of Companies since 1972. He has completed Bachelor of Commerce from Gujarat University and has more than 42 years of experience in the textiles and yarn business and marketing of knitted apparels. He holds Directorship in various companies of Chiripal Group. As the Chairman and Non- Executive Director of the Company, he is responsible for the overall growth and development of the Company.
No. of shares held in Company	739969 shares
Relationship with other Directors and Key Managerial Personnel	None
List of directorship held in other listed entities	1. Nandan Denim Limited
Chairmanship / Membership of Committees of the Board in other companies.	1. Nandan Denim Limited <ul style="list-style-type: none"> • Audit – Member • Stakeholder Relationship – Member • Corporate Social Responsibility - Member

DIRECTORS REPORT

To,
The Members,

Your Directors take pleasure in presenting the 18th Annual Report on the business and operations of your Company along with Audited Financial Statements for the Financial Year ended 31st March, 2022.

1. FINANCIAL SUMMARY/HIGHLIGHTS OF PERFORMANCE OF THE COMPANY:

Financial Results		₹ in Lakhs	
Particulars	Year ended 31 st March, 2022	Year ended 31 st March, 2021	
Sales/Income from operations	29615.60	15420.12	
Other Income	254.07	161.14	
Total Income	29869.67	15581.26	
Total Expense	28919.89	14936.14	
Depreciation	425.56	411.91	
Profit Before Tax	949.73	645.12	
Tax/Short/ (Excess) Provision of Income Tax	166.34	112.00	
Other comprehensive income (Net of Tax)	5.67	4.40	
Profit After Tax	789.11	537.52	

2. PERFORMANCE HIGHLIGHTS:

The total revenue during the year under review was ₹ 29615.60 Lakhs as against ₹ 15420.12 Lakhs in the previous year showing an increase of 92%. Productivity was also increased in comparison to previous year production. Profit before tax (PBT) is ₹ 949.73 Lakhs as against previous year 645.12 Lakh, and profit after tax (PAT) stood at 789.11 Lakhs as against previous year profit 537.52 Lakh. The Management of the Company is taking efforts for the progress of the Company. The performance of the Company is gradually improving with transient time. The improvement is evident from the financial statement of the Company.

3. DIVIDEND:

Your directors have not recommend Dividend for this Financial Year as ploughing back of profits will be good strategy for future growth and development of your Company.

4. RESERVES:

Your Company does not propose to transfer any amount from the current year's profits to the General Reserve. (Previous year Nil)

5. SHARE CAPITAL:

During the year under review, the Company had Authorized Capital of ₹ 32,50,00,000 comprising of 2,75,00,000 Equity Shares of ₹10/- Each and 5,00,000 Preference Shares of ₹100/- Each. Paid-Up Equity Share Capital of the Company as on date of this report stands at ₹ 27,10,00,000 comprising of 2,71,00,000 Equity Shares of ₹ 10/- Each.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

6. DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. FUTURE OUTLOOK:

India is the world's second-largest producer of textiles and garments. It is also the fifth-largest exporter of textiles spanning apparel, home and technical products. The textiles and apparel industry contribute 2.3% to the country's GDP, 13% to industrial production and 12% to exports. The textile industry has around 45 million of workers employed in the textiles sector, including 3.5 million handloom workers.

India's textile and apparel exports stood at US\$ 44.4 billion recorded highest ever export for the FY 2021-22, up from US\$ 21.2 billion YoY. COVID-19 has impacted the Indian textile and apparel exports and the total exports is expected to reach US\$ 65 billion by FY26. The Indian textile and apparel industry is expected to grow to US\$190 billion by FY26.

The ₹ 10,683 crore (US\$ 1.44 billion) PLI scheme is expected to be a major boost for the textile manufacturers. The scheme proposes to incentivise MMF (man-made fiber) apparel, MMF fabrics and 10 segments of technical textiles products.

Segment:

- a. Women's western wear & lingerie-Increasing women participation in work force;
- b. Active wear-India's large young population base with increasing awareness towards fitness;
- c. Mobiltech products-India's emergences as global automobile manufacturing hub;
- d. Work wear/Uniform-Increasing no. of school going children & consciousness of corporate towards their image;
- e. Hygiene products-Awareness of Indian women for hygiene will cause increasing uses of hygiene products

Future course of action:

Looking the scenario of polyester yarn we need to upgrade by innovation, increase the volume, integration, R&D and branding. Future demand is very promising.

8. PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, EXPENDITURE ON RESEARCH AND DEVELOPMENT, FOREIGN EXCHANGE INFLOW/OUTFLOW, ETC.:

In accordance with the provisions of Section 134 (3) (m) the Companies Act, 2013 read with Rule 8 (3) Companies (Accounts) Rules, 2014, the relevant information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo is given in **ANNEXURE – I** and forms part of this report.

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

The Covid – 19 pandemic is much more than a health crisis and is having an unprecedented impact on people and economic worldwide. The outlook for the country appears to be cautious following the outbreak of the pandemic in the first quarter of the current financial year with all annual growth guidance trending downwards. However, the medium-term outlook appears positive from the second half of the financial year under review. Textile manufacturing in India has been steadily recovering amid the pandemic.

The Company continues to fulfill its obligations with respects to all exciting contrast and agreements as Company has sufficient stock.

Company does not foresee any material impact on the account of non-fulfillment of obligation by any party in existing contracts and agreements.

The Company has also instituted across all its operations, focused cost control programs and sanctioned only necessary capital expenditure to conserve its finance.

10. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis Report of the Company for the year under review is presented in a separate section forming part of the Annual Report.

11. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:

No such Orders have been passed by the Regulators/Court or Tribunals which can impact the going concern status and Company's operation in future.

12. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company had no Subsidiary or Joint Ventures or Associate Companies as on 31st March, 2022.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY:

Details of Loans, Guarantees and Investments, if any covered under the provisions of Section 186 of the Act are given in the notes to the Financial Statements.

14. EXTRACTS OF ANNUAL RETURN:

In accordance with Section 134 (3) (a) of the Companies Act, 2013, an extract of the Annual Return in the prescribed format will be available on <http://cnpl.com/annual-return/>.

15. RELATED PARTY TRANSACTIONS:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3) (h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Board has formulated Policy on Related Party Transactions, detailed policy is also available at <http://cnpl.com/corporate-policies/>

16. KEY MANAGERIAL PERSONNEL:

As required under Section 203 of the Companies Act, 2013, the Company has noted that Mr. Pooransingh Mathuria, Whole-time Director, Mr. Pradip Khandelwal, Chief Executive Officer (upto 25th September, 2021), Mr. Shashank Paranjape (w.e.f. 12th November, 2021) Mr. Satish Bhatt, Chief Financial Officer and Mr. Harsh Hirpara, Company Secretary were the Key Managerial Personnel of the Company for the year ended 31st March, 2022.

17. DIRECTORS:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Jyotiprasad Chiripal (DIN: 00155695) retires by rotation at the ensuing Annual General Meeting and being eligible in terms of Section 164 of the Act offers himself for re-appointment.

None of the Directors is disqualified for appointment/reappointment under Section 164 of the Companies Act, 2013, as required by law this position is also reflected in the Auditors' Report.

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under Section 149(6) of the Companies Act, 2013.

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

18. EVALUATION OF BOARD, COMMITTEES AND DIRECTORS:

The evaluation of Chairman, all the Directors and the Board and Committees thereof as a whole was conducted based on the criteria and frame work adopted by the Board. The evaluation process has been explained in the Report on Corporate Governance in this Annual Report. The Board noted the evaluation results that were collated and presented to the Board.

19. POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS:

The Board has on the recommendation of the Nomination & Remuneration Committee, formulated criteria for determining Qualifications, Positive Attributes and Independence of a Director and also a Policy for remuneration of Directors, Key managerial Personnel and senior management. The details of criteria laid down and the Remuneration Policy are given in the Corporate Governance Report. Further the said policy is also available at <http://cnpl.com/corporate-policies/>

20. PARTICULARS REGARDING EMPLOYEES REMUNERATION:

The statement containing particulars of employees as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report as **Annexure – II**.

21. COMMITTEES OF THE BOARD:

In accordance with the Companies Act, 2013 and Listing Regulations, the Company has following Committees in place:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee

Details of the said Committees along with their charters, composition and meetings held during the financial year, are provided in the "Report on Corporate Governance", as a part of this Annual Report. Details of committee is also available at <http://cnpl.com/>

22. CORPORATE SOCIAL RESPONSIBILITY POLICY AND INITIATIVES:

The Company has implemented Corporate Social Responsibility Policy and initiatives as the provisions of Section 135 of the Act and Rules made thereunder governing Corporate Social Responsibility and the same is available at <http://cnpl.com/> and details are also available in Corporate Governance Report forming part of the Annual Report.

The disclosures as per Rule 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014 are made and the same is enclosed as **Annexure- III**.

23. STATUTORY AUDITORS:

M/s. Samir M. Shah & Associates, Chartered Accountants (FRN 122377W) were appointed as Statutory Auditors of your Company at the Previous Annual General Meeting held on 23rd September, 2017.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. The notes to the accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

24. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed M/s. K. Jatin & Co., Practicing Company Secretaries as Secretarial Auditor of the Company to undertake the Secretarial Audit for the financial year 2021-22.

The Secretarial Audit Report for financial year 2021-22 issued by M/s. K. Jatin & Co., Practicing Company Secretaries has been appended as **Annexure - IV** to this report. There were no qualifications or adverse remarks in their Report.

25. SEXUAL HARRASMENT POLICY:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. During the year 2021-22, no sexual harassment complaints has been registered with the Company.

26. RISK MANAGEMENT AND INTERNAL CONTROL SYSTEM:

Company has implemented an integrated risk management approach through which it reviews and assesses significant risks on a regular basis to help ensure that there is a robust system of risk controls and mitigation in place. Senior management periodically reviews this risk management framework to keep updated and address emerging challenges. Major risks identified for the Company by the management are Compliances of various applicable Laws, Regulatory changes, Manufacturing & Supply, Litigation, Technological Changes and new capital investments return. The management is however, of the view that none of the above risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize. Further, Company had formulated Risk Management Committee also, however later on it was dissolved as separate Committee for the same was not required considering the size of your Company So, Audit Committee looks for the Risk Management after dissolution of Risk Management Committee.

The Company has an Internal Control System, commensurate with size, scale and complexity of its operations. The internal financial controls are adequate and are operating effectively so as to ensure orderly and efficient conduct of business operations. The Company has appointed M/s. Jhaveri Shah and Co., Chartered Accountants as an Internal Auditors of the Company. The Audit Committee in consultation with the internal auditors formulates the scope, functioning, periodicity and methodology for conducting the internal audit. The internal auditors carry out audit, covering inter alia, monitoring and evaluating the efficiency & adequacy of internal control systems in the Company, its compliance with operating systems, accounting procedures and policies at all locations and submit their periodical internal audit reports to the Audit Committee. Based on the internal audit report and review by the Audit committee, process owners undertake necessary actions in their respective areas. The internal auditors have expressed that the internal control system in the Company is robust and effective. The Board has also put in place requisite legal compliance framework to ensure compliance of all the applicable laws and that such systems are adequate and operating effectively.

27. VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy to report genuine concerns and grievances. Details Whistle Blower Policy has been mentioned in the Report of Corporate Governance, the same is available at <http://cnpcl.com/corporate-policies/>

28. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the provisions of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors state that-

- i. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii. 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 end of the financial year and of the profit of the Company for that period;
- iii. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 and Rules made thereunder for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. the directors had prepared the annual accounts on a going concern basis;
- v. the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
- vi. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

29. CORPORATE GOVERNANCE:

As required by Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed report on Corporate Governance is given as a part of the Annual Report. The Company is in full compliance with the requirements and disclosures that have to be made in this regard. The Secretarial Auditors' Certificate of the compliance with Corporate Governance requirements by the Company is attached to the Report on Corporate Governance.

30. GENERAL SHAREHOLDER INFORMATION:

General Shareholder Information is given in Report on Corporate Governance forming part of the Annual Report.

31. ACKNOWLEDGEMENTS:

Your Directors wish to express their grateful appreciation for the co-operation and support received from Government, Customers, Shareholders, Financial institutions, Banks, and the Society at large. Deep appreciation is also recorded for the dedicated efforts and contribution of the employees at all levels, as without their focus, commitment and hard work, the Company's consistent growth would not have been possible, despite the challenging environment.

For and on behalf of the Board

Sd/-

Jyotiprasad Chiripal

Chairman

DIN: 00155695

Place: Ahmedabad

Date: 13th August, 2022

ANNEXURE – I TO THE DIRECTORS REPORT

CONSERVATION OF ENERGY/ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. CONSERVATION OF ENERGY:

i. The Steps taken or impact on conservation of energy:

- Company has started using fuel efficient Coal instead of Lignite and Local Coal and this will in-turn reduce the fuel and maintenance cost of the Company.
- Replaced old Fork lifter used for unloading raw material to save diesel.
- Improved utilization of Power Plant, resulting in a rise of generated unit by 10%.

ii. The Steps taken by the Company for utilizing alternate sources of energy:

- Company is now using fuel efficient Coal instead of Lignite and local fuel by which fuel as well as power consumption of the company is reduced.

iii. The Capital investment on energy conservation equipment: Separate Shed has been established for storing the fuel efficient Coal by this Coal will remain dry during the rain and will be protected from moist and so, efficiency of the Plant and Machinery will be maintained.

B. TECHNOLOGY ABSORPTION:

i. The efforts made towards technology absorption:

Company has started to use fuel efficient Coal, this will directly have positive effect on durability of Boiler and Coal Plant so, deterioration of the same will be reduced.

Further, Company has done capital expenditure in Machinery and Company is planning for standby equipment in utility and power generation.

ii. Benefits derived like Product Improvement, Cost Reduction, Product Development or import Substitution:

- As company is using fuel efficient Coal so, overall Cost of Production will be reduced.
- Company has at present facilities for manufacture of:
 - a. Partially Oriented Yarn (POY)
 - b. Fully Drawn Yams (FDY)
 - c. Draw Texturised Yarns
 - d. Draw Twisted Yam (DTY)
- Company during the year established Draw Texturised Yarn (Dtex) Plant for selling it to the outside parties and this will lead to;
 - a) Consistency in Quality of shirting. Suiting, dress materials and sarees;
 - b) Revenue will be increased.

iii. In case of Imported Technology (imported during the last 3 years reckoned from the beginning of the financial year) – Not Applicable

iv. The expenditure incurred in Research and Development: Company has done expenditure in testing equipment in order to have check in quality of the product and maintain the same.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Details of foreign exchange earnings and outgo are given in the notes to the Financial Statements.

Annexure – II to the Directors Report

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- i. The ratio of the remuneration of each Director to the Median Remuneration of the Employees of the Company for the Financial Year 2021-22 and
- ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year

(₹ in Lakhs)

Sr. No.	Name of Director/KMP and its Designation	Remuneration to the Director/KMP for the Financial Year 2021-2022	Remuneration to the Director/KMP for the Financial Year 2020-2021	Percentage increase/decrease in remuneration in the Financial Year 2021-2022	Ratio of Remuneration of each Director to the Median Remuneration of Employees
1.	Mr. Jyotiprasad Chiripal Director and Chairman	--	--	--	--
2.	Mr. Pooran Singh Mathuria Whole-time Director	19.67	17.84	10.25%	8.37
3.	Mr. Pradip Khandelwal* Chief Executive Officer	22.07	34.11	--	9.38
4.	Mr. Satish Bhatt Chief Financial Officer	13.36	10.96	21.90%	5.68
5.	Mr. Harsh Hirpara Company Secretary	6.06	4.88	24.18%	2.35
6.	Mr. Shashank Paranjape** Chief Executive Officer	17.35	--	--	--

* Mr. Pradip Khandelwal, Chief Executive Officer has resigned from 25th September, 2021

**Mr. Shashank Paranjape has been appointed as Chief Executive Officer w.e.f. 12th November, 2021

- iii. The Median Remuneration of Employees (MRE) of the Company is ₹ 2,35,166 for the Financial Year 2021-2022.
- iv. The number of permanent employees on the rolls of the Company is 432 for the year ended 31st March, 2022.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the last Financial Year was approx. 8.40%. The increase in remuneration is determined based on the performance by the employees of the Company.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company. The ratio of the remuneration of the highest paid director and other details of the employees who are not directors but received remuneration in excess of the highest paid director during the year is as below;

For and on behalf of the Board

Sd/-
Jyotiprasad Chiripal
Chairman
DIN: 00155695

Place: Ahmedabad
Date: 13th August, 2022

Annexure –III to Directors Report

ANNUAL REPORT ON CSR ACTIVITIES CARRIED OUT BY THE COMPANY

1 A brief outline of the company's CSR policy, including overview of projects or Programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes.

CSR policy is stated herein below:

The Mission and philosophy of the CSR function of the Company is "To contribute positively to the development of the society, by acting as a good neighbor, considerate of others, playing the role of a good corporate citizen with passion and compassion." Hence the CSR activities undertaken by the organization essentially focus on four core areas of Environment, Health, Education and Community Development.

The focus of the Company is to contribute to various institutions and initiatives around the manufacturing locations to provide social services to the needy. The CSR vision of the Company is to strive to be a responsible corporate by proactively partnering in the Environmental, Social and Economic development of the communities through the use of innovative technologies, products as well as through activities beyond normal business.

The Company endeavors to make a positive and significant contribution to the society by targeting social and cultural issues, maintaining a humanitarian approach and focusing on areas in and around its plants and where its establishments are located. In particular, the Company will undertake CSR activities as specified in Schedule VII to the Companies Act, 2013 (including any amendments to Schedule VII and any other activities specified by the Government through its notifications and circulars) but will not be limited to the following:

1. Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently able and livelihood enhancement projects;
2. Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation, including contribution to the Swatch Bharat Kosh set up by the Central Government for the promotion of sanitation and making available safe drinking water;
3. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
4. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central Government for rejuvenation of river Ganga;
5. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
6. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women;
7. Slum area development.

Disclosure:

CSR activities will be undertaken either by the Company itself or through a Trust/Section 8 Company to be established by the Company or through any other Trust engaged in similar projects and activities.

2 Composition of CSR committee:

Name of the Member	Designation
Mr. Murlimanohar Goyal	Chairman
Ms. Chinar Jethwani	Member
Mr. Jyotiprasad Chiripal	Member

3 Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable.

4 Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: Not Applicable.

5 Average net profit of the company for last three financial years: 33,55,902

Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL

Amount required to be set off for the financial year: Nil

6 Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): 67,118

7 Details of CSR spend for the financial year:

- a) Total amount spent for the financial year: 1,00,000
- b) Amount unspent if any: Nil
- c) Manner in which the amount spent during the financial year is detailed as below:

Sr. No.	CSR Project or activity	Sector	Location	Amount outlay (Budget)	Amount spent on the project or Programme	Cumulative Expenditure up to reporting period	Amount spent directly/ or throughout implementing agency
1.	Milestone Educom Trust	Education	Ahmedabad	67,118	1,00,000	1,00,000	Directly

8 CSR Policy and Committee has been formulated

9 Details of CSR amount spent against other than ongoing projects for the financial year: NIL

10 Details of Unspent CSR amount for the preceding three financial years: Not Applicable.

11 In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) – Not Applicable.

12 Specify the reasons, in case, the Company has failed to spend two per cent of the average net profit as per section 135(5):

Not Applicable.

