



# GINNI FILAMENTS LIMITED

Annual Report  
2021-2022



## BOARD OF DIRECTORS

Shri Shishir Jaipuria-Chairman & Managing Director  
Shri Saket Jaipuria-Executive Director cum President  
Shri S. Singhvi-Director (Finance) & CFO

Shri J P Kundra

Shri J K Bhagat

Dr. H P Bhattacharya\*

\*cease w.e.f. 24.08.2022

Smt Manju Rana

Shri Sushil C Tripathi\*

\*cease w.e.f. 19.05.2021

(Independent Directors)

## COMPANY SECRETARY

Shri Bharat Singh

## AUDITORS

M/s Doogar & Associates

Chartered Accountants

## BANKERS

State Bank of India

Bank of Baroda

The Federal Bank Limited

UCO Bank

HDFC Bank Limited

## REGISTERED OFFICE

Ginni Filaments Limited

(CIN:L71200UP1982PLC012550)

110 K.M. Stone, Delhi – Mathura Road,

Chhata – 281 401 Distt. Mathura (U.P.)

## CORPORATE OFFICE

D-196, Sector – 63, Noida (U.P.) – 201 307

## PLANTS / UNITS

1. 110 K M Stone, Delhi Mathura Road  
Chhata – 281 401 Distt. Mathura (U.P.)
2. Plot No.205-206, GIDC Industrial Area,  
Panoli, Ankeleshwar – 394116  
Distt. Bharuch (Gujarat)
3. D-196, Sector – 63, Noida (U.P.) – 201 307
4. Plot No.98, Sector – 5, IIE, SIDCUL,  
Haridwar – 249403 (U.K.)

CONTENTS	
Notice	1
Directors Report	19
Report on Corporate Governace	40
Auditors Report	54
Balance Sheet	64
Profit & Loss Account	65
Cash Flow Statement	66
Notes on Financial Statements	68



## NOTICE

**Notice** is hereby given that the 39<sup>th</sup> (Thirty Ninth) Annual General Meeting (AGM) of the Members of Ginni Filaments Limited will be held on Wednesday, the 28<sup>th</sup> September, 2022 at 11.30 A.M through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of Members at a common venue, to transact the following businesses:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2022 including the Audited Balance Sheet as at March 31, 2022 and the statement of Profit and Loss Accounts and Cash Flow for the year ended on that date and the Reports of the Board and the Auditors thereon.
2. To appoint a Director in place of Shri Shishir Jaipuria (DIN 00274959) who retires by rotation and being eligible, offers himself for re-appointment.
3. To Re-Appoint the Statutory Auditor and to fix their remuneration and in this regard to consider, and if thought fit, to pass, the following resolution, with or without modification(s), as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 and on the basis of recommendation of Audit Committee in terms of Rule 3 in Companies (Audit and Auditors) Rules, 2014 and as recommendation by Board of Directors, the consent of the Members be and is hereby accorded to re- appoint M/s. Doogar & Associates, Chartered Accountants (Firm Registration No. 000561N), New Delhi as the Statutory Auditor of the Company whose term of appointment shall be completed on the conclusion of the Annual General Meeting to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of 44<sup>th</sup> Annual General Meeting to be held in the year 2027 on a remuneration as may be fixed by the Board of Directors of the Company in consultation with Statutory Auditors from time to time."

### SPECIAL BUSINESS:

4. **Re-appointment of Shri Shishir Jaipuria as the Managing Director of the Company for a period of 3 years w.e.f. April 01, 2023**

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

**"RESOLVED that** pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17(6)(e) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, as amended from time to time and subject to such approvals as may be necessary, consent of the members of the Company be and is hereby accorded to the re-appointment of **Shri Shishir Jaipuria (DIN No. 00274959)** as the Managing Director of the Company for a further period of 3 (three) years with effect from **April 01, 2023** on a remuneration as the minimum remuneration payable to him, irrespective of inadequacy or in absence of profits and on the terms and conditions as set out in the Statement annexed to the Notice of AGM with liberty to the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said re-appointment in such form and manner or with such modifications as the Board may deem fit and agreed to by Shri Shishir Jaipuria.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and rules made thereunder, Shri Shishir Jaipuria, Managing Director of the Company, shall henceforth be liable to determination of retirement of Directors by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, matters, deeds and things and execute all such documents. Instruments and writings as may be required to give effect to the aforesaid Resolution."