For, CIL Nova Petrochemicals Limited

Jyotiprasad Chiripal
Chairman
DIN: 00155695
Date: 13th August, 2022
Place: Ahmedabad

For, CIL Nova Petrochemicals Limited

Murlimanohar Goyal
Chairman
CSR Committee
DIN: 02329431

Annexure – IV to the Directors Report

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
CIL NOVA PETROCHEMICALS LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CIL NOVA PETROCHEMICALS LIMITED** (for brevity purpose, hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to me and the representations made by the Management, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on 31st March, 2022 according to the applicable provisions of:

- a) The Companies Act, 2013 ('the Act') and the rules made there under, as applicable;
- b) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- c) The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- d) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, Presently (Prohibition of Insider Trading) Regulations 2015;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- f) Other laws specifically applicable to the Company namely–
 - i) Additional Duties of Excise (Textiles and Textile Articles) Act, 1978;
 - ii) Textiles Committee Act, 1963;
 - iii) Textiles (Development and Regulation) Order, 2001;
 - iv) Textiles (Consumer Protection) Regulations, 1988;
 - v) Water (Prevention and Control of Pollution) Act, 1974;
 - vi) Environment (Protection) Act, 1986;
 - vii) Employees' Provident Funds & Misc. Provisions Act, 1952;
 - viii) Employees' State Insurance Act, 1948;
 - ix) Factories Act, 1948;
 - x) Minimum Wages Act, 1948;
 - xi) Payment of Gratuity Act, 1972;
 - xii) Labour Laws and other incidental laws;
 - xiii) Negotiable Instruments Act, 1881

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

- a. Secretarial Standards of The Institute of Company Secretaries of India with respect to board and general meetings.
- b. The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

During the period under review and as per the explanations and clarifications given to me and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place:-Ahmedabad
Date:- 23rd May, 2022

Sd/-
(Jatin Kapadia)
Practicing Company Secretary
COP: 12043
MEM NO. 26725
UDIN: F011418D000368741

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

Annexure A

To,
CIL NOVA PETROCHEMICALS LIMITED

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

- (a) Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit;
- (b) I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion;
- (c) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- (d) The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis;
- (e) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place:-Ahmedabad
Date:- 23rd May, 2022

Sd/-
(Jatin Kapadia)
Practicing Company Secretary
COP: 12043
MEM NO. 26725
UDIN: F011418D000368741

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Management Discussion and Analysis is part of Directors Report for the Year Ended 31st March, 2022)

➤ INDUSTRIAL STRUCTURE , DEVELOPMENT AND OVERVIEW :

The Company is in business of manufacturing of Partially Oriented Yarn (POY), Micro-Filament Yarn, Draw Twisted Yarn (DTY), Texturised Yarns and Fully Drawn Yarns (FDY). However Competition in the industry is continuously increasing but overall Performance of the Company is satisfactory.

As per Economic Survey the Indian economic growth to grow by 8.0% to 8.5% in 2023 considering the assumption that there will be no further debilitating pandemic related economic disruption, monsoon will be normal, withdrawal of global liquidity by major central banks will be broadly orderly, oil prices will be in the normal range and global supply chain disruptions will steadily ease over the course of the year.

During the year under review, the growth of the Indian economy is affected due to the post-pandemic economic recovery faces a complex set of challenges. Several crosscurrents have hit the global economy all at once, and will slow growth more significantly. The economic spillovers of the Russia-Ukraine military conflict are still unfolding, as is the effect on global growth from the slowdown in China amid strict enforcement of its zero-COVID policy. Two years into the COVID-19 pandemic, the global economy continues to be plagued by uncertainty, with resurgent waves of mutant variants, supply-chain disruptions, and a return of inflation in both advanced and emerging economies. Moreover, the likely withdrawal of liquidity by major central banks over the next year may also make global capital flows more volatile. In this context, it is important to evaluate both the pace of growth revival in India as well as the strength of macro-economic stability indicators. It is also essential to look at progress in vaccination as this is not just a health response but also a buffer against economic disruptions caused by repeated waves of the pandemic.

➤ FINANCIAL PERFORMANCE:

The total revenue during the year under review was ₹ 29615.60 Lakhs as against ₹ 15420.12 Lakhs in the previous year showing an increase of 92%. Productivity was also increased in comparison to previous year production. Profit before tax (PBT) is ₹ 949.73 Lakhs as against previous year 645.12 Lakh, and profit after tax (PAT) stood at 789.11 Lakhs as against previous year profit 537.52 Lakh. The Management of the Company is taking efforts for the progress of the Company. The performance of the Company is gradually improving with transient time. The improvement is evident from the financial statement of the Company.

➤ SIGNIFICANT RATIO ANALYSIS

Particulars	FY 21-22	FY 20-21
Revenue From Operations	29,615.60	15,420.12
Profit After Tax	789.24	537.52
Earnings before interest, tax	1218.08	903.72
Debtors Turnover(in times)	10.48	4.19
Inventory Turnover(in times)	8.90	4.97
Interest Coverage Ratio(in times)	6.26	5.18
Current Ratio (in times)	1.35	1.09
Debt/Equity Ratio (in times)	0.29	0.23
Operating Margin (%)	4.11%	5.86%
Net Profit Margin (%)	2.66%	3.49%

➤ OPPORTUNITY:

Initiative of "Make in India" has received overwhelming support from Government and as textile sector is in the loop of Make in India concept overall there will be increase in consumptions of your company's products and there may be increase in demand of the same and which will lead to growth of the company.

India has become a dream market for most marketers across many product segments. In textiles and apparel specifically, domestic consumption has grown at over 13 per cent per annum over the last five years and crossed the \$60 billion level, fuelled by the demographic advantages of India's population, increasing urbanization, growing disposable income and higher marked penetration of organized retail. India's export of textiles and apparel has also grown at over 11 per cent in the last five years and currently stands at \$40 billion – a success but a long way from where China's industry stands today (just 10 per cent), and nowhere near its potential.

According to the WTO, India is the third-largest textile manufacturing industry and holds an export value of more than USD 30 billion. India is responsible for more than 6% of the total textile production, globally, and it is valued at approximately USD 150 billion.

As of today, it is estimated anywhere between 20 million and 60 million people are employed in the textile industry worldwide. Employment in the garment industry is particularly important in developing economies such as India, Pakistan, and Vietnam. The industry accounts for approximately 2% of global Gross Domestic Product and accounts for an even greater portion of GDP for the world's leading producers and exporters of textiles and garments

➤ **THREATS:**

There is continuous increase in Competition in Textile Sector, many companies are entering in textile segment due to high demand and so, in order to survive in the market company have not increased its profit margins as estimated by the management however company has managed to survive the same by taking appropriate actions.

➤ **OUTLOOK:**

Global textile industry is estimated to exhibit a CAGR of 4.3% from 2020 to 2027 owing to the increased demand for apparels, especially in developing countries such as China, India, Mexico, and Bangladesh. Asia Pacific region (APAC) will be the growth driver, which will contribute around 44% to the industry, followed by US, the EU and Latin America. To keep up the pace of a growing industry, it is necessary to adopt sustainable measures to cut operating costs and increase the economies of scale.

➤ **RISK AND CONCERN:**

The risk management function is integral to the company and its objectives includes ensuring that critical risk are identified continuously, monitored and managed effectively in order to protect the company's business.

However, the changes in the tax laws, Government policies and regulatory requirement might affect the company's business. Uncontrolled variation in price of input materials could impact the company's profitability to the extent that the same are not absorbed by the market through price increase and / or could have a negative impact on the demand in the market.

The management has already taken initiatives in advance for mitigating the above mentioned risk and concerns/challenges. The company has taken major initiatives like focus on cost reduction through inventory management techniques, manufacturing process without compromising quality of products and retains talented employees etc.

The second wave of COVID-19 pandemic has disrupted demand and supply chains across industries, negatively impacting the business of companies and driving the global economy towards a recession. Governments in several countries have imposed stringent lockdown in a bid to contain the spread of the disease. This in turn has forced companies to reconfigure how their employees work and how their core business processes are supported and delivered. These events could cause companies to pause and reprioritize their spending.

➤ **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

With an aim to monitor and control day-to-day operations at CNPCL, the Company has set up internal control systems for regular tracking and reporting for that the Company has appointed an independent firm of Chartered Accountant for the same with such powers and responsibilities that are required to ensure the adequacy of the internal Control System. These systems also monitor compliance to various rules and regulations, and adherence to policy requirements and submit their report to Audit Committee and Board on Quarterly and Yearly Basis.

➤ **INITIATIVES BY THE COMPANY:**

The Company has taken the following initiatives:

- Concentration on reduction of costs by undertaking specific exercise in different fields and started to have in house paper tube plant.
- Focusing on modernization of manufacturing process to improve quality and reduction of costs.
- The Company is quite confident that the overall productivity, profitability would improve in a sustainable manner, as a result of this strategy.

➤ **HUMAN RESOURCE:**

Your Company firmly believes that employees are the most valuable assets and key players of business success and sustained growth. Various employee benefits, recreational and team building efforts are made to enhance employee skills, motivation as also to foster team spirit. Industrial relations were cordial throughout the year. The Company has 432 employees as on year ended 31st March, 2022.

➤ **CAUTIONARY STATEMENT**

Statements in Management Discussions and Analysis Report describing the Company's objectives, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

For and on behalf of the Board

Sd/-

Jyotiprasad Chiripal
Chairman
DIN: 00155695

Place: Ahmedabad
Date: 13th August, 2022

REPORT ON CORPORATE GOVERNANCE

(The Report on Corporate Governance forms part of the Directors Report for the year Ended on 31st March, 2022)

Pursuant to Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is given below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes in abiding by the Code of Governance so as to be a responsible corporate citizen and to serve the best interests of all the stakeholders, viz., the employees, shareholders, customers, vendors and the society at large. The Company seeks to achieve this goal by being transparent in its business dealings, by disclosure of all relevant information in an easily understood manner, and by being fair to all stakeholders, by ensuring that the Company's activities are managed by a professionally competent and independent Board of Directors.

BOARD OF DIRECTORS AND ITS COMPOSITION:

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Independent Directors with excellent knowledge and experience in various fields relating to the business activities of the company.

The Strength as on 31st March, 2022 the Board of Directors of the Company consisted of 6 (Six) Directors out of which 4 (Four) were Independent Directors of which 1 (one) was Woman Independent Director, 1 (One) is Whole-time Director and 1 (One) is Non-Executive Director. The number of Independent Directors on the Board is in conformity with the requirement of Regulation 17 (1) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Four Independent Directors are Ms. Chinar Jethwani Mr. Murlimanohar Goyal, Mrs. Pooja Shah and Mr. Chintan Patel.

Certificates have also been obtained from the Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013 read with Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of Schedule V (C) (2) (e) and Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, none of the Directors are related to each other.

During the financial year 2021-22, 4 (Four) Meetings of the Board of Directors were held on following days: 30th June, 2021, 12th August, 2021, 12th November, 2021 and 12th February, 2022.

The details of the number of Board and General Meeting(s) attended by each Director during the year ended 31st March, 2022 and Directorship and/ or Membership/ Chairmanship of the Committees of Board (except Private Companies, Non-Profit Companies and Foreign Companies) held by each of them as on 31st March, 2022 are given below:

Name of Director	Category	Attendance Particulars			No. of other Directorships (Including this Listed Company)	No. of Committee Positions held (including this Company)@	
		No. of Board Meetings held	No. of Board Meetings Attended	Attended Last AGM		Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity
Mr. Jyotiprasad Chiripal	Promoter/ Chairman/ Non Executive Director	4	4	Yes	2	2	0
Mr. Pooransingh Mathuria	Whole-time Director	4	4	Yes	1	0	0
Mr. Murlimahohar Goyal	Independent Director	4	4	Yes	1	2	2
Ms. Chinar Jethwani	Independent Director	4	4	Yes	2	2	0
Mrs. Pooja Shah	Independent Director	4	4	Yes	1	0	0
Mr. Chintan Patel	Independent Director	4	4	Yes	1	0	0

@ As per Regulation 26(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, The number of directorships and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations as on 31st March, 2022.

Disclosure of Shareholding of Independent Non-Executive Directors:

Name of the Director	Shares held as on 31 st March, 2022 (Own or held by/for other persons on a beneficial basis)
Mr. Murlimanohar Goyal	Nil
Ms. Chinar Jethwani	Nil
Mrs. Pooja Shah	Nil
Mr. Chintan Patel	Nil

BOARD COMMITTEES:

Under the sponsorship of the Board of Directors, several committees have been constituted which have been delegated powers for different functional areas. The Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and CSR Committee have been constituted pursuant to and in accordance with the provisions of SEBI Listing Regulations and Companies Act, 2013.

The details of Committees of Board of Director are given below:

A. AUDIT COMMITTEE:

TERMS OF REFERENCE:

The Audit Committee acts in accordance with the provisions of Companies Act, 2013 and Listing Regulations as amended from time to time.

Further as per provisions of Section 177 of Companies Act, 2013 and Listing Regulations committee recommends appointment, remuneration and terms of appointment of auditors of the Company, review and monitor the auditor's independence and performance and effectiveness of the audit process, examination of the financial statements and the auditor's report thereon, approval or any subsequent modification of transactions of the Company with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the Company wherever it is necessary, evaluation of internal financial controls and risk management systems, monitoring the end use of funds raised through public offers and related matters and such other as may be prescribed in Companies Act, 2013 and Listing Regulations.

COMPOSITION COMMITTEE:

The Audit Committee Comprises of the following 3 (Three) Members;

Name of Director	Designation	Category
Mr. Jyotiprasad Chiripal	Member	Promoter Non Executive Director
Mr. Murlimanohar Goyal	Chairman	Independent Director
Ms Chinar Jethwani	Member	Independent Director

Mr. Harsh Hirpara, Company Secretary and Compliance Officer acted as Secretary of the Committee.

The quorum for the Meeting of the Audit Committee is as per applicable laws. During the year under review, the Committee met four times, The details of the attendance of Directors at Audit Committee meetings during the financial year are as under:

Name of Director	Number of Meeting Attended
Mr. Jyotiprasad Chiripal	04
Mr. Murlimanohar Goyal	04
Ms. Chinar Jethwani	04

B. NOMINATION AND REMUNERATION COMMITTEE:

TERM OF REFERENCE:

The terms of reference of the Nomination and Remuneration Committee are in compliance with the provisions of Companies Act, 2013 and Listing Regulations as amended from time to time, and it broadly includes the following:

- Identifying and selection of candidates for appointment as Directors/ Independent Director based on certain laid down criteria;
- Performing all such functions as are required to be performed by the Committee with regard to ESPS/ ESOPs under the Regulations issued by Securities and Exchange Board of India from time to time; and
- Such other matters as specified under Listing Regulations and requirements of Section 178 of the Companies Act, 2013 and Reserve Bank of India or as may be delegated by the Board of Directors of the Company.

COMPOSITION AND ATTENDANCE AT MEETINGS:

The Nomination and Remuneration Committee comprises of following Three Members out of which Two Members are Independent Directors:

Name of Director	Designation	Category
Mr. Murlimanohar Goyal	Chairman	Independent Director
Mr. Jyotiprasad Chiripal	Member	Promoter Non Executive Director
Ms. Chinar Jethwani	Member	Independent Director

Mr. Harsh Hirpara, Company Secretary and Compliance Officer acted as Secretary of the Committee.

During the year under review, the Committee met one time. The details of the attendance of Directors at meeting(s) of the Committee held during the financial year are as under:

Name of Director	Number of Meeting Attended
Mr. Murlimanohar Goyal	1
Mr. Jyotiprasad Chiripal	1
Ms. Chinar Jethwani	1

A process of evaluation was followed by the Board of Directors for its own performance and that of its Committees and individual Directors and also the necessary evaluation was carried out by Nomination and Remuneration Committee and Independent Director at 3rd their respective meetings held for the purpose.

C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

TERM OF REFERENCE:

The terms of reference of the Stakeholders Relationship Committee are in compliance with the provisions of Companies Act, 2013 and Listing Regulations as amended from time to time, which inter alia includes carrying out such functions for redressal of grievances of shareholders including but not limited to, transfer of shares, non-receipt of annual report, non-receipt of dividend and any other grievance that a shareholder or investor of the Company may have against the Company.

The Committee also oversees and approves Transfer / Transmission / Dematerialisation of shares, issue of Duplicate / Consolidated / Split Share Certificate(s) etc. The Company has appointed M/s. Link Intime India Private Limited as its Registrar and Share Transfer Agent (RTA). The Stakeholders Relationship Committee recommends measures for overall improvement in the quality of investor services.

Name of Director	Designation	Category
Mr. Murlimanohar Goyal	Chairman	Independent Director
Ms. Chinar Jethwani	Member	Independent Director
Mr. Jyotiprasad Chiripal	Member	Promoter Non Executive Director

Mr. Harsh Hirpara, Company Secretary, acts as a Secretary to the Committee and is also the Compliance Officer of the Company under Listing Regulations. As the Compliance Officer he is responsible for overseeing the redressal of the investors' grievances.

During the year under review, the Committee met four times. The details of the attendance of Directors at meeting(s) of the Committee held during the financial year are as under:

Name of Director	Number of Meeting Attended
Mr. Murlimanohar Goyal	01
Ms. Chinar Jethwani	01
Mr. Jyotiprasad Chiripal	01

The equity shares of the Company are listed on the BSE Limited (BSE) as on 31st March, 2022 the Company had 6620 shareholders.

At the beginning of the year, there were no complaints / correspondences which were pending. During the year under review, the Company and M/s. Link Intime India Private Limited, the Registrar and Share Transfer Agent, received no complaints/ correspondence/ grievances and there were no pending complaints as at 31st March, 2022.

D. OTHER COMMITTEES:

In addition to the above referred committees, the Board has also constituted committees of Directors to look into various business matters. These Committees includes Corporate Social Responsibility Committee.

The Corporate Social Responsibility Committee report is attached as Annexure-V to the Board's report

INDEPENDENT DIRECTORS' MEETING:

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all the Independent Directors of the Company met once during a year, without the attendance of Non-Independent Directors and Members of the Management.

The Independent Directors reviewed performance of Non Independent Directors, Chairman of the Company and the performance of the Board as a whole. The Independent Directors also discussed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The feedback of the Meeting was shared with the Chairman of the Company.

INDEPENDENT DIRECTORS' FAMILIARISATION PROGRAMME:

The Company has familiarized its Independent Directors with the Company, their roles, rights, responsibilities in the Company nature of the industry in which the Company operates business model of the Company, etc. The details of the said familiarization programme are provided on the website of the Company and the web link is <http://cnpl.com/familiarization-programme>.

REMUNERATION OF DIRECTORS:

The Company has adopted a Remuneration Policy for its Directors, Key Managerial Personnel and other employees. The Remuneration Policy has laid down the criteria for determining qualifications, positive attributes, independence of Director and Board diversity. The Policy lays down the factors for determining remuneration of Whole-time Directors, Executive and Non-Executive Directors, Key Managerial Personnel and other employees. The policy also lays down the evaluation criteria of the Independent Directors and the Board. The Nomination and Remuneration Committee decides the remuneration for the Whole-time Directors.

Remuneration Policy:

A. Remuneration to Whole-time Director:

The remuneration paid to Whole-time Directors is subject to the limits laid down under Section 197 and Schedule V to the Companies Act, 2013, and in accordance with the terms of appointment approved by the Shareholders of the Company. The remuneration of the Whole-time Director is determined by the Nomination & Remuneration Committee based on track record of the Whole-time Director.

The remuneration consists of Salary, House Rent Allowance (HRA), Conveyance Allowance and other perquisites and allowances in accordance with the rules of the Company, applicable from time to time. The Whole-time Director are not paid any sitting fees for attending the meetings of the Board of Directors or Committees thereof.

The appointment of Whole-time Director is for a period not exceeding five years at a time subject to ratification by members of the Company at the ensuing Annual General Meeting.

Even if there is no breach of the Companies Code by the Whole-time Director, but the Company exercises the discretion to terminate his services during the term of appointment, without assigning any reason therefore, then and in that event, the Whole-time Director shall be paid a compensation of a sum which shall not exceed the remuneration which he would have earned if he had been in office for the unexpired residue of his term or for three years, whichever is shorter, calculated on the basis of the average remuneration actually earned by him during a period of three years immediately preceding the date on which he ceased to hold the office or where he held the office for a lesser period than three years, during such period.

Presently, the Company does not have a scheme for grant of stock options either to the Whole-time Directors or employees.

The details of remuneration (including perquisites and allowances) paid during the year ended 31st March, 2022 are as follows:

(Amount in Lakhs)

Name	Salary
Pooransingh Mathuria, Whole Time Director	19.67 Per annum.

B. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending the meetings of the Board or Committee thereof within the limits prescribed under the Companies Act, 2013. Apart from the sitting fees paid by the Company, the Non-Executive Directors, in their individual capacity, did not have any pecuniary relationship or transactions with the Company during the financial year 2021-22.

The details of payments made to Non-Executive Directors during the year ended 31st March, 2022 are as under:

(Amount in Lakhs)

Name of the Director	Sitting Fees
Mr. Murlimanohar Goyal	Nil
Ms. Chinar Rajkumar Jethwani	0.80
Mrs. Pooja Shah	0.80
Mr. Chintan Patel	0.80

C. Remuneration to Key Managerial Personnel and other employees

The objective of the policy is to have a compensation framework that will reward and retain talent. The remuneration will be such as to ensure that the correlation of remuneration to performance is clear and meets appropriate performance benchmarks. Remuneration to Key Managerial Personnel, Senior Management and other employees will involve a balance between fixed and variable pay reflecting short and long term performance objectives of the employees in line with the working of the Company and its goals. For Directors, the Performance Pay will be linked to achievement of Business Plan. For Heads of Department, the Performance Pay will be linked to achievement of functional plan which is derived from the business plan. The functional plan includes both, short-term and long-term objectives. The above will take into consideration industry performance, customer performance and overall economic environment. For other management personnel, the Performance Pay will be linked to achievement of individual set objectives and part of this will also be linked to overall company performance.

Remuneration Policy is also available at <http://cnpl.com/corporate-policies>.

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The Company has adopted a Code of Conduct for Board of Directors and Senior Management (the Code). The Code has been communicated to the Directors and the members of Senior Management. The Code has also been posted on the Company's website at www.cnpcl.com. All Board members and senior management have confirmed compliance with the Code for the year ended 31st March, 2022. Code of Conduct is available at <http://cnpcl.com/code-of-conduct>. The Annual Report contains a declaration to this effect signed by the Director.

D. Matrix containing skills/expertise/competence of the board of directors.

The list of core skills/expertise/competencies identified by the board of directors as required in the context of CIL Nova Petrochemicals Limited business (es) to function effectively and those actually available with the board are as under:

Skills/expertise/competence	Jyotiprasad Chiripal	Pooransingh Mathuria	Murlimanohar Goyal	Chinar Jethwani	Pooja Shah	Chintan Patel
Industry knowledge/experience						
Experience	Yes	Yes	Yes			
Industry knowledge	Yes	Yes	Yes	Yes	Yes	Yes
Understanding of relevant laws, rules, regulation and policy	Yes	Yes	Yes	Yes	Yes	Yes
International Experience	Yes		Yes			
Contract management	Yes	Yes	Yes	Yes	Yes	Yes
Technical skills/experience						
Accounting and finance	Yes			Yes	Yes	Yes
Marketing	Yes	Yes	Yes			
Information Technology	Yes	Yes	Yes	Yes	Yes	Yes
Leadership	Yes	Yes	Yes	Yes	Yes	Yes
Compliance and risk	Yes	Yes	Yes	Yes	Yes	Yes
Legal	Yes			Yes	Yes	Yes
Business Strategy	Yes		Yes		Yes	Yes
Behavioral Competencies						
Integrity and ethical standards	Yes	Yes	Yes	Yes	Yes	Yes
Mentoring abilities	Yes	Yes	Yes	Yes	Yes	Yes
Interpersonal relations	Yes	Yes	Yes	Yes	Yes	Yes

a) ANNUAL GENERAL MEETING:

During last three years, Annual General Meetings of the equity shareholders of the Company were held. The details of the said Meetings and the Special Resolutions passed thereat are as follows:

General Meeting	Date, Day and Time	Venue	Special Resolution Passed
17 th Annual General Meeting	28 th September, 2021	Audio/Video means	1
16 th Annual General Meeting	17 th October, 2020		2
15 th Annual General Meeting	27 th September, 2019	Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382201	--

b) POSTAL BALLOT:

There was no postal ballot held during the Financial Year 2021-22, none of the resolution is proposed for the ensuing Annual General Meeting need to be passed through Postal Ballot.

MEANS OF COMMUNICATION:

Quarterly/ annual audited financial results are regularly submitted to the Stock Exchanges where the shares of the Company are listed in accordance with the Listing Regulations and are widely published in a prominent English newspaper “The Financial Express or Indian Express” and in a regional language newspaper, “The Financial Express Gujarati”. The quarterly/annual results are also displayed on the Company’s website www.cnpl.com soon after their declaration.

A. GENERAL INFORMATION TO SHAREHOLDERS

a)	Annual General Meeting: Date, Day and Time: Thursday, 29 th September, 2022 at 4:00 PM
b)	Financial Year: The Financial Year of the Company is from 1 st April to 31 st March
c)	Listing on Stock Exchanges: BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001

d) **Listing Fees:**
Listing fees of Stock Exchanges for the year 2022-23 have been paid.

e) **Stock Code:**
BSE: 533407, ISIN: INE672K01025

f) **Market price data-high, low during each month in last financial year**

Month	BSE	
	High	Low
April, 2021	17.10	12.25
May, 2021	17.75	12.57
June, 2021	17.30	14.25
July, 2021	27.65	17.30
August, 2021	32.60	21.55
September, 2021	25.35	21.00
October, 2021	26.80	21.85
November, 2021	28.00	23.35
December, 2021	45.95	25.55
January, 2022	51.00	38.30
February, 2022	48.00	25.50
March, 2022	45.00	27.30

h) **Performance of Share Price in Comparison with BSE SENSEX AND NSE NIFTY**

Month	SENSEX	Share Price (Closing Price)
April, 2021	48782.36	12.60
May, 2021	51937.44	15.58
June, 2021	52482.71	16.50
July, 2021	52586.84	27.00
August, 2021	57552.39	24.15
September, 2021	59126.36	23.00
October, 2021	59306.93	24.50
November, 2021	57064.87	26.65
December, 2021	58253.82	37.85
January, 2022	58014.17	44.50
February, 2022	56247.28	27.30
March, 2022	58568.51	42.10

i) **Distribution of Shareholding as at 31st March, 2022**

Sr. No.	Shareholding Of Shares	Shareholder	Percentage of Total	Total Shares	Percentage of Total issued Shares
1	1 – 500	5815	90.17	703087	2.59
2	501 – 1,000	292	4.53	248431	0.92
3	1,001 – 2,000	154	2.39	223139	0.82
4	2,001 – 3,000	46	0.71	116098	0.43
5	3,001 – 4,000	20	0.31	71960	0.27
6	4,001 – 5,000	27	0.42	125700	0.46
7	5,001 – 10,000	33	0.51	243320	0.90
8	10,001 and Above	62	0.96	25368265	93.61
Total			100.00	2,71,00,000	100.00

j) **Dematerialization of Shares and Liquidity**

Equity shares of the promoters and promoter group are 100% in dematerialized form. As on 31st March, 2022, 2,66,44,226 a total of equity shares aggregating to 98.33% of the total issued, subscribed and paid-up equity share capital of the Company, are in dematerialised form.

k) **Outstanding GDRs / ADRs / Warrants or any Convertible instruments: NIL**

l) **Category wise Shareholding as at 31st March, 2022**

Category	Total Shares	Total Percent
Corporate Bodies (Promoter Co.)	13443405	49.61
Clearing Members	2307	0.01
Other Bodies Corporate	1530840	5.65
Hindu Undivided Family	107325	0.40
Non Nationalised Banks	300	0.00
Non Resident Indians	1101729	4.07
Overseas Corporate Bodies	2500	0.00
Public	1981865	7.31
LLP	46875	0.17
Promoters	5476418	20.21
Foreign Promoters	1272469	4.70
Foreign Portfolio Investors (Corporate)	2133967	7.87
TOTAL :	2,71,00,000	100.00

m) **Plant Location:**

Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382201 Gujarat

n) **Address of Correspondence:**

The Company Secretary CIL Nova Petrochemicals Limited Survey No. 396 (P), 395/4 (P), Moraiya Village, Sarkhej - Bavla Highway, Tal. Sanand, Ahmedabad – 382201 Gujarat. Email: investor grievances.cilnova@chiripalgroup.com Fax No.: +91-2717-251612 Tel. No.: +91-2717-250556-7-8, +91-9825800060	Registrar and Share Transfer Agent Link Intime India Private Limited 5 th floor, 506 to 508 Amarnath Business Centre - I (ABC - I), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C. G. Road, Navarangpura, Ahmedabad - 380009 Email: ahmedabad@linkintime.co.in Fax No.: 079-26465179 Tel No. 079-26465177
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o) **Share Transfer System:**

Shares in physical form sent for registering transfer, to the Registrar and Shares Transfer Agents, M/s. Link Intime India Private Limited are registered and returned within a period of 15 days from the date of receipt, if the documents are in order in all respects. The Share Transfer Committee of the Company meets as often as required.

DISCLOSURES:

a) Related Party Transactions

The Company has no material significant related party transactions as per Companies Act 2013, which may have a potential conflict with the interest of the Company. The details of transactions between the Company and the related parties are given under Notes to the Financial Statement for the year ended 31st March, 2022. The Board has approved a policy for related party transactions which has been uploaded on the Company's website and the web link is <http://cnpcl.com/corporate-policies>.

b) Penalty or Strictures

Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges, or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: Nil.

c) The Company has complied with all the mandatory requirements of Corporate Governance as on 31st March, 2022 and is in compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

d) The Company has established vigil mechanism policy and is available at <http://cnpcl.com/corporate-policies> further no personnel has been denied access to the audit committee for the said purpose however there has been no case in vigil mechanism;

e) There was no application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year.

f) There was no instance of onetime settlement with any Bank or Financial Institution.

g) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause. Details of any non-compliance of any requirement of corporate governance report:

All the mandatory requirements have been complied with as stated in this report on Corporate Governance. There is no non-compliance with any requirement of corporate governance report of sub-para (2) to (10) of the Corporate Governance report as given in Schedule V(C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations), have been made in this Corporate Governance report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of the Company at www.cnpcl.com.

The non-mandatory requirements as stipulated in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations have been adopted to the extent and in the manner as stated under the appropriate headings in the Report on Corporate Governance

h) CEO/CFO Certification:

A certification from the CEO and CFO as specified in Part B of Schedule II in terms of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations was placed before the Board Meeting held on 30th May, 2022 to approve the Audited Annual Accounts for the year ended 31st March, 2022.

i) Payment to Statutory Auditor:

The details of total fees for all services paid by the Company, to M/s. Samir M. Shah & Associates, Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part is as under:

Fees Paid to	Amount (in Lakhs)
M/s. Samir M. Shah & Associates (includes Audit fee, certification fees and reimbursement of expenses)	3.50
Other network entities	NIL

j) Material Subsidiaries:

The Company does not have a material subsidiary as defined under Regulation 16 (1) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, at <http://cnpcl.com/corporate-policies> the Policy for determining material subsidiaries is on the website of the Company.

For and on behalf of the Board

Sd/-

Jyotiprasad Chiripal
Chairman
DIN: 00155695

Place: Ahmedabad
Date: 13th August, 2022

CEO and CFO Certification

We, Shashank Paranjape, Chief Executive Officer and Satish Bhatt, Chief Financial Officer certify that;

- A. We have reviewed the financial statements and cash flow statement for the year ended on 31st March, 2022 and that to the best of our knowledge and belief;
- i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended on 31st March, 2022 are fraudulent, illegal or violate of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps have been taken to rectify these deficiencies.
- D. We further certify that we have indicated to the auditors and the Audit Committee that;
- i. There has not been any significant changes in internal control over financial reporting during the year under reference;
 - ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - iii. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

For, CIL Nova Petrochemicals Limited

Place: Ahmedabad
Date: 30th May, 2022

Sd/-
Satish Bhatt
Chief Financial Officer

Sd/-
Shashank Paranjape
Chief Executive Officer

CODE OF CONDUCT - DECLARATION

As required under Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the Board of Directors and the Senior Management for the year ended 31st March, 2022.

For and on behalf of the Board

Place: Ahmedabad
Date: 13th August, 2022

Sd/-
Jyotiprasad Chiripal
Chairman
DIN: 00155695

Certificate of Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO THE MEMBERS OF CIL NOVA PETROCHEMICALS LIMITED

I have examined the compliance of conditions of Corporate Governance by CIL Nova Petrochemicals Limited ('the Company'), for the year ended March 31, 2022, as stipulated in relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1st April, 2021 to 31st March, 2022.

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

In my opinion and to the best of our information and according to the explanations given to us, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

I state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place:-Ahmedabad
Date:- 13th August, 2022

Sd/-
(Jatin Kapadia)
Practicing Company Secretary
COP: 12043
MEM NO. 26725

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

I, Jatin Kapadia, Practicing Company Secretary, have examined the registers, records and books and papers of CIL Nova Petrochemicals Limited (the Company) as required to be maintained under the Companies Act, 2013 (the Act) and the rules made thereunder for the financial year ended on 31st March, 2022. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its directors and officers, I certify that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Place:-Ahmedabad
Date:- 13th August, 2022

Sd/-
(Jatin Kapadia)
Practicing Company Secretary
COP: 12043
MEM NO. 26725
UDIN: F011418D000367312

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
CIL Nova Petrochemicals Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the financial statements of CIL Nova Petrochemicals Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, and the Statement of Profit and Loss, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31st March 2022, and its Profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.
5. Key audit matter identified in our audit is on recoverability assessment of trade receivables as follows:

Key audit matter	How our audit addressed the key audit matter
Measurement of Expected Credit Loss on Trade Receivables	
Trade receivables amount to Rs. 2825.10 Lakhs after providing for an impairment based on expected credit loss method of Rs.122.93 Lakhs. The measurement of expected credit loss is based on provision matrix that identifies receivables on number of days remaining outstanding and empirical data on recoverability. This Provision matrix requires to be updated regularly based on the circumstantial evidences which may result in significant variation in measurement from one period to other.	The management's estimations for impairment based on expected credit loss method, our audit procedures included the following: <ul style="list-style-type: none"> • Obtained a list of receivables • We analysed the aging of receivables; • Identified any receivables with financial difficulty through discussion with management; • We obtained receivables balance confirmations on a sample basis; • Tested subsequent settlement of receivables after the balance sheet date on a sample basis; • In respect of receivables overdue for a period of 90 days or more, we assessed the recoverability through inquiry with management and by obtaining sufficient corroborative evidence to support the conclusions.

Information other than the Financial Statements and Auditors' Report thereon

6. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the 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 as may be legally advised.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

7. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
11. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the 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 of opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for our 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 control system 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 the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

15. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. 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 and the Statement of Cash Flow 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 Ind AS Specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in the financial statements- Refer Note -37 to the Financial Statement;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in the 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.
 - (ii) The management has represented, that to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether directly or indirectly lend or invest in the other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (iii) Based on such audit procedures applied by us, nothing has come to our notice that has caused us to believe that the representations made under sub clause (i) and (ii) contain any material misstatement.
 - v. The company has not declared or paid any dividend during the year hence the provisions of section 123 of the Companies Act, 2013 are not applicable.

For, Samir M. Shah & Associates
Chartered Accountants
[Firm Regd. No. 122377W]

(Samir M. Shah)
Partner

[M. No. 111052]

UDIN: 22111052ANR116030

Place: Ahmedabad

Date: 30/05/2022

Annexure “A” to the Independent Auditors’ Report of even date on the Financial Statements of CIL Nova Petrochemicals Limited

Referred to in paragraph 15 of our Report of even date to the Members of CIL Nova Petrochemicals Limited for the year ended 31st March, 2022.

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

1. In respect of Property, Plant and Equipment :
 - (a) (i) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipments.
 - (ii) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
 - (b) The property, plant and equipments were physically verified by the Management according to a phased programme at regular interval intervals which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, property, plant and equipments have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
 - (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date. In respect of immovable and movable properties that have been taken on lease and disclosed in the financial statements as right-of use asset as at the balance sheet date, the lease agreements are duly executed in favour of the Company.
 - (d) Company has not revalued its Property, Plant & Equipments and intangible assets during the year.
 - (e) No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 and rules made there under.
2. In respect of its Inventories :
 - (a) The physical verification of inventories has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by management is appropriate and no material discrepancies of 10% or more in aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
 - (b) The company has been sanctioned working capital limit in excess of Rs.5.00 Crores in aggregate. Copies of quarterly statement and return, furnished to bank have also been made available for our verification. We have verified the same on random sampling basis and found the same in agreement with books of accounts. Discrepancies noticed during the verification, were reasonably explained by the management.
3. During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the clauses 3 (iii) (a) to (f) of the Companies (Auditor’s Report) Order, 2020 are not applicable to the company.
4. The Company has not granted any loan, made investments or provided guarantees or provided securities to the party covered under Section 185 and 186 of the Companies Act, 2013.
5. In respect of Deposits:

The company has not accepted any deposits or amount which are deemed to be deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the company. Accordingly, clause 3(v) of Companies (Auditor’s Report) Order, 2020 is not applicable.
6. Cost Records:

Pursuant to the rules made by the central government of India, the Company is required to maintain cost records as specified under section 148(1) of the Act.

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
7. In respect of Statutory Dues :
 - (a) The Company is by and large regular in depositing with appropriate authorities undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income Tax, Duty of Customs, Value Added tax, cess and any other material

statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect statutory dues were outstanding as at 31st March, 2022 for a period of more than six months from the date they became payable except in respect of tax deducted at source including Interest and late fees thereon amounting to Rs.3.23 Lakhs.

- (b) There were no dues of Goods and Service tax, Sales tax, Provident Fund, Employees State Insurance, Duty of Excise, Duty of Customs, Income tax, cess and any other statutory dues which have not been deposited on account of any dispute. The particulars of dues of Textile Cess and Pollution Compensation which have not been deposited on account of disputes and the forum where the dispute is pending is given below:

Name of the Statute	Nature of the Dues	Year	Amount (Rs. in Lakh)	Forum where dispute is pending
The Textile Committee Amendment Act, 1973	Textile Cess	1995 to 2005	50.90	Textiles Committee, Government of India, Ministry of Textiles
Gujarat Pollution Control Act	Compensation	2004 to 2010	51.65	High Court of Gujarat

8. In respect of Undisclosed Income Discovered in Income tax Assessment:

There were no transactions that were not recorded in books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, clause 3(viii) of Companies (Auditor's Report) Order, 2020 is not applicable to the company.

9. In respect of Repayment of Loans:

- (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lenders.
- (b) The company has not been declared as willful defaulter by any bank or financial institution or other lenders.
- (c) The term loans taken by the company during the year has been applied for the purpose for which term loan has been obtained.
- (d) On an overall examination of the standalone financial statements of the Company, prima facie, the company has not utilized any funds raised on short term basis for long term purpose.
- (e) The company has not taken any funds from any entity or person to meet obligations of its subsidiaries, associates or joint ventures. Hence reporting under clause 3(ix)(e) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (f) The company has not has raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, clause 3 (ix)(f) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

10. In respect of Public Offerings:

- (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).Accordingly, clause 3 (x)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures during the year. Accordingly, clause 3(x)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.

11. (a) To the Best of our knowledge, no fraud by the Company or no material on the company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-Section (12) of Section 143 of the Companies Act,2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Auditor and Auditor) Rules 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there were no whistle-blower complaints were received during the year and up to the date of this report by the company.

12. As the company is not a Nidhi Company, the Nidhi Rules, 2014 are not applicable to it. Accordingly, provisions of clause (xii) (a) to (c) of the Company's (Auditor's Report) Order, 2020 are not applicable to the Company.

13. The company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Companies Act 2013 where applicable and the details of related part transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24 "Related Party Disclosure" specified under section 133 of the act.

14. In respect of Internal Audit:

- (a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business of the company.
- (b) The internal audit reports of the company issued till the date of audit report, for the period under audit have been considered by us.

15. The Company has not entered in to any non-cash transactions with its directors or persons connected with him. Accordingly, clause 3(xv) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
16. In Respect to the Provisions of Reserve Bank Of India Act 1934:
 - (a) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause (xvi) (a) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
 - (b) The company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, clause (xvi)(b) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
 - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence, clause (xvi)(c) & (d) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
17. The Company has not incurred any cash losses in the financial year under review and immediately preceding financial year. Accordingly, clause (xvii) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
18. There has been no resignation of the statutory auditors during the year under consideration. Accordingly, clause (xviii) of the Company's (Auditor's Report) Order, 2020 is not applicable to the company.
19. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and 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 indicating that 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.
20. According to the information and explanation given to us and the records of the company examined by us, there were no unspent amount required to be transferred to special account as required by Section 135 of the Companies Act, 2013. Accordingly, provisions of sub clause (a) and (b) of clause (xx) of the Company's (Auditor's Report) Order, 2020 are not applicable to the company.