5. **Re-appointment of Shri Suresh Singhvi as the Whole Time Director of the Company for a period of 2 years w.e.f. August 01, 2022**

To consider, and if thought fit, to pass the following resolution, with or without modification(s), as a **Special Resolution**:



“**RESOLVED** that pursuant to the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such further approvals as may be necessary, consent of the members of the Company be and is hereby accorded to the reappointment of **Shri Suresh Singhvi (DIN No. 00293272)** as Whole-time Director designated as Director (Finance) & CFO of the Company for a period of 2 years with effect from 1<sup>st</sup> August, 2022 on a remuneration as the minimum remuneration payable to him, irrespective of inadequacy or in absence of profits and on the terms and conditions as set out in the Statement annexed to the Notice of AGM with liberty to the Board of Directors (hereinafter referred to as “Board” which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms and conditions of the said reappointment in such form and manner or with such modifications as the Board may deem fit and agreed to by Shri Suresh Singhvi.

**RESOLVED FURTHER THAT** pursuant to the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and rules made thereunder, Shri Suresh Singhvi, Director (Finance) & CFO of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents. Instruments and writings as may be required to give effect to the aforesaid Resolution.”

## 6. Ratification of the Remuneration of the Cost Auditor

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

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration of Rs. 1,85,000/- (Rupees One Lakh Eighty Five Thousand only) plus applicable taxes and out of pocket expenses to be paid to M/s K. G. Goyal & Associates (Firm Registration No. 000024), Cost Auditors of the Company to conduct the Audit of the cost records of Spinning Units of the Company situated at Kosi Kalan (Distt. Mathura, UP) for the Financial Year ending March 31, 2023, as approved by the Board of Directors of the Company, be and is hereby ratified.

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

Place: Noida  
Date: 29<sup>th</sup> July, 2022

**By Order of the Board**  
Bharat Singh  
**Company Secretary**  
Membership No. F6459

## NOTES

1. In view of the outbreak of the COVID-19 pandemic, social distancing norms to be followed and accordingly pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022 dated May 05, 2022 and all other relevant circulars, notifications, guidelines issued in this regard from time to time by the Ministry of Corporate Affairs, Government of India (MCA) has permitted the holding of the Annual General Meeting (“AGM”) 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 (“Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the registered office of the Company.
2. The relevant Explanatory Statement pursuant to Regulation 36(5) set out for item No 3 and Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 4 to 6 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ re-appointment at this Annual General Meeting (“AGM”) is also annexed.
3. Since, the AGM is being conducted through VC/OAVM, the Proxy Form and the Attendance Slip are not required to be annexed to this Notice.