For, Samir M. Shah & Associates
Chartered Accountants
[Firm Regd. No. 122377W]

(Samir M. Shah)
Partner

[M. No. 111052]

UDIN: 22111052ANR116030

Place: Ahmedabad
Date: 30/05/2022

ANNEXURE “B” TO INDEPENDENT AUDITORS’ REPORT

Referred to in paragraph 16(f) of “Report on Other Legal and Regulatory Requirements” of our Report of even date to the Members of CIL Nova Petrochemicals Limited for the year ended 31st March, 2022.

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

We have audited the internal financial controls over financial reporting of CIL Nova Petrochemicals Limited as of 31st March 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For, Samir M. Shah & Associates
Chartered Accountants
[Firm Regd. No. 122377W]

(Samir M. Shah)
Partner

[M. No. 111052]

UDIN: 22111052ANRII6030

Place: Ahmedabad

Date: 30/05/2022

Annual Report 2021-2022

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Balance Sheet as at March 31, 2022

(Rs. in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
A ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3	8,242.82	8,376.95
(b) Capital Work-In-Progress	3	368.21	368.21
(c) Intangible Assets	4	19.64	Nil
(d) Financial Assets			
(i) Investments		Nil	Nil
(ii) Other Financial Asset	5	16.88	87.72
(e) Deferred Tax Assets (net)	6	Nil	Nil
(f) Other Non-Current Assets	7	178.17	186.55
Total Non - Current Assets		8,825.72	9,019.43
2 Current assets			
(a) Inventories	8	3,327.39	3,101.51
(b) Financial Assets			
(i) Trade Receivables	9	2,825.10	3,683.69
(ii) Cash and Cash Equivalents	10	2.60	0.55
(iii) Other Bank Balances	11	190.78	121.53
(iv) Other Financial Assets	12	1.23	1.46
(c) Current Tax Assets (Net)	13	26.50	Nil
(d) Other Current Assets	14	371.95	578.15
Total Current Assets		6,745.55	7,486.89
Total Assets (1+2)		15,571.27	16,506.32
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	15	2,710.00	2,710.00
(b) Other Equity	16	6,624.88	5,835.63
Total Equity		9,334.88	8,545.63
LIABILITIES			
2 Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	130.83	2.99
(ii) Other Financial Liabilities	18	1,108.49	1,113.39
Total Non - Current Liabilities		1,239.32	1,116.38
3 Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	2,544.94	1,956.85
(ii) Trade Payables	20	1,682.19	4,043.53
(iii) Other Financial Liabilities	21	697.95	716.73
(b) Other Current Liabilities	22	27.34	28.93
(c) Provisions	23	44.65	50.62
(d) Current Tax Liabilities (Net)	24	Nil	47.65
Total Current Liabilities		4,997.07	6,844.31
Total Equity and Liabilities (1+2+3)		15,571.27	16,506.32
Summary of Significant Accounting Policies	2		

As per our report of even date attached herewith.
For, Samir M Shah & Associates
Chartered Accountants
(Firm Regd. No.122377W)

Sd/-
(Samir M Shah)
Partner
(M.No.111052)

Place : Ahmedabad
Date : 30/05/2022

For & on behalf of the Board of Directors of
For, CIL NOVA PETROCHEMICALS LIMITED

Sd/-
(Jyotiprasad Chiripal)
Chairman
DIN: 00155695

Sd/-
(Shashank Paranjape)
Chief Executive Officer

Sd/-
(Harsh Hirpara)
Company Secretary
Place : Ahmedabad
Date : 30/05/2022

Sd/-
(Pooran Singh Mathuria)
Whole Time Director
DIN: 07430356

Sd/-
(Satish Bhatt)
Chief Financial officer

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

(Rs. in Lakhs)

Particulars		Note No.	Year ended March 31, 2022	Year ended March 31, 2021
I	Revenue From Operations	25	29,615.60	15,420.12
II	Other Income	26	254.07	161.14
III	Total Income (I + II)		29,869.67	15,581.26
IV	EXPENSES			
	(a) Cost of Materials Consumed	27	19,231.21	8,694.62
	(b) Purchases of Stock-in-Trade	28	3,541.22	1,395.15
	(c) Changes in inventories of Finished Goods, Stock-in-trade and Work-in-progress	29	(1,289.33)	602.79
	(d) Employee Benefit Expense	30	1,205.18	695.46
	(e) Finance Costs	31	262.64	254.20
	(f) Depreciation and Amortisation Expense	32	425.57	411.91
	(g) Other Expenses	33	5,543.40	2,882.01
	Total Expenses		28,919.89	14,936.14
V	Profit/(Loss) Before Tax (II- III)		949.78	645.12
VI	Tax Expense			
	(a) Current Tax	34	166.34	112.00
	(b) Deferred Tax	34	Nil	Nil
	(c) Short/ (Excess) Provision of Income Tax	34	(0.14)	Nil
	Total Tax Expense		166.20	112.00
VII	Profit/(Loss) for the year (IV - V)		783.58	533.12
VIII	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(a) Remeasurements of the defined benefit plans	35	5.67	4.40
	(ii) Income tax relating to items that will not be reclassified to profit or loss	35	Nil	Nil
	B (i) Items that may be reclassified to profit or loss		Nil	Nil
	(ii) Income tax on items that may be reclassified to profit or loss		Nil	Nil
IX	Total Comprehensive Income (VIII A + VIII B)		5.67	4.40
X	Total Comprehensive Income for the year (VIII+X)		789.25	537.52
XI	Basic & diluted earnings per share of face value of Rs.10 each Fully Paid up			
(a)	Basic	36	2.89	1.97
(b)	Diluted	36	2.89	1.97

As per our report of even date attached herewith.
For, Samir M Shah & Associates
Chartered Accountants
(Firm Regd. No.122377W)

Sd/-
(Samir M Shah)
Partner
(M.No.111052)

Place : Ahmedabad
Date : 30/05/2022

For & on behalf of the Board of Directors of
For, CIL NOVA PETROCHEMICALS LIMITED

Sd/-
(Jyotiprasad Chiripal)
Chairman
DIN: 00155695

Sd/-
(Shashank Paranjape)
Chief Executive Officer

Sd/-
(Harsh Hirpara)
Company Secretary
Place : Ahmedabad
Date : 30/05/2022

Sd/-
(Pooran Singh Mathuria)
Whole Time Director
DIN: 07430356

Sd/-
(Satish Bhatt)
Chief Financial officer

Statement of Cash Flow for the year ended March 31, 2022

(Rs. in Lakhs)

Particulars		Year Ended March 31, 2022	Year Ended March 31, 2021
A:	Cash from Operating Activities :		
	Net Profit before Taxation	949.78	645.12
	Adjustment For :		
	Depreciation and Amortisation Expense	425.57	411.91
	Finance costs	262.64	254.20
	(Reversal)/ Provision for Doubtful Advances	(65.39)	1.87
	Provision for Expected credit Loss	61.95	17.43
	(Profit)/Loss on Sales of Property, Plant & Equipment	(0.55)	11.41
	Investment Written Off	0.00	0.06
	Amortisation of pre received income corresponding to unwinding of financial liability under finance cost	(91.51)	(81.71)
	Interest Income	(81.93)	(52.85)
		510.78	562.32
	Operating Profit Before Working Capital Changes:	1,460.56	1,207.44
	Adjustment For :		
	(Increase)/Decrease in Other Non Current Assets	40.94	(1.87)
	(Increase)/Decrease in Non Current Financial Assets	3.44	(4.33)
	(Increase)/decrease in inventories	(225.88)	(1011.39)
	(Increase)/decrease in Trade Receivable	796.66	(91.70)
	(Increase)/decrease in Other Current Financial Assets	0.28	0.00
	(Increase)/decrease in Other Current Assets	206.20	(272.58)
	Increase/(decrease) in Trade Payable	(2361.34)	778.45
	Increase/(decrease) in Other Current Financial Liability	(5.76)	15.08
	Increase/(decrease) in Other Current Liabilities	(1.59)	12.83
	Increase/(decrease) in Non Current Financial Liability	0.00	0.00
	Increase/(decrease) in Current Provision	5.48	(15.07)
		(1541.58)	(590.58)
	Cash Generated From Operations	(81.01)	616.87
	Income Tax Paid	(240.82)	(64.98)
		(240.82)	(64.98)
	Net Cash From Operating Activities (A)	(321.83)	551.88
B:	Cash Flow From Investment Activities :		
	Purchase of Property, Plant and Equipment including Capital Advances & Capital Work in Progress	(275.17)	(431.75)
	Sale of Property, Plant & Equipment	0.55	7.00
	Margin Money Deposit made	(7.63)	(9.15)
	Interest Income received	81.88	53.48
	Net Cash from Investment Activities (B)	(200.36)	(380.43)

Statement of Cash Flow for the year ended March 31, 2022

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021	
C: Cash Flow From Financing Activities :			
Proceeds from Non-Current Borrowings	136.79	0.46	
Repayment of Non-Current Borrowings	(3.97)	(3.97)	
Proceeds from Short term Borrowings	583.10	7.60	
Finance Costs Paid	(171.17)	(178.57)	
Net Cash from Financing Activities (C)	544.76	(174.48)	
Net Increase in Cash & Cash Equivalents	22.57	(3.02)	
Cash & Cash Equivalents at the Beginning	0.55	3.57	
Cash & Cash Equivalents at the End	2.60	0.55	
Reconciliation of cash and cash equivalents as per the cash flow statement			
Cash and cash equivalents as per above comprise of the following:			
Cash and cash equivalents (Note 10)	2.60	0.55	
Fixed deposits with less than 3 month from date of origination	0.00	0.00	
Balances per statement of cash flows	2.60	0.55	

Notes :

The above cash flow statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard - 7 Cash Flow Statements specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Indian Accounting Standards) Rules, 2015.

As per our report of even date attached herewith.
For, Samir M Shah & Associates
Chartered Accountants
(Firm Regd. No.122377W)

Sd/-
(Samir M Shah)
Partner
(M.No.111052)

Place : Ahmedabad
Date : 30/05/2022

For & on behalf of the Board of Directors of
For, CIL NOVA PETROCHEMICALS LIMITED

Sd/-
(Jyotiprasad Chiripal)
Chairman
DIN: 00155695

Sd/-
(Shashank Paranjape)
Chief Executive Officer
Sd/-

(Harsh Hirpara)
Company Secretary
Place : Ahmedabad
Date : 30/05/2022

Sd/-
(Pooran Singh Mathuria)
Whole Time Director
DIN: 07430356

Sd/-
(Satish Bhatt)
Chief Financial officer

Statement of Changes in Equity for the year ended on March 31, 2022

Equity Share Capital

Particulars	(Rs. in Lakhs)
Balance as on 1st April, 2020	2,710.00
Changes in Equity Share Capital due to Prior Period Errors	Nil
Changes during the year	Nil
Balance as on 31st March, 2021	2,710.00
Changes in Equity Share Capital due to Prior Period Errors	Nil
Changes during the year	Nil
Balance as on 31st March, 2022	2,710.00

Other Equity

(Rs. in Lakhs)

Particulars	Reserves and Surplus					Total
	Undistributable Retained Earnings	Capital Redemption Reserve	Securities Premium Reserve	General Reserve	Retained Earnings	
Balance as at 1st April, 2020	4,108.93	500.00	1,799.45	211.78	(1,322.06)	5,298.10
Profit/(Loss) for the year	Nil	Nil	Nil	Nil	533.12	533.12
Other comprehensive income for the year (net of tax)	Nil	Nil	Nil	Nil	4.40	4.40
Total Comprehensive Income for the year	Nil	Nil	Nil	Nil	537.52	537.52
Balance as at 31st March, 2021	4,108.93	500.00	1,799.45	211.78	(784.54)	5,835.62
Profit/(Loss) for the year	Nil	Nil	Nil	Nil	783.58	783.58
Other comprehensive income for the year (net of tax)	Nil	Nil	Nil	Nil	5.67	5.67
Total Comprehensive Income for the year	Nil	Nil	Nil	Nil	789.25	789.25
Balance as at 31st March, 2022	4,108.93	500.00	1,799.45	211.78	4.71	6,624.88

As per our report of even date attached herewith.
For, Samir M Shah & Associates
Chartered Accountants
(Firm Regd. No.122377W)

Sd/-
(Samir M Shah)
Partner
(M.No.111052)

Place : Ahmedabad
Date : 30/05/2022

For & on behalf of the Board of Directors of
For, CIL NOVA PETROCHEMICALS LIMITED

Sd/-
(Jyotiprasad Chiripal)
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Sd/-
(Pooran Singh Mathuria)
Whole Time Director
DIN: 07430356

Sd/-
(Satish Bhatt)
Chief Financial officer

1. CORPORATE INFORMATION

CIL Nova Petrochemicals Limited (referred to as 'the company') is a leading in manufacturing Polyester Oriented Yarn and Fully Drawn Yarn. The company has its registered office at 396(P)-395/4(P), Sarkhej Bavla Highway, Moraiya Village, Taluka-Sanand, Ahmedabad. -382210.

These financial statements are presented in Indian rupee with figures rounded off to nearest rupee in lakhs except otherwise indicated and same were approved by board of the Company in their meeting held on 30th May 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Accounting:

a) Statement of Compliance:

The financial statements have been prepared with all material aspect with Indian Accounting Standards (Ind As) notified under section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies are applied consistently to all the periods presented in the financial statements.

b) Basis of Preparation:

The financial statements have been prepared on accrual basis of accounting under historical cost convention, except for the following where the fair valuation have been carried out in accordance with the requirements of respective Ind As:

1. Employee defined benefit plans – plan assets;

The Operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1- 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

(ii) Use of Estimates:

The preparation and presentation of financial statements are in conformity with the Ind As which required management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) on the date of the financial statements and the reported amount of revenues and expenses during the reporting year.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 7- Current / Deferred tax liabilities

Note 31- Measurement of defined benefit obligations

Note 10- Expected credit loss for receivables

Note 5- Fair valuation of investments

(iii) Property, Plant and Equipment & Depreciation:

a) Property Plant and Equipment:

Property, plant and equipment are tangible items that are held for use in the production or supply of goods and services, rental to others or for administrative purposes and are expected to be used during more than one period. The cost of an item of property, plant and equipment is recognised as an asset if and only, if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Freehold land is carried at revalued cost less accumulated impairment losses. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost of an item of property, plant and equipment comprises:

- Freehold land is carried at carrying value as on the date of transition which has been previously revalued based on the report issued by the registered valuer.
- in respect of all other Property, plant and equipment except Freehold land are stated at its purchase price, all costs including financial costs till commencement of commercial production are capitalized to the cost of qualifying assets. Tax credit, if any, are accounted for by reducing the cost of capital goods;

- Any other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use.

b) Capital work in progress:

Capital work in progress is stated at cost, comprising direct cost, related incidental expenses, attributable borrowing cost and net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as Capital work in progress (CWIP) and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment. Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

c) Compensation for impairment:

The Company recognises compensation from third parties for items of property, plant and equipment that were impaired, lost or given up in profit or loss when the compensation becomes receivable.

d) Derecognition of Property, Plant and Equipment:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss from the derecognition of an item of property, plant and equipment is recognised in the statement of profit and loss account when the item is derecognized.

e) Depreciation methods, estimated useful life and residual value:

Depreciation on Assets other than Land, Electrical Installation and Plant and Machinery has been provided on "Straight Line Method" so as to expense the cost over their estimated useful lives based on evaluation which are as indicated in Schedule II to Companies Act, 2013. Depreciation on Electrical Installation has been provided on "Straight Line Method" by taking the total life of assets at 28 years based on internal technical evaluation. Depreciation on Plant and Machinery has been provided on "Written down Value Method" by taking the total life of assets at 28 years based on internal technical evaluation and land is not depreciated. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The estimated useful lives are mentioned below:

Asset Class	Useful life (years)
Plant Buildings	30
Other Buildings- RCC Structure	60
Furniture and Fixtures	10
Electric Installation	28
Computer	3
Plant & Machinery	28
Equipments	5
Vehicles	8

Depreciation is calculated on pro rata basis with reference to the date of addition/disposal. The residual values are not more than 5% of the original cost of asset.

(iv) Intangible Assets and Amortisation :

a) Intangible Assets:

The Company identifies an identifiable non-monetary asset without physical substance as an intangible asset. The Company recognises an intangible asset if it is probable that expected future economic benefits attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. An intangible asset is initially measured at cost unless acquired in a business combination in which case an intangible asset is measured at its fair value on the date of acquisition. The Company identifies research phase and development phase of an internally generated intangible asset. Expenditure incurred on research phase is recognised as an expense in the profit or loss for the period in which incurred. Expenditure on development phase are capitalised only when the Company is able to demonstrate the technical feasibility of completing the intangible asset, the ability to use the intangible asset and the development expenditure can be measured reliably. The Company subsequently measures all intangible assets at cost less accumulated amortisation less accumulated impairment.

b) Amortisation methods, estimated useful life and residual value:

An intangible asset is amortised on a straight-line basis over its useful life. A rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use is considered by the management. Amortisation commences when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management. Amortisation ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) and the date that the asset is derecognised. The amortisation charge for each period is recognised in profit or loss unless the charge is a part of the cost of another asset. The amortisation period and method are reviewed at each financial year end. Any change in the period or method is accounted for as a change in accounting estimate prospectively. The Company derecognises an intangible asset on its disposal or when no future economic benefits are expected from its use or disposal and any gain or loss on derecognition is recognised in statement of profit and loss account as gain / loss on derecognition of asset.

(v) Impairment of non – financial assets

The Company reviews the carrying amount of its Property, Plant and Equipment, including Capital Work in progress of a “Cash Generating Unit” (CGU) at the end of each reporting period to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the Cash Generating Unit to which the asset belongs.

Recoverable Amount is determined:

- i) In case of individual asset, at higher of the fair value less cost to sell and value in use; and
- ii) In case of cash generating unit (a company of assets that generates identified, independent cash flows), at the higher of the cash generating unit’s fair value less cost to sell and the value in use.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

(vi) Financial Instruments :

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

1. Financial Assets:

i. Initial recognition and measurement:

At initial recognition, the Company measures a financial asset (which are not measured at fair value through profit or loss) at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset.

ii. Subsequent measurement:

For purposes of subsequent measurement, financial assets are classified in following categories:

- i) Financial assets measured at amortised cost;
- ii) Financial assets at fair value through profit or loss (FVTPL) and
- iii) Financial assets at fair value through other comprehensive income (FVOCI)

The Company classifies its financial assets in the above mentioned categories based on:

- a) The Company’s business model for managing the financial assets, and
- b) The contractual cash flows characteristics of the financial asset.

i) Financial assets measured at amortised cost :

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) A financial asset is measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the Contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- b) Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

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

Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

iii) Financial assets at fair value through other comprehensive income (FVOCI):

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by collecting both contractual cash flows that gives rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets.

In addition, The Company may elect to designate a financial asset, which otherwise meets amortised cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch')

iii. Equity Instruments:

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit & Loss.

The company has elected to measure its equity instruments through FVPTL.

iv. Derecognition:

The Company derecognizes a financial asset when contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the assets's carrying amount and the sum of the consideration received and receivable is recognized in the Statement of Profit and Loss.

v. Impairment of financial assets:

The company assesses at each date of statement of financial position whether a financial assets or group of financial assets is impaired. In accordance of Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance. As a practical expedient, the company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of trade receivables. ECL impairment loss allowances (or reversal) recognized during the period is recognized as an expense / income respectively in the statement of profit and loss. Provision for ECL is presented as deduction from carrying amount of trade receivables.

For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

2. Financial Liabilities:

i. Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and subsequently all financial liabilities carried at amortised cost or fair value through profit or loss.

ii. Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

i) Financial liabilities measured at amortised cost :

Subsequently, all financial liabilities are measured at amortised cost. Any discount or premium on redemption/ settlement is recognised in the Statement of Profit and Loss as finance cost over the life of the liability using the effective interest method and adjusted to the liability figure disclosed in the Balance Sheet.

iii. Derecognition:

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged or cancelled or expiry. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

(vii) Derivative financial instruments:

The Company enters into a variety of derivative financial instruments to manage its exposure to foreign exchange rate risks.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

(viii) Off-setting of financial instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(ix) Fair value measurement:

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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- (a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- (c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

(x) Inventories:

Inventories are valued at lower of cost and net realizable value. Cost in respect of raw materials, stores, spares, fuel and packing material are determined on FIFO basis. Costs in respect of finished goods and work-in-progress are also computed on FIFO basis. Net realizable value is the estimated selling price in the ordinary course of business less estimated cost necessary to make sale.

Finished goods and process stock include cost of conversion and other costs incurred in acquiring the inventory and bringing them to their present location and condition.

Spares (not meeting the definition of property, plant and equipment) are accounted as inventory and expensed to the statement of profit and loss when issued for consumption.

(xi) Borrowing Cost :

Interest and other costs that the Company incurs in connection with the borrowing of funds are identified as borrowing costs. The Company capitalises borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which it is incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. The Company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining a qualifying asset. General borrowings include all other borrowings except the amount outstanding as on the balance sheet date of specific borrowings for assets that are not yet ready for use. Borrowing cost incurred actually on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the Company incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred.

(xii) Cash and cash equivalents:

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the company's cash management.

(xiii) Statement of Cash flows:

Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

(xiv) Revenue recognition :

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

The revenue towards satisfaction of performance is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligations. The transaction price of goods sold and service rendered is net of variable consideration on account of various discounts offered by the company as part of contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that amount will not be subject to significant reversal when uncertainty relating to its recognition resolved.

Sale of Goods

The company manufactures Polyester Oriented Yarn, Fully Drawn Yarn, Draw Twisted Yarn, Draw Texturised Yarn and Paper Tube. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customers as may be specified in the contract. The company offers trade Discount, Quantity Discount, cash Discount, Discount for Shortage or quality issue discount which are factored while determining transaction price. The time taken from entering into order and sale is less than 12 months and the normal credit period offered to customers is also less than 12 months.

Revenue from the sale of goods is recognised when the control of the product is transferred, the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company has a present right to payment for the asset.
- The Company has transferred physical possession of the asset, whereby the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset or to restrict the access of other entities to those benefits. The reconciliation between the contract price and revenue recognised is given in Note 26.

Rendering of Service**Revenue from divisible service contracts:**

- i) The revenue relating to Job Work service contracts are recognised at point in time as control is transferred to the customer on dispatch of goods to them and
- ii) the revenue relating to supplies are measured in line with policy set out above from sale of goods.

In respect of indivisible contracts, the revenues are recognised over a period of time, as set out from sale of goods.

When the consideration is received, before the Company transfers goods to the customer, the Company shall present the consideration as a contract liability and when the services rendered by the Company exceed the payment, a contract asset is recognised excluding any amount presented as receivable.

Interest income

Interest income is accrued on a time basis by reference to the principal amount outstanding and at the effective interest rate. Effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Export Incentives

Export entitlements are recognized when the right to receive the credits as per the terms of the scheme is established in respect of exports made by the company and when there is no significant uncertainty in receiving the same.

Insurance Claim

Claims receivable on account of Insurance are accounted for to the extent the Company is reasonably certain of their ultimate collection.

(xv) Dividend:

The Company recognises a liability for dividends to equity holders of the Company when the dividend is approved by the shareholders. A corresponding amount is recognized directly in equity.

(xvi) Foreign Currency transactions and translations:

Functional currency of the Company is Indian rupee. The financial statements have been presented under its functional currency. Any transaction that is denominated in a currency other than the functional currency is regarded as foreign currency transaction. All foreign currency transactions are recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. In case of consideration received or paid in advance, the exchange rate prevailing on the date of receipt or payment of advance is considered when subsequently the related asset is given up or received to the extent of advance consideration.

At the end of the reporting period:

1. foreign currency monetary items are translated using the exchange rate for immediate delivery at the end of the reporting period;
2. non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
3. non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange difference arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in statement of profit and loss in the period in which they arise.

(xvii) Goods & Service tax:

Goods and Service Tax credit on materials purchased for production / service availed for production / input service are taken into account at the time of purchase and GST credit on purchase of capital items wherever applicable are taken into account as and when the assets are acquired.

Goods and Service Tax credits so taken are utilized for payment of GST Liability on Sale of on goods . The unutilized GST credit is carried forward in the books.

(xviii) Employee Benefits:

i. Short term employee benefits:

Short Term benefits are recognised as an expense at the undiscounted amounts in the Statement of Profit and Loss of the year in which the related service is rendered.

ii. Post employment benefits:

a) Defined contribution plan:

The Employee and Company make monthly fixed Contribution to Government of India Employee's Provident Fund equal to a specified percentage of the Cover employee's salary, Provision for the same is made in the year in which service are render by employee.

b) Defined benefit plans:

The Liability for Gratuity to employees, which is a defined benefit plan, as at Balance Sheet date determined on the basis of actuarial Valuation based on Projected Unit Credit method is funded to a Gratuity fund administered by the trustees and managed by Life Insurance Corporation of India and the contribution thereof paid/payable is absorbed in the accounts.

The present value of the defined benefit obligations is determined by discounting the estimated future cash flows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expenses in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in balance sheet. Changes in present value of the defined benefit obligation resulting from plan amendment or curtailments are recognized immediately in profit or loss as past service cost.

iii. Other long term employee benefits:

Other long term employee benefits comprises of leave encashment towards un-availed leave and compensated absences, these are recognized based on the present value of defined obligation which is computed using the project unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Remeasurement of leave encashment towards un-availed leave and compensated absences are recognized in the statement of profit and loss except those included in cost of assets as permitted in the period which they occur.

(xix) Earnings per Share

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(xx) Provisions, Contingent Liabilities and Contingent Assets :

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Contingent liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements.

(xxi) Taxes on Income :

Current tax:

Current tax is determined on income for the year chargeable to tax in accordance on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current tax items are recognised in correlation to the underlying transaction either in profit or loss or OCI or directly in equity. The Company has adopted Appendix C of Ind AS-12 and has provided for the tax liability based on the significant judgment that the taxation authority will accept the tax treatment.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

(xxii) Segment reporting:

The Chief Operational Decision Maker (CODM) monitors the operating results of its business Segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments are reported in a manner consistent with the internal reporting to the CODM.

Accordingly, the Board of Directors of the Company is CODM for the purpose of segment reporting. Refer note 39 for segment information presented.

(xxiii) **Leases :**

As a Lessee

At inception of a contract, the company assesses whether a contract is, or contains, a lease. 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 the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and (iii) the company has the right to direct the use of the asset.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of Property, Plant and Equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The lease liability is subsequently measured as given below:

- (a) increasing the carrying amount to reflect interest on the lease liability;
- (b) reducing the carrying amount to reflect the lease payments made; and
- (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-to-use assets and lease liabilities for shortterm lease that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases on straight line basis as per the terms of the lease.

(xxiv) **Standards issued but not yet effective**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2022 vide notification no. G.S.R 255(E) dated 23rd March 2022. Given below are the amendment made in brief and their possible impact on the financial statements of the company. The company will be apply the amendments from 1 April 2022 being the effective date of the amendments:

Ind AS 101 – First-time adoption of Indian Accounting Standards:

The amendment removes the conflict between the requirements of paragraph D16(a) of Ind AS 101 which provides exemptions where a subsidiary adopts Ind AS later than its parent and the exemptions on cumulative translation differences. The amendment permits the subsidiary to measure cumulative translation differences at the carrying amount included in the parent's consolidated financial statements. Similar exemption is available to associate and joint venture that uses the exemption in paragraph D16(a) of Ind AS 101. Paragraph D16(a) of Ind AS 101 provides that the subsidiary can measure its assets and liabilities at the carrying amounts in parent's consolidated financial statements. The amendment is applicable for entities adopting Ind AS from 1 April 2022. As the company has already adopted Ind AS. there is no impact of this amendment on the company.

Ind AS 103 – Business Combinations:

The amendments are made to enable change of reference to Conceptual Framework for Financial Reporting under Indian Accounting Standards issued by The Institute of Chartered Accountants of India and have no impact on the financial statements of the company. The amendments are applicable for business combinations having acquisition date on or after 1 April 2022.

Ind AS 109 – Financial Instruments:

The amendments clarify that only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf will be included in calculating the discounted present value of the cash flow under the new terms on modification of financial liability. The amendment is applicable for modification / exchange of financial liabilities on or after 1 April 2022. The amendment has no impact on the financial statements of the company.

Ind AS 16 – Property, Plant and Equipment:

The amendment creates a carve-out from IAS 16. IAS 16 requires any sale proceeds and cost of samples produced when testing whether the asset is functioning properly to be recognised in profit or loss whereas the amendment clarifies that the same shall be deducted from the cost of the property, plant and equipment. No transition provisions have been specified and therefore, this amendment shall be applicable retrospectively. The company has been following the practice as clarified by the amendment and hence no impact on the financial statements of the company.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets:

The paragraph clarifies what cost needs to be considered in the costs to fulfil a contract while determining whether the contract is onerous. Changes previous practice of considering only incremental costs in the costs to fulfil a contract for determination of onerous contract. Now apart from incremental costs, the costs to fulfil a contract includes an allocation of directly attributable costs. The amendments apply to unfulfilled onerous contracts as on 1 April 2022. As the company does not have any onerous contract, the said amendment has no impact on the financial statements of the company.

Ind AS 41 – Agriculture:

The amendment removes taxation cash flows from paragraph 22 indicating tax cash flows must be included in the fair value less costs to sell. The amendment is applicable to fair value measurements on or after 1 April 2022. Ind AS 41 is not applicable to the company and hence has no impact on the financial statements of the company.

Note 3: Property, Plant and Equipment

(Rs. in Lakhs)

Particulars	Free Hold Land	Buildings	Furniture & Fixtures	Electrical Installation	Computer	Plant & Machinery	Equipments	Vehicles	Total
Gross block									
Gross Carrying Value as on 1st April, 2020	4,254.42	2,249.83	51.69	1,157.78	8.42	2,444.97	29.34	96.55	10,293.00
Addition during the year	Nil	3.71	0.85	26.12	1.38	401.10	0.81	Nil	433.97
Deduction during the year	Nil	Nil	Nil	Nil	Nil	(43.10)	Nil	Nil	(43.10)
Gross Carrying Value as on 31st March, 2021	4,254.42	2,253.54	52.54	1,183.90	9.80	2,802.97	30.14	96.55	10,683.87
Addition during the year	Nil	5.44	3.28	54.85	0.85	185.48	6.06	34.62	290.58
Deduction during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(1.88)	(1.88)
Gross Carrying Value as on 31st March, 2022	4,254.42	2,258.99	55.82	1,238.75	10.66	2,988.45	36.20	129.28	10,972.57
Accumulated Depreciation and impairment as on 1st April, 2020	Nil	378.40	31.12	310.81	7.51	1,115.82	19.83	56.21	1,919.70
Addition during the year	Nil	113.62	4.33	79.39	0.53	195.05	4.84	14.16	411.91
Deduction during the year	Nil	Nil	Nil	Nil	Nil	(24.69)	Nil	Nil	(24.69)
Accumulated Depreciation and impairment as on 31st March, 2021	Nil	492.02	35.45	390.20	8.04	1,286.18	24.67	70.37	2,306.92
Addition during the year	Nil	113.82	4.12	80.44	0.81	209.43	4.69	11.41	424.71
Deduction during the year	Nil	Nil	Nil	Nil	Nil	Nil	Nil	(1.88)	(1.88)
Accumulated Depreciation and impairment as on 31st March, 2022	Nil	605.84	39.56	470.64	8.84	1,495.61	29.36	79.89	2,729.75
Net Carrying Value as on 31st March, 2021	4,254.42	1,761.52	17.09	793.70	1.77	1,516.79	5.48	26.18	8,376.95
Net Carrying Value as on 31st March, 2022	4,254.42	1,653.15	16.25	768.10	1.81	1,492.85	6.85	49.39	8,242.82

Note:

- *(a) Based on the internal technical evaluation the management has reassessed the total useful life of assets primary consist of Plant & Machinery and Electrical Installation at 28 years as against 15 years provided by the Schedule II of the Companies Act-2013 and based remaining life of the assets has been determined and depreciation is calculated for the year.
- (b) Assets pledged as Security
Refer Note. 48 for asset Pledged as security by the company.
- (c) Contractual Obligations
Refer Note 38 for disclosure of Contractual Commitments for the acquisition of Property, Plant & Equipment.
- (d) Title deeds of immovable property (other than proper taken on lease by duly executed lease agreement) are held in the name of the company.

Note 3.1 : Capital Work in Progress

(Rs. in Lakhs)

Particulars	Capital Work in Progress Movement	Total
Balance at 1st April, 2020		904.03
Addition during the year		112.32
Capitalised during the year		(648.14)
Balance at 31st March, 2021		368.21
Addition during the year		Nil
Capitalised during the year		Nil
Balance at 31st March, 2022		368.21

(Rs. in Lakhs)

Ageing of Capital Work in Progress	As at March 31, 2022	As at March 31, 2021
For Period Less Than 1 Year	Nil	Nil
For Period Between 1 Year and 2 Years	Nil	Nil
For Period Between 2 Year and 3 Years	Nil	Nil
For Period More Than 3 Years	368.21	368.21
Total	368.21	368.21

Note 4: Intangible Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Gross block		
Gross Carrying Value as on 1st April, 2020	Nil	Nil
Addition during the year	Nil	Nil
Deduction during the year	Nil	Nil
Gross Carrying Value as on 31st March, 2021	Nil	Nil
Addition during the year	20.50	20.50
Deduction during the year	Nil	Nil
Gross Carrying Value as on 31st March, 2022	20.50	20.50
Accumulated Amortisation		
Accumulated Amortisation and impairment as at 1st April, 2020	Nil	Nil
Amortisation for the year	Nil	Nil
Deduction during the year	Nil	Nil
Accumulated Amortisation and impairment as at 31st March, 2021	Nil	Nil
Amortisation for the year	0.86	0.86
Deduction during the year	Nil	Nil
Accumulated Amortisation and impairment as on 31st March, 2022	0.86	0.86
Net Carrying Value as on 31st March, 2021	Nil	Nil
Net Carrying Value as on 31st March, 2022	19.64	19.64
Amortisation period		
As at 31/03/2021	Nil	Nil
As at 31/03/2022	3	3

Note: (a) Assets pledged as Security

Refer Note. 48 for asset Pledged as security by the company.

5 Other Financial Asset

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Margin Money Deposits (having maturity more than 12 months)	Nil	67.40
Security Deposits		
- Unsecured, considered good	16.88	20.32
Total	16.88	87.72

6 Deferred Tax Assets (Net)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Liabilities		
Difference in respect of depreciation as per Income tax Act & Companies Act on Property, Plant & Equipment and Intangible Assets	390.84	202.54
	390.84	202.54
Deferred Tax Assets		
Carried forward of unused depreciation	Nil	103.46
Carried forward of unused Tax Credits	343.68	47.85
Unpaid liability allowable on payment basis u/s. 43B of the Income tax Act, 1961	12.97	34.27
Provision for doubtful debts	34.20	16.96
	390.84	202.54
Net Deferred Tax Assets	Nil	Nil

(Rs. in Lakhs)

Movements in Deferred Tax Liabilities	Difference in respect of depreciation as per Income tax Act & Companies Act on Property, Plant & Equipment and Intangible Assets	Carried forward of unused depreciation	Carried forward of unused Tax Credits	Unpaid liability allowable on payment basis u/s. 43B of the Income tax Act, 1961	Provision for doubtful debts
At 1st April, 2020	(423.98)	39.89	331.62	40.36	12.12
(Charged)/credited:					
- to profit and loss	221.44	63.57	(283.77)	(6.09)	4.85
- to other comprehensive income	Nil	Nil	Nil	Nil	Nil
At 31st March, 2021	(202.54)	103.46	47.85	34.27	16.96
Charged/(credited):					
- to profit and loss	(188.30)	(103.46)	295.83	(21.30)	17.25
- to other comprehensive income	Nil	Nil	Nil	Nil	Nil
At 31st March, 2022	(390.84)	Nil	343.68	12.97	34.20

Due to uncertainty about taxable income in foreseeable future, deferred tax assets had been restricted to the extent of deferred tax liabilities.

7 Other Non-Current Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances For Property, Plant & Equipment		
- Unsecured, considered good	108.97	117.82
- Unsecured, considered doubtful	Nil	24.45
	108.97	142.27
Less: Allowance for doubtful Advances for Property, Plant & Equipment	Nil	(24.45)
	108.97	117.82
Advances to Suppliers		
- Unsecured, considered doubtful	Nil	40.94
Less: Allowance for doubtful Advances to Supplier	Nil	(40.94)
	Nil	Nil
Advance Income Tax (Net) (Unsecured, considered good)		
Advance Payment Of Income Tax	181.20	102.67
Less : Provision for Income Tax	112.00	33.95
	69.20	68.73
Total	178.17	186.55

Movement Allowance for Doubtful Advances during the year	As at March 31, 2022	As at March 31, 2021
Allowance for doubtful Advances for Property, Plant & Equipment		
Opening Balance	24.45	24.45
Add: Provision during the year	Nil	Nil
Less: Reversal during the year	24.45	Nil
Closing Balance	Nil	24.45
Allowance for doubtful Advances to Supplier		
Opening Balance	40.94	39.07
Add: Provision during the year	Nil	1.87
Less: Reversal during the year	40.94	Nil
Closing Balance	Nil	40.94

8 Inventories

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	1064.85	2185.58
Work-in-Process	298.44	137.42
Finished Goods	1357.75	530.60
Stock In Trade	301.16	Nil
Stores & Spare parts	191.15	182.46
Power & Fuel	89.81	50.39
Packing Material	24.23	15.07
Total	3327.39	3101.51

(a) Inventories Pledged as Security with bank for borrowing as on 31/03/2021 of Rs.3327.39 Lakhs (as on 31/03/2021 Rs. 3101.51 Lakhs)

9 Trade receivables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(Unsecured, unless otherwise stated)		
Trade Receivable Considered Good	1457.63	1379.90
Trade Receivable Considered Good - Secured	1200.25	1200.25
Trade Receivable Credit Impaired	290.15	1164.52
	2948.03	3744.67
Less: Allowance for Expected Credit Loss	(122.93)	(60.98)
Total	2825.10	3683.69

- i) For details of receivables from firms / private companies in which directors of the company are partners / directors, please refer note 39.
- ii) The Company provides an allowance for impairment of doubtful accounts based on financial condition of the customer, aging of the trade receivable and historical experience of collections from customers. The activity in the allowance for impairment of trade receivables is given below:

Allowance Movement for Trade Receivables	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	60.98	43.55
Add : Expected credit loss allowance made during the year	61.95	17.43
Less : Reversal of allowance made during the year	Nil	Nil
Closing Balance	122.93	60.98

(a) Trade receivable ageing schedule for the year ended as on 31st March, 2022 and 31st March, 2021

Particular	Disputed Trade Receivable		Undisputed Trade Receivable	
	Credit Impaired	Considered Good	Credit Impaired	Considered Good
Gross Outstanding as on 31/03/2022				
Due Less than 3 Months	Nil	Nil	Nil	2657.88
Due for 3 to 6 Months	Nil	Nil	10.41	Nil
Due for more than 6 Months to 1 Year	110.05	Nil	75.22	Nil
Due for more than 1 Year to 2 Years	Nil	Nil	83.55	Nil
Due for more than 2 Years to 3 Years	Nil	Nil	Nil	Nil
Due for more than 3 Years	10.92	Nil	Nil	Nil
Total	120.97	Nil	169.17	2657.88

Particular	Disputed Trade Receivable		Undisputed Trade Receivable	
	Credit Impaired	Considered Good	Credit Impaired	Considered Good
Gross Outstanding as on 31/03/2021				
Due Less than 3 Months	Nil	Nil	Nil	2580.15
Due for 3 to 6 Months	Nil	Nil	477.30	Nil
Due for more than 6 Months to 1 Year	Nil	Nil	30.20	Nil
Due for more than 1 Year to 2 Years	Nil	Nil	646.10	Nil
Due for more than 2 Years to 3 Years	10.92	Nil	Nil	Nil
Due for more than 3 Years	Nil	Nil	Nil	Nil
Total	10.92	Nil	1153.60	2580.15

10 Cash & Cash Equivalents

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	2.60	0.55
Bank balance	Nil	Nil
Total	2.60	0.55

11 Other Bank Balances

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Earmarked Balances	2.07	7.85
Margin Money Deposit(with original maturity more than 3 months but less than 12 months)	188.71	113.68
Total	190.78	121.53

12 Other Current Financial Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposit	0.07	0.34
Interest Receivable	1.16	1.11
Total	1.23	1.46

13 Current Tax Assets (Net)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance Income Tax	192.84	Nil
Less: Provision of Income Tax	(166.34)	Nil
Total	26.50	Nil

14 Other Current Assets

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to Suppliers	219.56	59.97
Prepaid Expenses	55.13	38.06
Loans and Advances to Employees	1.40	2.42
Balances with Statutory Authorities	95.85	477.70
Total	371.95	578.15

15 Equity Share Capital

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
[i] Authorised :		
2,75,00,000 (PY.2,75,00,000) Equity shares of Rs.10 each	2,750.00	2,750.00
5,00,000(PY.5,00,000) 8% Non Cumulative Redeemable Preference Shares of Rs. 100 each	500.00	500.00
Total	3,250.00	3,250.00
[ii] Issued, Subscribed & Paid-up Capital :		
2,71,00,000 (PY.2,71,00,000) Equity shares of Rs.10 each	2,710.00	2,710.00
Total	2,710.00	2,710.00

- (a) Each Equity Shareholder is entitle to vote at the meeting shall unless a poll is demanded be decided on a show of hand and upon show of hands every member entitle to vote and present in person shall one vote, and upon a poll every member entitle to vote and persent in person or by proxy shall have one vote, for every share held by him. The Preference share holders shall not carry any right to vote on any matter except their rights are affected as provided under the provisions of Article of Association and Companies Act,2013.
- (b) In the event of liquidation of the Company, the Preference Share holders will be entitled to receive any of the remaining assets of the company prior to equity share holders, after the distribution of all other preferential amounts. The holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts and preference share capital in proportion to the number of equity shares held by the shareholders.
- (c) Reconciliation of the number of shares outstanding and the amount of share capital as at 31/03/2022 & 31/03/2021 is set out below:-

Particulars	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	Amount (Rs. in Lakhs)	No. of Shares	Amount (Rs. in Lakhs)
Shares at the beginning	2,71,00,000	2,710.00	2,71,00,000	2,710.00
Addition	Nil	Nil	Nil	Nil
Deletion	Nil	Nil	Nil	Nil
Shares at the end	2,71,00,000	2,710.00	2,71,00,000	2,710.00

- (d) The details of shareholders holding more than 5% shares is set out below.

Name of Shareholder	As at 31/03/2022		As at 31/03/2021	
	No. of Shares	% held	No. of Shares	% held
Chiripal Exim LLP	62,35,000	23.01%	62,35,000	23.01%
Devkinandan Corporation LLP	53,57,747	19.77%	53,57,747	19.77%
Chiripal Industries Ltd.	15,14,000	5.59%	15,14,000	5.59%

(e) Details of the Promotor and Promotor Group Share holding are as under:-

Name of Shareholder	As at 31/03/2022		As at 31/03/2021		%changes
	No.ofShares	%held	No.ofShares	%held	
Brijmohan Devkinandan Chiripal	12,29,420	4.54%	12,29,420	4.54%	0.00%
Urmiladevi Jyotiprasad Chiripal	10,00,600	3.69%	10,00,600	3.69%	0.00%
Manjudevi Jaiprakash Chiripal	10,00,400	3.69%	10,00,400	3.69%	0.00%
Jyotiprasad D Chiripal	7,39,969	2.73%	7,39,969	2.73%	0.00%
Savitridevi V Chiripal	5,00,400	1.85%	5,00,400	1.85%	0.00%
Vishal V Chiripal	5,00,200	1.85%	5,00,200	1.85%	0.00%
Jaiprakash D Chiripal	4,77,580	1.76%	4,77,580	1.76%	0.00%
Ronak B Agarwal	25,949	0.10%	25,949	0.10%	0.00%
Brijmohan Devkinandan Huf	400	0.00%	400	0.00%	0.00%
Deepak J Chiripal	400	0.00%	400	0.00%	0.00%
Pritidevi B Chiripal	400	0.00%	400	0.00%	0.00%
Aayushi Jaiprakash Agarwal	200	0.00%	200	0.00%	0.00%
Ruchi B Agarwal	200	0.00%	200	0.00%	0.00%
Vansh J Chiripal	200	0.00%	200	0.00%	0.00%
Nishi J Agarwal	100	0.00%	100	0.00%	0.00%
Chiripal Exim Llp	62,35,000	23.01%	62,35,000	23.01%	0.00%
Devkinandan Corporation Llp	53,57,747	19.77%	53,57,747	19.77%	0.00%
Chiripal Industries Limited	15,14,000	5.59%	15,14,000	5.59%	0.00%
Shanti Exports PvtLtd	2,24,808	0.83%	2,24,808	0.83%	0.00%
Nandan Denim Limited	64,000	0.24%	64,000	0.24%	0.00%
Shanti Educational Initiatives Limited	47,850	0.18%	47,850	0.18%	0.00%
Vedprakash Chiripal	12,72,469	4.70%	12,72,469	4.70%	0.00%
Total	2,01,92,292	74.51%	2,01,92,292	74.51%	
Total No. of Shares	2,71,00,000		2,71,00,000		

f) In the Period of five years immediately preceding 31st March,2022

The company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus shares or Bought back any equity Shares. Further in the period of last five years the company has not forfeited any amount received on issue of Shares.

16 Other Equity

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Undistributable Retained Earnings		
Balance as per last financial Statement	4108.93	4108.93
Closing Balance	4108.93	4108.93
Undistributable Retained Earnings: In accordance with Ind-AS transitional provisions, the Company opted to consider previous GAAP carrying value of property, plant and equipment as deemed cost on transition date owing to exemption given in Para D7AA of Ind AS 101 -First time adoption of Indian Accounting Standards. Hence the balance lying in the revaluation reserve is transferred to Undistributable Retained Earnings. These retained earnings are not distributable.		
(b) Capital Redemption Reserve		
Balance as per last financial Statement	500.00	500.00
Closing Balance	500.00	500.00
Capital Redemption Reserve: The Capital Redemption Reserve is created on redemption of preference share capital and it is non-distributable reserve.		

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
(c) Securities Premium Reserve		
Balance as per last financial Statement	1,799.45	1,799.45
Closing Balance	1,799.45	1,799.45
Security Premium Reserve: The amount received in excess of face value of the equity shares is recognised in equity security premium. These reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.		
(d) General Reserve		
Balance as per last financial Statement	211.78	211.78
Closing Balance	211.78	211.78
General Reserve : The general reserve is created by transfer of profits from retained earnings time to time for appropriation purposes. General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, and the items included in the general reserve will not be reclassified subsequently to profit or loss and it is a distributable reserve.		
(e) Retained Earnings		
Balance as per last financial Statement	(784.53)	(1,322.05)
Add : Profit for the year	783.58	533.12
Add : Other Comprehensive income	5.67	4.40
Net Surplus in the statement of profit and loss	4.71	(784.53)
Retained earnings: The amount of retained earning includes the component of Other Comprehensive Income, which cannot be distributed by the Company as dividend to its equity shareholders. Balance amount is available for distribution to equity share holders.		
Total	6,624.88	5,835.63

17 Non-Current Borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Borrowing		
Term Loan	108.67	Nil
Vehicle Loan	31.11	6.96
Less : Current maturities of long-term debt (Refer Note: 22)	8.95	3.97
Total	130.83	2.99
Security :		
(i) Term Loan are primary security by Hypothecation of entire chargeable current assets of the company including stocks of RM, SIP FG, stores & spares and receivables. Further same is also secured by Collateral security of (a)EM of Immovable Property (Factory Land & Buildings). Total Area: 72202.83 Sq. Meters, Survey No. I House No. . 39514, 396, Moraiya, Sarkhej Bavla Highway, Sanand, Ahmedabad -382110 (b) Pledge of Shares of the company held by Promotor Group Companies (c) Hypothecation of Plant & Machinery.		
(ii) Vehicle Loans are secured by Hypothecation of Vehicles.		
Interest:		
Term Loan Carries Interest rate of Interest of 6 Months MCLR + 100 bps and Interest on Vehicle Loans ranges between 7.61 to 8.90% payable on monthly basis.		

Repayment:

Vehicle Loans are repayable in following schedule in monthly instalments as follows:-

(Rs. in Lakhs)

Particulars	Upto 1 year	1-2 year	3-5 years	More than 5 years
Vehicle Loan Repayments	8.95	8.53	13.63	Nil
Term Loan Repayments	Nil	6.11	102.56	Nil

18 Other Non Current Financial Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deposit from Dealers	854.14	762.62
Deferred Income on Deposit from Dealers	254.35	350.77
Total	1,108.49	1,113.39

19 Current Borrowings

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Borrowing		
Working Capital loan from Bank (Repayable on Demand) #	1,635.99	1,952.88
Current Maturity of long term borrowings	8.95	3.97
Inter Corporate Deposit	900.00	Nil
	2,544.94	1,956.85

Security:

##Working Capital loans are primary secured by Hypothecation of entire chargeable current assets of the company including stocks of RM, SIP FG, stores & spares and receivables. Further same is also secured by Collateral security of (a)EM of Immovable Property (Factory Land & Buildings). Total Area: 72202.83 Sq. Meters, Survey No. I House No. . 39514, 396, Moraiya, Sarkhej Bavla Highway, Sanand, Ahmedabad -382110 (b) Pledge of Shares of the company held by Promotor Group Companies (c) Hypothecation of Plant & Machinery and (d) Personnel Guarantee of Promoters and Corporate Guarantee of certain Group Companies.

20 Trade payables

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Payable to Micro and Small Enterprise	Nil	Nil
Payable to others		
- Acceptance	Nil	Nil
- Other than Acceptances	1,682.20	4,043.53
	1,682.20	4,043.53

*Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management. This has been relied upon by the Auditors. The disclosure in respect of the MSMED Act, 2006 has been provided at Note 47.

(a) Trade payables ageing schedule for the year ended as on 31st March, 2022 and 31st March, 2021

(Rs. in Lakhs)

Particular	Other than MSME Trade Payable	
	Disputed	Undisputed
Outstanding as on 31/03/2022		
Not Due for Payment	Nil	786.04
Outstanding Less Than 1 Year	Nil	894.76
Outstanding Between 1 Year to 2 Years	Nil	1.40
Outstanding Between 2 Years to 3 Years	Nil	Nil
Outstanding More Than 3 Years	Nil	Nil
Total	Nil	1,682.20

(b) Trade payables ageing schedule for the year ended as on 31st March, 2022 and 31st March, 2021

(Rs. in Lakhs)

Particular	Other than MSME Trade Payable	
	Disputed	Undisputed
Outstanding as on 31/03/2021		
Not Due for Payment	Nil	3,318.93
Outstanding Less Than 1 Year	Nil	504.55
Outstanding Between 1 Year to 2 Years	Nil	201.05
Outstanding Between 2 Years to 3 Years	Nil	19.00
Outstanding More Than 3 Years	Nil	Nil
	Nil	4,043.53

- (a) Dues to Micro and Small enterprises have been determined to the extent such parties have been identified on the basis of the information collected by the Management and the same has been relied by the auditor.
- (b) Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came in to force from 02.10.2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) The Principal amount remaining unpaid to Micro and Small enterprise supplier as at the year end	Nil	Nil
b) Interest due thereon	Nil	Nil
c) Amount of interest paid by the Company in terms of section 16 of MSMED Act	Nil	Nil
d) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED 2006	Nil	Nil
e) Amount of interest accrued and remaining unpaid at the end of accounting year	Nil	Nil
f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of Micro, Small and Medium Enterprise Development Act, 2006.	Nil	Nil

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company and the same has been relied by the Auditor.

21 Other Current Financial Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Interest accrued but not due on borrowings	Nil	0.04
Unsecured		
Creditors for Property, Plant & Equipment	498.82	516.70
Employee Benefits Payable	107.62	109.59
Deposit from Dealers	Nil	3.78
Deferred Income on Deposit From Dealers	91.51	86.61
Total	697.95	716.73

22 Other Current Liabilities

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Other Statutory dues	27.34	28.93
Total	27.34	28.93

23 Provisions (Current)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provisions for employee benefits		
For unavailed leave	36.22	39.75
For Gratuity	8.44	10.87
Total	44.65	50.62

24 Current Tax Liabilities (Net)

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for Income Tax	Nil	112.00
Less: Advance Payment Of Income Tax	Nil	(64.35)
Total	Nil	47.65

25 Revenue from operation

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sale of Product		
Sale of Goods	29,590.58	15,410.30
	29,590.58	15,410.30
Other Operating Revenue		
Scrap Sales	25.03	9.82
Export incentives	Nil	Nil
	25.03	9.82
Total	29,615.60	15,420.12

(a) Reconciliation of Revenue recognised in the statement of profit and loss with the Contracted price :-

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Gross Revenue	30,000.11	15,573.37
	30,000.11	15,573.37
Less: Discount	384.51	153.25
Revenue recognised from Contract with Customers	29,615.60	15,420.12

(b) Reconciliation of Revenue from operation with Revenue from contracts with Customers :-

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Revenue from operation	29,615.60	15,420.12
Less: Export incentive	Nil	Nil
Revenue from contracts with Customers	29,615.60	15,420.12

26 Other Income

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Income From Bank	8.53	9.33
Interest Income From Others	73.40	43.52
Amortisation of pre received income corresponding to unwinding of financial liability under finance cost	91.51	81.71
Exchange Rate Difference (Net)	11.27	25.74
Gain on Sales of Property, Plant & Equipment (Net)	0.55	Nil
Reversal of Allowances for doubtful Advances (Net)	65.39	Nil
Other Income	3.41	0.84
Total	254.07	161.14

27 Cost of Material Consumed

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Inventory at the beginning of the year	2,185.58	328.56
Add: Purchase	18,110.48	10,551.64
Less: Inventory at the end of the year	1,064.85	2,185.58
Cost of Raw Material Consumed	19,231.21	8,694.62

28 Purchase of Stock in Trade

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Purchase of stock in trade	3,541.23	1,395.15
Total	3,541.23	1,395.15

29 Change In Inventories Of Finished Goods, Work In Progress And Stock In Trade

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Inventory at the beginning of the year		
Work-in-process	137.42	177.18
Stock in Trade	Nil	3.70
Finished Goods	530.60	1,089.93
	668.02	1,270.81
Inventory at the end of the year		
Work-in-process	298.44	137.42
Stock in Trade	301.16	Nil
Finished Goods	1,357.75	530.60
	1,957.35	668.02
Decretion / (Accretion) to Goods	(1,289.33)	602.79

30 Employee Benefit Expense

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salary, Wages & Bonus	1,141.35	664.44
Contribution to Provident Fund & Other Funds	50.45	25.51
Staff welfare Expenses	13.38	5.51
Total	1,205.18	695.46

Ind AS 19 the Company has recognized in the financial statements in respects of Employee Benefits Schemes as per Actuarial Valuation as on 31st March, 2022.

A. Amount of Defined Benefit Obligation in respect of Gratuity liability is recognised in the balance sheet as follows:

(Rs. in Lakhs)

Particulars		Projected Unit Credit Method	
Period Covered		2021-22	2020-21
A.	Change in defined benefit obligation	Year Ended March 31, 2022	Year Ended March 31, 2021
1.	Defined benefit obligation at beginning of period	74.46	73.54
2.	Service cost		
	a. Current service cost	10.44	10.39
	b. Past service cost	Nil	Nil
	c. (Gain) / loss on settlements	Nil	Nil
3.	Interest expenses	4.70	4.87
4.	Cash flows		
	a. Benefit payments from plan	(7.09)	(9.94)
	b. Benefit payments from employer	Nil	Nil
	c. Settlement payments from plan	Nil	Nil
	d. Settlement payments from employer	Nil	Nil
5.	Remeasurements		
	a. Effect of changes in demographic assumptions	Nil	0.65
	b. Effect of changes in financial assumptions	(1.97)	1.34
	c. Effect of experience adjustments	(3.70)	(6.39)
6.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
7.	Defined benefit obligation at end of period	76.84	74.46

B.	Change in fair value of plan assets	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
1.	Fair value of plan assets at beginning of period	71.32	61.96
2.	Interest income	4.84	4.45
3.	Cash flows		
	a. Total employer contributions	Nil	Nil
	(i) Employer contributions	Nil	15.60
	(ii) Employer direct benefit payments	Nil	Nil
	(iii) Employer direct settlement payments	Nil	Nil
	b. Participant contributions	Nil	Nil
	c. Benefit payments from plan assets	(7.10)	(9.95)
	d. Benefit payments from employer	Nil	Nil
	e. Settlement payments from plan assets	Nil	Nil
	f. Settlement payments from employer	Nil	Nil
4.	Remeasurements		
	a. Return on plan assets (excluding interest income)	(0.66)	(0.74)
5.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
6.	Fair value of plan assets at end of period	68.40	71.32

C.	Funded status of plan	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
1.	Defined benefit obligation	76.84	74.46
2.	Fair value of plan assets	(68.40)	(71.32)
3.	Funded status	8.44	3.14
4.	Effect of asset ceiling	Nil	Nil
5.	Net defined benefit liability/(asset)	8.44	3.14

D.	Components of defined benefit cost	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
1.	Service cost		
	a. Current service cost	10.44	10.39
	b. Past service cost	Nil	Nil
	c. (Gain) / loss on settlements	Nil	Nil
	d. Total service cost	10.44	10.39
2.	Net interest cost		
	a. Interest expense on DBO	4.70	4.87
	b. Interest (income) on plan assets	4.84	4.45
	c. Interest expense on effect of (asset ceiling)	Nil	Nil
	d. Total net interest cost	(0.14)	0.42
3.	Remeasurements (recognized in other comprehensive income)		
	a. Effect of changes in demographic assumptions	Nil	0.65
	b. Effect of changes in financial assumptions	(1.97)	1.34

D.	Components of defined benefit cost	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
	c. Effect of experience adjustments	(3.70)	(6.39)
	d. (Return) on plan assets (excluding interest income) *	(0.66)	(0.74)
	e. Changes in asset ceiling (excluding interest income)	Nil	Nil
	f. Total Remeasurements included in OCI	(5.01)	(3.66)
4.	Total defined benefit cost recognized in P&L and OCI	5.29	7.15

E.	Re-measurement	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
	a. Actuarial Loss/(Gain) on DBO	(5.67)	(4.40)
	b. Returns above Interest Income	0.66	0.74
	c. Change in Asset ceiling	Nil	Nil
	Total Re-measurements (OCI)	(5.01)	(3.66)

F.	Employer Expense (P&L)	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
	a. Current Service Cost	10.44	10.39
	b. Net Interest Cost on DBO	(0.14)	0.42
	c. Past Service Cost	Nil	Nil
	d. Total P&L Expenses	10.30	10.81

G.	Net defined benefit liability (asset) reconciliation	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
1.	Net defined benefit liability/(asset)	3.14	11.59
2.	Defined benefit cost included in P&L	10.30	10.81
3.	Total Remeasurements included in OCI	(5.01)	(3.66)
4.	a. Employer contributions	(0.00)	(15.60)
	b. Employer direct settlement payments	Nil	Nil
5.	Net transfer	Nil	Nil
6.	Net defined benefit liability/(asset) as of end of year	8.43	3.14

H.	Reconciliation of OCI (Re-measurement)	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
1.	Recognised in OCI at the beginning of period	(29.81)	(26.15)
2.	Recognised in OCI during the period	(5.01)	(3.66)
3.	Recognised in OCI at the end of the period	(34.82)	(29.81)

I.	Sensitivity analysis - DBO end of Period	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
1.	Discount rate + 50 basis points	(2.66)	(10.36)
2.	Discount rate -50 basis points	2.84	(4.91)
3.	Salary Increase Rate + 0.5%	2.88	(4.88)
4.	Salary Increase Rate -0.5%	(2.72)	(10.41)

J.	Significant actuarial assumptions	Year Ended March 31, 2022	Year Ended March 31, 2021
1.	Discount rate Current Year	6.90%	6.55%
2.	Discount rate Previous Year	6.55%	6.80%
3.	Salary increase rate	Uniform 5.0%	Uniform 5.0%
4.	Attrition Rate	40% at younger ages reducing to 5% at older ages	40% at younger ages reducing to 5% at older ages
5.	Retirement Age	60.00	60.00
6.	Pre-retirement mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
7.	Disability	Nil	Nil

K.	Data	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
1.	No.	362.00	346.00
2.	Avg. Age (yrs.)	39.26	39.33
3.	Avg. Past Service (yrs.)	7.61	7.42
4.	Avg. Sal. Mly (Rs. In Lakhs)	26.99	24.95
5.	Future Service (yrs.)	20.75	20.69
6.	Weighted average duration of DBO	7.90	7.98

L.	Expected cash flows for following year	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
1.	Expected employer contributions / Adtl. Provision Next Year	8.44	3.14
2.	Expected total benefit payments		
	Year 1	6.31	5.36
	Year 2	6.77	9.42
	Year 3	7.44	6.06
	Year 4	11.52	6.67
	Year 5	5.52	10.53
	Year 6 to 10	39.79	35.09

M.	Composition of plan assets	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
a.	Cash and cash equivalents	Nil	Nil
b.	Equity instruments	Nil	Nil
c.	Debt instruments	Nil	Nil
d.	Real estate	Nil	Nil
e.	Derivatives	Nil	Nil
f.	Investment funds	Nil	Nil
g.	Assets held by insurance company	100%	100%
h.	Other	Nil	Nil
i.	Total	100%	100%

N.	Defined benefit obligation at end of period	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
	Current Obligation	76.84	74.46
	Non-Current Obligation	Nil	Nil
	Total	76.84	74.46

SUMMARY

Assets / Liabilities	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
1. Defined benefit obligation at end of period	76.84	74.46
2. Fair value of plan assets at end of period	68.40	71.32
3. Net defined benefit liability/(asset)	8.44	3.14
4. Defined benefit cost included in P&L	10.30	10.81
5. Total Remeasurements included in OCI	(5.01)	(3.66)
6. Total defined benefit cost recognized in P&L and OCI	5.29	7.15

B. Details of the Key actuarial assumptions used in the determination of long term compensated absences are as under

Particulars	Projected Unit Credit Method	
	2021-22	2020-21
Period Covered	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
A. Change in defined benefit obligation		
1. Defined benefit obligation at beginning of period	39.75	50.78
2. Service cost		
a. Current service cost	12.15	15.31
b. Past service cost	Nil	Nil
c. (Gain) / loss on settlements	Nil	Nil
3. Interest expenses	2.40	3.09
4. Cash flows		
a. Benefit payments from plan	Nil	Nil
b. Benefit payments from employer	Nil	Nil
c. Settlement payments from plan	Nil	Nil
d. Settlement payments from employer	Nil	Nil
5. Remeasurements		
a. Effect of changes in demographic assumptions	Nil	0.50
b. Effect of changes in financial assumptions	(0.74)	Nil
c. Effect of experience adjustments	(17.34)	(29.93)
6. Transfer In /Out		
a. Transfer In	Nil	Nil
b. Transfer out	Nil	Nil
7. Defined benefit obligation at end of period	36.22	39.75

B.	Change in fair value of plan assets	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
1.	Fair value of plan assets at beginning of period	Nil	Nil
2.	Interest income	Nil	Nil
3.	Cash flows		
	a. Total employer contributions		
	(i) Employer contributions	Nil	Nil
	(ii) Employer direct benefit payments	Nil	Nil
	(iii) Employer direct settlement payments	Nil	Nil
	b. Participant contributions	Nil	Nil
	c. Benefit payments from plan assets	Nil	Nil
	d. Benefit payments from employer	Nil	Nil
	e. Settlement payments from plan assets	Nil	Nil
	f. Settlement payments from employer	Nil	Nil
4.	Remeasurements		
	a. Return on plan assets (excluding interest income)	Nil	Nil
5.	Transfer In /Out		
	a. Transfer In	Nil	Nil
	b. Transfer out	Nil	Nil
6.	Fair value of plan assets at end of period	Nil	Nil

C.	Funded status	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
1.	Defined benefit obligation	36.22	39.75
2.	Fair value of plan assets	Nil	Nil
3.	Funded status	36.22	39.75
4.	Effect of asset ceiling	Nil	Nil
5.	Net defined benefit liability (asset)	36.22	39.75

D.	Components of defined benefit cost	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
1.	Service cost		
	a. Current service cost	12.15	15.31
	b. Past service cost	Nil	Nil
	c. (Gain) / loss on settlements	Nil	Nil
	d. Total service cost	12.15	15.31
2.	Net interest cost		
	a. Interest expense on DBO	2.40	3.09
	b. Interest (income) on plan assets	Nil	Nil
	c. Interest expense on effect of (asset ceiling)	Nil	Nil
	d. Total net interest cost	2.40	3.09
3.	Remeasurements		
	a. Effect of changes in demographic assumptions	Nil	0.50
	b. Effect of changes in financial assumptions	(0.74)	Nil
	c. Effect of experience adjustments	(17.34)	(29.93)
	d. (Return) on plan assets (excluding interest income)	Nil	Nil
	e. Changes in asset ceiling (excluding interest income)	Nil	Nil
	f. Total Remeasurements included in OCI	Nil	Nil
4.	Total defined benefit cost recognized in P&L	(3.53)	(11.03)

E. Components of actuarial Loss / (Gain) on obligation	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
a. Effect of changes in demographic assumptions	Nil	0.50
b. Effect of changes in financial assumptions	(0.74)	Nil
c. Effect of experience adjustments	(17.34)	(29.93)
d. (Return) on plan assets (excluding interest income)	Nil	Nil
Net actuarial Loss / (Gain) on obligation	(18.08)	(29.43)

F. Employer Expense (P&L)	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
a. Current Service Cost	12.15	15.31
b. Interest Cost on net DBO	2.40	3.09
c. Past Service Cost	Nil	Nil
d. Net value of remeasurements on the obligation and plan assets	(18.08)	(29.43)
e. Total P&L Expenses	(3.53)	(11.03)

G. Net defined benefit liability (asset) reconciliation	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
1. Net defined benefit liability (asset)	39.75	50.78
2. Defined benefit cost included in P&L	(3.53)	(11.03)
3 a. Employer contributions		
b. Employer direct benefit payments	Nil	Nil
c. Employer direct settlement payments	Nil	Nil
4 Net transfer	Nil	Nil
5 Net defined benefit liability (asset) as of end of period	36.22	39.75

H. Reconciliation of OCI (Re-measurement)	Year Ended March 31, 2022 (Rs. in Lakhs)	Year Ended March 31, 2021 (Rs. in Lakhs)
1. Recognised in OCI at the beginning of period	Nil	Nil
2. Recognised in OCI during the period	Nil	Nil
3. Recognised in OCI at the end of the period	Nil	Nil

J. Significant actuarial assumptions	Year Ended March 31, 2022	Year Ended March 31, 2021
1. Discount rate Current Year	6.90%	6.55%
2. Discount rate Previous Year	6.55%	6.55%
3. Salary increase rate	Uniform 5.0%	Uniform 5.0%
4. Retirement Age	60.00	60.00
5 Pre-retirement mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
6 Disability	Nil	Nil

K. Data	Year Ended March 31, 2022	Year Ended March 31, 2021
1. No.	332.00	345.00
2. Avg. Age (yrs.)	40.35	39.32
3. Total Leave Balance	3516.00	2014.00
4. Total Monthly Encashment Salary (Rs. In Lakhs)	84.52	80.61

L.	Expected cash flows for following year	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
1.	Expected employer contributions / Adtl. Provision Next Year	36.22	39.75

N.	Defined benefit obligation at end of period	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
	Current Obligation	36.22	39.75
	Non-Current Obligation	Nil	Nil
	Total	36.22	39.75

SUMMARY

	Assets / Liabilities	As at March 31, 2022 (Rs. in Lakhs)	As at March 31, 2021 (Rs. in Lakhs)
1.	Defined benefit obligation at end of year	36.22	39.75
2.	Fair value of plan assets at end of year	Nil	Nil
3.	Net defined benefit liability (asset)	36.22	39.75
4.	Defined benefit cost included in P&L	(3.53)	(11.03)
5.	Total remeasurements included in OCI	Nil	Nil
6.	Total defined benefit cost recognized in P&L and OCI	(3.53)	(11.03)

31 Finance Costs

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Paid to Bank	102.88	121.58
Interest Paid to Others	1.08	2.00
Unwinding of interest of financial liabilities	91.51	81.71
Other borrowing cost	67.16	48.91
Total	262.64	254.20

32 Depreciation And Amortisation Expense

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation of Property, Plant & Equipment	424.71	411.91
Amortisation on Intangible Assets	0.86	Nil
Total	425.57	411.91

33 Other Expenses

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Stores & Spares consumed	567.01	500.20
Packing material consumed	930.40	418.35
Electricity & Fuel charges	3,257.11	1,420.45
Repairs To:		
Building	33.66	11.72
Machinery	34.51	24.15
Other	29.62	29.53
Total	97.79	65.40

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Insurance Expense	22.82	16.14
Rent	2.52	9.02
Rates & Taxes	13.70	13.33
Stationery & Printing Expense	4.63	2.46
Selling & Distribution Expenses	Nil	Nil
Advertisement Expenses	0.63	1.56
Communication Expense	3.42	2.50
Traveling & Conveyance Expense	34.51	20.59
Legal & Professional Expenses	39.73	33.43
Freight & Delivery charges	271.85	193.14
Auditor's Remuneration:		
Audit Fees	3.50	3.50
In other capacity	Nil	Nil
For Tax Audit	Nil	Nil
Total	3.50	3.50
Allowances for bad and doubtful Advances		1.87
Allowances for bad and doubtful debts	61.95	17.43
CSR Expense	1.00	Nil
Commission paid	28.55	38.57
Loss/(Gain) on Sales of Property, Plant & Equipment (Net)	Nil	11.41
General Charges (including Factory Exps, Laboratory Expense, Office Expenses and Custodial Charges etc.)	202.29	112.66
Total	5,543.40	2,882.01

Expenditure on Corporate Social Responsibilities activities

a) Gross amount required to be spent by the Company during the year Rs. 0.69 Lakhs (Previous year Rs Nil Lakhs)

b) Amount spent during the year:

(Rs. in Lakhs)

Sr. No	Particulars	In Cash	Yet to be paid	Total
1	On Construction/acquisition of any asset	Nil	Nil	Nil
		(PY. Nil)	(PY. Nil)	(PY. Nil)
2	On Purpose other than (1) above	Nil	Nil	Nil
		(PY. Nil)	(PY. Nil)	(PY. Nil)

34 Income tax recognised in profit or loss

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current tax		
In respect of the current year	166.34	112.00
	166.34	112.00
Deferred tax		
In respect of the current year	Nil	Nil
	Nil	Nil
Short/ (Excess) Provision of Income Tax		
In respect of the prior year	(0.14)	Nil
	(0.14)	Nil
Total	166.20	112.00

Income tax reconciliation

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit before tax	949.78	645.12
Tax expenses reported during the year	166.20	112.00
Income tax expenses calculated at 27.820% (P.Y 27.820%)	264.23	179.47
Difference	(98.03)	(67.47)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Expense not deductible for tax purpose	1.01	9.90
Set off carry Forward Losses/Depreciation	(108.51)	(103.46)
Others	9.47	26.08
Total	(98.03)	(67.47)
Effective tax rate in %	17.50	17.36

35 Statement of Other Comprehensive Income

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
(i) Items that will not be reclassified to profit and loss		
Remeasurement of defined benefit plans		
Actuarial gain/(loss)	5.67	4.40
(ii) Income tax relating to these items that will not be reclassified to profit and loss		
Deferred tax impact on actuarial gain/(loss)	Nil	Nil
Total	5.67	4.40

36 Earning Per Share

Particulars	Unit	Year Ended March 31, 2022	Year Ended March 31, 2021
Profit Attributable to Equity Share Holders (Profit after Tax)	Rs. In Lakhs	783.58	533.12
No. of Shares outstanding as on Balance Sheet date	No. of Shares	2,71,00,000	2,71,00,000
Weighted Average No. of Shares used as denominator for calculating Basic and Diluted Earning Per Share	No. of Shares	2,71,00,000	2,71,00,000
Nominal Value per Share	in Rs.	10	10
Basic and Diluted Earnings per Share	in Rs.	2.89	1.97

38 Contingent liabilities and Commitments

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax demands disputed in appeal by the Company/ Income Tax Authorities (Against which the Company has paid amount of Rs.Nil Lakhs (31st March, 2021: Rs. 11.41 Lakhs)	Nil	11.41
Excise Duty demands disputed in appeal by the Company/ Excise Authorities (Against which the Company has paid amount of Rs.Nil Lakhs (31st March, 2021: Rs. Nil Lakhs)	1,960.01	1,960.01
Textile Cess Demands disputed pending with Textiles Committee, Government of India, and Ministry of Textiles.	50.90	50.90
Gujarat Pollution Control Act	51.65	51.65
Employees Demands pending before Labor Courts	Amount not ascertainable	Amount not ascertainable
In respect of restructured debts under CDR Mechanism, the banks will have right to recompense in respect of waivers / sacrifice made by them under CDR Restructuring	Amount not ascertainable	Amount not ascertainable
Commitments		
Estimated amount of contracts remaining to be executed on Capital Account. Advance paid against such Contract is Rs. 108.97 Lakhs (31st March, 2020: Rs. 100.00 Lakhs)	108.97	218.80

38 Segment Reporting

The Company's management monitors the operating results of the below business segments separately for the purpose of making decisions about resource allocation and performance assessment and accordingly, based on the principles for determination of segments given in Indian Accounting Standard 108 "Operating Segments" and in the opinion of management the Company is primarily engaged in the business of "Textiles". All other activities of the Company revolve around the main business and as such there is no separate reportable business segment.

Details of customer contributing 10% or more of total revenue:

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
No. of customers contributing 10% or more of total revenue (individually)	1	1
Amount of revenue	14,098.05	4,284.40
% of total revenue	47.60%	27.78%

39 Related Party Disclosure

Key Management Personnel

Sr. No	Name	Designation
1	Shri Jyotiprasad Chiripal	Chairman
2	Shri Pooran Singh Mathuria	Whole Time Director
3	Shri Pradip Khandelwal	Chief Executive Officer (Resigned w.e.f 25/09/2021)
4	Shri Shashank Paranjape	Chief Executive Officer (Appointed on 20/09/2021)
5	Shri Satish Bhatt	Chief Financial Officer
6	Shri Harsh Hirpara	Company Secretary

List of Relatives of Key Management Personnel with whom transactions have taken place during the year

Sr. No	Name
1	Chiripal Industries Limited
2	Chiripal PolyFilms Limited
3	Vishal Fabrics Limited
4	Nandan Denim Limited

Transactions with the Related Parties

Compensation to Key Management Personnel

(Rs. in Lakhs)

Particulars	Transaction during 2021-22	Transaction during 2020-21
Short term employee benefits	77.48	49.88
Post-employment benefits	(1.37)	0.87
Other Long-term employee benefits	0.38	(0.48)
TOTAL	76.49	50.27

Transactions with related parties during the year

(Rs. in Lakhs)

Particulars	Transaction during 2021-22	Transaction during 2020-21
Sale of Goods:		
Entities in which KMP/close members of family of KMP have control or significant influence		
Chiripal Industries Limited	2.47	452.13
Chiripal PolyFilms Limited	Nil	Nil
Nandan Denim Limited	1,221.74	45.14
	1,224.22	497.27

Particulars	Transaction during 2021-22	Transaction during 2020-21
Purchase of Goods:		
Entities in which KMP/close members of family of KMP have control or significant influence		
Chiripal Industries Limited	1,943.49	41.02
Chiripal PolyFilms Limited	3,556.13	1,616.12
Nandan Denim Limited	258.64	Nil
	5,758.26	1,657.14
Remuneration Paid:		
Key Management Personnel		
Shri Pradip Khandelwal	21.92	24.14
Shri Shashank Paranjape	16.93	Nil
Shri Satish Bhatt	13.19	9.20
Shri Pooran Singh Mathuria	19.52	12.61
Shri Harsh Hirpara	5.92	3.93
	77.48	49.88

Balance outstanding as on respective Balance Sheet date

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables:		
Entities in which KMP/close members of family of KMP have control or significant influence		
Nandan Denim Limited	1.59	10.75
	1.59	10.75
Advances for Property, Plant & Equipment:		
Entities in which KMP/close members of family of KMP have control or significant influence		
Shanti Developers	100.00	100.00
	100.00	100.00
Security Deposits:		
Entities in which KMP/close members of family of KMP have control or significant influence		
Shanti Polytechnic Foundation	10.50	10.50
	10.50	10.50
Trade Payables:		
Entities in which KMP/close members of family of KMP have control or significant influence		
Chiripal Industries Limited	126.94	65.19
Chiripal PolyFilms Limited	0.76	(0.96)
Vishal Fabrics Limited	0.00	0.00
Nandan Denim Limited	5.26	0.92
	132.96	65.15
Creditors for Property, Plant & Equipment:		
Entities in which KMP/close members of family of KMP have control or significant influence		
Chiripal Industries Ltd.	498.21	511.08
	498.21	511.08
Employee Benefits Payable to Key Management Personnel		
Shri Pradip Khandelwal	Nil	1.01
Shri Shashank Paranjape	2.68	Nil
Shri Satish Bhatt	1.20	0.76
Shri Pooran Singh Mathuria	1.37	1.69
Shri Harsh Hirpara	0.49	0.52
	5.74	3.98

40 Fair Value Measurements

Financial instrument by category and their fair value

(Rs. in Lakhs)

As at 31 st March, 2022	Note reference	Carrying Amount				Fair Value			
		FVPTL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Trade Receivables	9	Nil	Nil	2,825.10	2,825.10	Nil	Nil	Nil	Nil
Cash and Cash Equivalents	10	Nil	Nil	2.60	2.60	Nil	Nil	Nil	Nil
Other Bank Balances	11	Nil	Nil	190.78	190.78	Nil	Nil	Nil	Nil
Other Financial Assets									
Non-Current	5	Nil	Nil	16.88	16.88	Nil	Nil	Nil	Nil
Current	12	Nil	Nil	1.23	1.23	Nil	Nil	Nil	Nil
Total Financial Assets		Nil	Nil	3,036.59	3,036.59	Nil	Nil	Nil	Nil
Financial Liabilities									
Borrowings									
Non Current	17	Nil	Nil	130.83	130.83	Nil	Nil	Nil	Nil
Current	19	Nil	Nil	2,544.94	2,544.94	Nil	Nil	Nil	Nil
Other Financial Liabilities									
Non Current	18	Nil	Nil	1,108.49	1,108.49	Nil	Nil	Nil	Nil
Current	21	Nil	Nil	697.95	697.95	Nil	Nil	Nil	Nil
Trade Payables	20	Nil	Nil	1,682.19	1,682.19	Nil	Nil	Nil	Nil
Total Financial Liabilities		Nil	Nil	6,164.40	6,164.40	Nil	Nil	Nil	Nil

Financial instrument by category and their fair value

(Rs. in Lakhs)

As at 31 st March, 2021	Note reference	Carrying Amount				Fair Value			
		FVPTL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets									
Trade Receivables	9	Nil	Nil	3,683.69	3,683.69	Nil	Nil	Nil	Nil
Cash and Cash Equivalents	10	Nil	Nil	0.55	0.55	Nil	Nil	Nil	Nil
Other Bank Balances	11	Nil	Nil	121.53	121.53	Nil	Nil	Nil	Nil
Other Financial Assets									Nil
Non-Current	5	Nil	Nil	87.72	87.72	Nil	Nil	Nil	Nil
Current	12	Nil	Nil	1.46	1.46	Nil	Nil	Nil	Nil
Total Financial Assets		Nil	Nil	3,894.95	3,894.95	Nil	Nil	Nil	Nil
Financial Liabilities									
Borrowings									
Non Current	17	Nil	Nil	2.99	2.99	Nil	Nil	Nil	Nil
Current	19	Nil	Nil	1,956.85	1,956.85	Nil	Nil	Nil	Nil
Other Financial Liabilities									
Non Current	18	Nil	Nil	1,113.39	1,113.39	Nil	Nil	Nil	Nil
Current	21	Nil	Nil	716.73	716.73	Nil	Nil	Nil	Nil
Trade Payables	20	Nil	Nil	4,043.53	4,043.53	Nil	Nil	Nil	Nil
Total Financial Liabilities		Nil	Nil	7,833.49	7,833.49	Nil	Nil	Nil	Nil

The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the financial statements. To provide the indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments in to three levels prescribed is as under:

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

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

There were no transfers between the levels during the year

Valuation process

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. The fair valuation of level 1 and level 2 classified assets and liabilities are readily available from the quoted prices in the open market and rates available in secondary market respectively. The valuation method applied for various financial assets and liabilities are as follows -

1. Quoted price in the primary market considered for the fair valuation of the non current investment i.e Quoted Equity Shares. Gain / (loss) on fair valuation is recognised in profit and loss.
2. The carrying amount of trade receivable, trade payable, cash and bank balances, short term loans and advances, statutory/receivable, short term borrowing, employee dues are considered to be the same as their fair value due to their short-term nature.

41 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- I Credit Risk
- II Liquid Risk
- III Market Risk

Risk Management Framework

The Company's risk management is governed by policies and approved by the board of directors. Company's identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

I Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The Company maintain its cash and cash equivalents and bank deposits with banks having good reputation, good past track record and high quality credit rating and also reviews their credit-worthiness on an on-going basis.

The maximum exposure to credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed by the company through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the company grants credit terms in the normal course of business.

On account of the adoption of Ind AS 109, the company uses ECL model to assess the impairment loss or gain. The company uses a provision matrix to compute the ECL allowance for trade receivables and unbilled revenues. The provision matrix takes into account available external and internal credit risk factors and the company's experience for customers.

The Company reviews trade receivables on periodic basis and makes provision for doubtful debts if collection is doubtful. The Company also calculates the expected credit loss (ECL) for non-collection of receivables. The Company makes additional provision if the ECL amount is higher than the provision made for doubtful debts. In case the ECL amount is lower than the provision made for doubtful debts, the Company retains the provision made for doubtful debts without any adjustment.

The provision for doubtful debts including ECL allowances for non-collection of receivables and delay in collection, on a combined basis, was Rs. 122.93 Lakhs as at March 31, 2022 and Rs.60.98 Lakhs as at March 31, 2021 . The movement in allowances for doubtful accounts comprising provision for both non-collection of receivables and delay in collection is as follows:

ii) **Movement in allowance for bad and doubtful debts**

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the year	60.98	43.55
Add : Allowance made during the year	61.95	17.43
Less : Reversal of allowance made during the year	Nil	Nil
Balance at the end of the year	122.93	60.98

II **Liquid Risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

i) **Exposure to Credit Risk:**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(Rs. in Lakhs)

As At 31/03/2022	Carrying Amount	Contractual Cash Flows				Total
		< 1 year	1-2 year	3-5 years	More than 5 years	
Financial Liabilities						
Non Current Borrowings (refer note 18)	130.83	Nil	14.64	116.19	Nil	130.83
Current Borrowings (refer note 20)	2,544.94	2,544.94	Nil	Nil	Nil	2,544.94
Trade Payables (refer note 21)	1,682.19	1,682.19	Nil	Nil	Nil	1,682.19
Other Financial Liabilities						
Non current financial liabilities (refer note 19)	1,108.49	Nil	Nil	1,108.49	Nil	1,108.49
Current financial liabilities (refer note 22)	697.95	697.95	Nil	Nil	Nil	697.95
Total	6,164.40	4,925.08	14.64	1,224.68	Nil	6,164.40

(Rs. in Lakhs)

As At 31/03/2021	Carrying Amount	Contractual Cash Flows				Total
		< 1 year	1-2 year	3-5 years	More than 5 years	
Financial Liabilities						
Non Current Borrowings (refer note 18)	2.99	Nil	2.56	0.43	Nil	2.99
Current Borrowings (refer note 20)	1,956.85	1,956.85	Nil	Nil	Nil	1,956.85
Trade Payables (refer note 21)	4,043.53	4,043.53	Nil	Nil	Nil	4,043.53
Other Financial Liabilities						
Non current financial liabilities (refer note 19)	1,113.39	Nil	Nil	1,113.39	Nil	1,113.39
Current financial liabilities (refer note 22)	716.73	716.73	Nil	Nil	Nil	716.73
Total	7,833.49	6,717.11	2.56	1,113.82	Nil	7,833.49

III **Market Risk**

Market risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market factors. Market risk comprises three type of risks:

- Currency Risk
- Interest Risk
- Price Risk

a) Currency Risk

The functional currency of the Company is Indian Rupee. The Company is exposed to currency risk on account of payables and receivables in foreign currency. Company is exposed to currency risk on account of payables and receivables in foreign currency.

Company does not use derivative financial instruments for trading or speculative purposes.

i) Particulars of foreign currency exposures at the reporting date

(Rs. in Lakhs)

Particulars	Currency	As at	As at
		March 31, 2022	March 31, 2021
a) Trade Payables	USD	Nil	3.20
	INR	Nil	239.25
	JPY	249.25	156.49
	INR	155.43	106.42
b) Short Term Borrowing	JPY	Nil	Nil
	INR	Nil	Nil
c) Advance to Supplier	USD	Nil	Nil
	INR	Nil	Nil
	JPY	246.51	26.02
	INR	153.72	17.32
Net Statement of Financial Exposure[inflow(Outflow)]	USD	Nil	(3.20)
	INR	Nil	(239)
	JPY	(2.74)	(130.47)
	INR	(1.71)	(89.10)
Total INR		(1.71)	(328.35)

ii) Foreign Currency Risk Sensitivity

A change of 5% in Foreign currency would have following Impact on profit before tax

(Rs. in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	Nil	Nil	(11.96)	11.96
JPY	(0.09)	0.09	(4.45)	4.45
Total	(0.09)	0.09	(16.42)	16.42

b) Interest Risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

According to the Company interest rate risk exposure is only for floating rate borrowings. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

i) Exposure to interest rate risk

(Rs. in Lakhs)

Particulars	Note Reference	As at	As at
		March 31, 2022	March 31, 2021
Fixed Rate Instruments			
Financial liabilities			
Non Current	17	22.16	2.99
Current	21	8.95	3.97
Total		31.11	6.96
Variable Rate Instruments			
Financial liabilities			
Non Current	17	108.67	Nil
Current	19	2,544.94	1,956.85
Total		2,653.61	1,956.85

The outstanding position of borrowings at variable interest rate along with proportion of total loans is given below:

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Borrowings	2,684.73	1,963.81
% of Borrowings out of above bearing variable rate of interest	98.84%	99.65%

ii) **Interest Rate Sensitivity**

A change of 50 bps in interest rates would have following Impact on profit before tax

(Rs. in Lakhs)

Particulars	2021-22	2020-21
50bp increase would decrease the profit before tax by	13.27	9.78
50bp increase would increase the profit before tax by	(13.27)	(9.78)

c) **Price Risk**

i) **Exposure**

The Company does not have any Investment as on balance sheet date , hence there would be no exposure to equity securities price risk arises from investment held by the Company.

42 **Capital management**

The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.

The Company monitors the capital structure on the basis of Net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The gearing ratio at the end of the reporting period was as follows:

(Rs. in Lakhs)

Particulars	Note Reference	As at March 31, 2022	As at March 31, 2021
Debt	18 & 19	2,675.77	1,959.84
Cash and bank balances	11 & 12	(193.38)	(122.08)
Net debt		2,482.39	1,837.76
Equity	15	9,334.88	8,545.63
Net debt to equity ratio		0.27	0.22

43 The following pre-commissioning expenses incurred during the various have been included in of Property, Plant and Equipment / Capital Work in Progress

(Rs. in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Consultancy charges	Nil	Nil
Rates & Taxes	Nil	Nil
Other expenses	Nil	Nil
Total	Nil	Nil

44 **Changes in Liabilities arising from Financial Activities**

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Opening Balance	7,833.49	7,021.91
Cash inflow of non-current borrowings	136.79	0.46
Cash outflow of non-current borrowings	(3.97)	(3.97)
Changes in current borrowings cash flows	583.10	7.60
Changes in trade payable cash flows	(2,361.34)	778.45
Change in Other current financial liability	(5.76)	15.08
Change in other non current financial liability	Nil	Nil
Others	(17.93)	13.95
Closing Balance	6,164.40	7,833.49

45 Details Of Hedged And Unhedged Exposure in Foreign Currency Denominated Monetary Items

a Exposure in foreign currency - Hedged

The Company enters into forward exchange contracts to hedge against its foreign currency exposures relating to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The forward exchange contracts used for hedging foreign currency exposure and outstanding as at reporting date are as under:
(Figures in Lakhs)

Currency	Number of Contracts	Buy Amount in Foreign Currency	Indian Rs. Equivalent
Forward contract to buy YEN - As at 31/03/2022	Nil	Nil	Nil
Forward contract to buy YEN - As at 31/03/2021	Nil	Nil	Nil

b Exposure in foreign currency - Unhedged

The foreign currency exposure not hedged are as under:
(Figures in Lakhs)

Currency	Payable (In FC)		Receivable (In FC)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD	Nil	3.20	Nil	Nil
JPY	249.25	156.49	Nil	Nil

Currency	Payable (In INR)		Receivable (In INR)	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
USD	Nil	239.25	Nil	Nil
JPY	155.43	106.42	Nil	Nil

46. Additional Regulatory Information (Non Ind AS)

The disclosures required by amendment to Division II of Schedule III of the Companies Act, 2013, are given only to the extent applicable:

- During the year no proceedings has been initiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
- Company has not carried our any revaluation in respect of Property, Plant & Equipments and intangible Asset, hence during the year there has been no change of 10% or more in the aggregate of the Net Carrying value of Assets on account of revaluation of Assets in respect of Property, Plant & Equipments and intangible assets.
- There are no intangible assets under development in the Company during the current reporting period
- The borrowing taken by the company from the banks has been used for the specific purpose for which it was taken.
- The company has not been declared as wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- Details in respect of difference in respect of Current Assets as per Books and details as provided in quarterly returns filed by the company, the details of the same are as under:

For the Financial Year 2021-2022						(Rs. In Lakhs)
Quarter	Name of the Bank	Particulars of Security Provided	Amount as per Books	Amount Reported in Quarterly Return / Statement	Amount of Difference	Reason or Material Discrepancies
Jun-21	Consortium Finance	Inventories	2,749.44	3,143.57	(394.14)	Due to Change in Valuation Rate
		Trade Receivable	3,739.12	4,527.27	(788.15)	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.
		Trade Payable	3,252.29	2,443.00	809.29	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.

For the Financial Year 2021-2022						(Rs. In Lakhs)
Quarter	Name of the Bank	Particulars of Security Provided	Amount as per Books	Amount Reported in Quarterly Return / Statement	Amount of Difference	Reason or Material Discrepancies
Sep-21	Consortium Finance	Inventories	2,112.04	2,111.14	0.90	-
		Trade Receivable	4,231.58	4,251.09	(19.51)	-
		Trade Payable	2,746.93	2,220.00	526.93	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.
Dec-21	Consortium Finance	Inventories	3,718.61	3,281.81	436.80	Due to Change in Valuation Rate.
		Trade Receivable	3,409.97	3,429.37	(19.40)	-
		Trade Payable	4,021.57	2,352.16	1,669.41	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.
Mar-22	Consortium Finance	Inventories	3,327.39	3,184.22	143.17	Due to Change in Valuation Rate
		Trade Receivable	2,825.10	2,928.99	(103.89)	-
		Trade Payable	1,682.19	1,576.50	105.69	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.
Jun-20	Consortium Finance	Inventories	1,915.56	1,698.27	217.29	Due to Change in Valuation Rate
		Trade Receivable	3,165.28	2,646.40	518.88	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer & Due to ECL provision.
		Trade Payable	3,056.88	1,303.00	1,753.88	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.
Sep-20	Consortium Finance	Inventories	2,146.78	2,126.15	20.63	Due to Change in Valuation Rate
		Trade Receivable	2,629.48	2,183.14	446.34	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer & Due to ECL provision.
		Trade Payable	3,022.28	977.84	2,044.44	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.
Dec-20	Consortium Finance	Inventories	2,182.54	2,266.72	(84.18)	Due to Change in Valuation Rate
		Trade Receivable	4,046.52	3,321.38	725.15	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer & Due to ECL provision.
		Trade Payable	4,264.43	2,682.06	1,582.37	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.
Mar-21	Consortium Finance	Inventories	3,101.51	4,014.60	(913.09)	Due to Change in Valuation Rate
		Trade Receivable	3,683.69	4,632.51	(948.82)	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.
		Trade Payable	4,043.53	4,641.00	(597.47)	Due to Change in grouping of accounts into Customer, Vendor and Advance received from Customer.

(vii) Details in respect of pending satisfaction of charges with registrar of companies beyond the statutory period

Brief Description	Location of Registrar	Charge ID	Name of Charge Holder	Delay in Period by which charge to be closed in months	Amount of Charge Rs. in Lakhs
Book debts; Floating charge; Movable property (not being pledge)	RoC- Ahmedabad	1,02,51,838.00	State Bank of India	127.87	792.00

- (ix) During the year under consideration the company has not traded or invested in crypto currency or virtual currency.
- (x) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.
- (xi) The Company does not have any transactions or relationships with any companies struck off under section 248 of the Companies Act, 2013.

47 Details in respect of Analytical Ratios of the Company

Sr. No.	Particulars	Numerator/ Denominator	For the Year 2021-22		For the Year 2020-21		% of Variance	Explanation for any change in the ratio by more than 25% as compared to the preceding year.
			Rs. in Lakhs	Current Period	Rs. In Lakhs	Previous Period		
1	Current Ratio	Current Assets	6,745.55	1.35	7,486.89	1.09	23.40%	-
		Current Liabilities	4,997.07		6,844.31			
2	Debt - Equity Ratio	Total Debts	2,675.77	0.29	1,959.84	0.23	24.99%	-
		Shareholders Equity	9,334.88		8,545.63			
3	Debt Service Coverage Ratio	Earning available for Debt services	1,400.65	8.00	975.75	5.35	49.61%	Due to improvement of Covid situation Company's performance has been improved, hence ratio has improved.
		Debt Service	175.14		182.53			
4	Return on Equity Ratio	Net profit After tax - Preference Dividend	783.58	0.09	533.12	0.06	36.07%	Due to improvement of Covid situation Company's bottomline performance has been improved, hence ratio has improved.
		Average of Shareholder Funds	8,940.25		8,276.87			
5	Inventory turnover Ratio	Turnover	29,590.58	9.21	15,410.30	5.94	55.06%	Due to improvement of Covid situation Company's Turnover has increased.
		Average Inventory	3,214.45		2,595.82			
6	Trade Receivables turnover Ratio	Turnover	29,590.58	9.09	15,410.30	4.23	115.16%	Due to improvement of Covid situation Company's recovery Cycle has improved, hence ratio has increased.
		Average Trade Receivables	3,254.40		3,646.56			
7	Trade payables turnover Ratio	Purchase	24,879.89	8.69	13,716.28	3.75	131.54%	Due to Change in credit terms the ratio has increased.
		Average Trade Creditors	2,862.86		3,654.31			
8	Net Capital turnover Ratio	Net Sales	29,590.58	16.92	15,410.30	23.98	-29.43%	Due to improvement of Covid situation Company's Turnover has increased, hence ratio has decreased.
		Working Capital	1,748.47		642.58			
9	Net Profit Ratio	Net Profit	783.58	0.03	533.12	0.03	-23.46%	-
		Net Sales	29,590.58		15,410.30			
10	Return on Capital employed	Earning Before Interest and Taxes	1,145.26	0.12	459.49	0.05	128.17%	Due to improvement in Covid situation companies topline and as a result Profitability has also improved, hence ratio has improved.
		Capital Employed	9,334.88		8,545.63			

Sr. No.	Particulars	Numerator/ Denominator	For the Year 2021-22		For the Year 2020-21		% of Variance	Explanation for any change in the ratio by more than 25% as compared to the preceding year.
			Rs. in Lakhs	Current Period	Rs. in Lakhs	Previous Period		
11	Return on investment	Income generated from investment	Not Applicable	Not Applicable	Not Applicable	Not Applicable	-	-
		Average Investment	Not Applicable as no investment		Not Applicable as no investment			

48 Assets Pledged as Security

The Carrying amount of assets Pledged as Security for Current and non Current borrowing are:

(Rs. in Lakhs)

Particulars	Note reference	As at March 31, 2022	As at March 31, 2021
Non-Current Assets			
Property Plant & Equipment(Including capital Work in progress)	3	8,611.03	8,745.16
Intangible Assets	4	19.64	Nil
Total Non Current Assets pledged as Security		8,611.03	8,745.16
Current Assets			
Inventories	8	3,327.39	3,101.51
Financial Assets			
Trade Receivable	9	2,825.10	3,683.69
Cash and cash equivalents	10	2.60	0.55
Other Bank Balance	11	190.78	121.53
Other Financial Assets	12	1.23	1.46
Other Current Assets	14	371.95	578.15
Total Current Assets pledged as Security		6,719.05	7,486.89
Total Assets Pledged as Security		15,330.08	16,232.05

- 49 In the opinion of Management, any of the assets other than items of property, plant and equipment, intangible assets and Non-Current Investments have a value on realization in the ordinary course of business at least equal to the amount at which they are stated, unless otherwise stated.
- 50 On periodical basis and as and when required, the Company reviews the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss. Hence, no such impairment loss have been provided in the Financial Year 2021-22 (Previous Year Rs. Nil Lakhs)
- 51 The financial statement are approved by the Audit Committee & Board of Directors as at its meeting on 30th May,2022.
- 52 The board has not recommended dividend for the financial year ended 31st March, 2022.

Signature to notes "1" to "52"

As per our report of even date attached herewith.
For, Samir M Shah & Associates
Chartered Accountants
(Firm Regd. No.122377W)

Sd/-
(Samir M Shah)
Partner
(M.No.111052)

Place : Ahmedabad
Date : 30/05/2022

For & on behalf of the Board of Directors of
For, CIL NOVA PETROCHEMICALS LIMITED

Sd/-
(Jyotiprasad Chiripal)
Chairman
DIN: 00155695

Sd/-
(Shashank Paranjape)
Chief Executive Officer
Sd/-

(Harsh Hirpara)
Company Secretary
Place : Ahmedabad
Date : 30/05/2022

Sd/-
(Pooran Singh Mathuria)
Whole Time Director
DIN: 07430356

Sd/-
(Satish Bhatt)
Chief Financial officer

To,

If undelivered please return to :

CIL NOVA PETROCHEMICALS LIMITED

(Formerly Known as NOVA POLYARN LIMITED)

(CIN: L17111GJ2003PLC043354)

Regd Office :- Survey No. 396(P), 395/4(P), Moraiya Village,
Sarkhej-Bavla Highway, Tal. Sanand, Ahmedabad.

Phone : +91-9825800060, Fax: +91-2717-250556,251612.

Email : investorgrievances.cilnova@chiripalgroup.com

Website: www.cnpcl.com