4. Institutional/Corporate members intending to attend the AGM through authorised representatives are requested to send a scanned copy of duly certified copy of the board or governing body resolution authorising the representatives to attend and vote at the Annual General Meeting through VC/OAVM. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to [jatinfcs@gmail.com](mailto:jatinfcs@gmail.com) with a copy marked to [Secretarial@ginnifilaments.com](mailto:Secretarial@ginnifilaments.com) .
5. The register of members and share transfer books of the Company shall remain closed from **22<sup>nd</sup> September, 2022 to 28<sup>th</sup> September, 2022** (both days inclusive) for the purpose of Annual General Meeting.
6. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to Registrar and Transfer Agent (RTA) Skyline Financial Services Pvt. Ltd. at D-153/A, 1<sup>st</sup> Floor, Phase-I, Okhla Industrial Area, New Delhi-110020 in case the shares are held in physical form.
7. Members holding shares in dematerialised mode are requested to register/ update their email addresses/Electronic Bank Mandate by contacting their respective Depository Participants.
8. Members holding shares in physical form can avail of the nomination facility by filing Form SH-13 with the Company or its Registrar and Transfer Agent of the Company viz. M/s Skyline Financial Services Pvt. Ltd. at D-153/A, 1<sup>st</sup> Floor, Phase-I, Okhla Industrial Area, New Delhi-110020. Members holding shares in electronic mode, may approach their respective Depository Participant for availing the nomination facility
9. Members who are holding shares in physical form in identical names in more than one folio are requested to write to RTA enclosing their Share Certificate(s) to enable the Company to consolidate their holding into one folio.
10. In case of joint Members attending the AGM, only such joint holder who is higher in the order of names will be entitled to e-vote.
11. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for Transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Skyline Financial Services Pvt. Ltd. for assistance in this regard
12. To support the Green Initiative, members who have not registered their e-mail address are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically or download from the website of the Company ([www.ginnifilaments.com](http://www.ginnifilaments.com)) or [www.nseindia.com](http://www.nseindia.com) .
13. Relevant documents referred to in the Annual Report including AGM Notice and explanatory statements are available for inspection through electronic mode basis by members upto the date of AGM and members may inspect by sending the request through email in this regard at [secretarial@ginnifilaments.com](mailto:secretarial@ginnifilaments.com).
14. During the AGM, the statutory register maintained under Section 189 of the Companies Act, 2013 and Section 170 of the Companies Act, 2013 will be available for inspection by members in electronic mode. Members can inspect the same at the website of the Company i.e. [www.ginnifilaments.com](http://www.ginnifilaments.com)
15. In Compliance with the aforesaid MCA Circulars and SEBI Circular dated May 13, 2022, this Notice along with explanatory statement, inter-alia explaining the manner of attending this AGM through VC/OAVM and the instructions for electronic voting (e-voting), along with the Annual Report for the FY 2021-22 is being sent only through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on Company's website ([www.ginnifilaments.com](http://www.ginnifilaments.com)), Stock Exchange's website ([www.nseindia.com](http://www.nseindia.com)) and CDSL website ([www.evotingindia.com](http://www.evotingindia.com)). Any Member/s requiring the hard copy of Annual Report may kindly send an email from the registered email id at or send a duly signed request in original at the registered office of the Company mentioned above.
16. Pursuant to Sections 101 and 136 of the Act read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participants ('DP'). Members, who have not registered their e-mail address with the Company or with their respective depository and wish to receive the Notice of the 39<sup>th</sup> AGM and the Annual Report, can now register/update their E-mail address with RTA at the following link : <http://>



[skylinerta.com/EmailReg.php](http://skylinerta.com/EmailReg.php) or send scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self attested scanned copy of any one of the following documents viz., Aadhar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company by email to [secretarial@ginnifilaments.com](mailto:secretarial@ginnifilaments.com) . Members holding shares in demat form can update their email address with their Depository Participants.

17. Please note that the updation/registration of email addresses on the basis of the above link and scanned documents will be only for the purpose of sending the notice of 39<sup>th</sup> AGM and Annual Report for 2021-22 and thereafter shall be disabled from the records of the RTA immediately after the 39<sup>th</sup> AGM.
18. Any person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as on the **cut -off date i.e. 21.09.2022** may obtain the login Id and password by sending a request mail at [secretarial@ginnifilaments.com](mailto:secretarial@ginnifilaments.com) or [parveen@skylinerta.com](mailto:parveen@skylinerta.com)
19. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
20. Since the AGM will be held through VC/OAVM without the physical presence of Members at a common venue, the route map is not required to be annexed.
21. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. SEBI has mandated through said Circular furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from 1st January 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after 1st April 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at [www.ginnifilaments.com](http://www.ginnifilaments.com) .
22. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate, Endorsement, Sub-division/ Splitting of securities certificate, Consolidation of securities certificates/ folios, Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled in and signed Form ISR – 4, the format of which is available on the Company's website under the weblink at [www.ginnifilaments.com](http://www.ginnifilaments.com).

Members may also note that Subsequently SEBI issued a Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/70 dated 25/05/2022 in respect of Simplification of procedure and standardization of formats of documents for issuance of duplicate securities certificates.

## 23. Voting

All persons 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 namely **21<sup>st</sup> September, 2022** only shall be entitled to vote at the General Meeting by availing the facility of remote e-voting or by voting at the General Meeting.

### INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM ARE AS FOLLOWS :

- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and May 05, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- b) The members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.



- c) The Company has appointed Mr. Jatin Gupta of M/s Jatin Gupta & Associates, Practicing Company Secretary, to act as the Scrutiniser to scrutinise the voting during the AGM and remote e-voting process in a fair and transparent manner and he has given his consent for the same.
- d) The Scrutinizer shall immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-vote cast during AGM and will make, not later than 2 working days from the conclusion of the AGM, a consolidated scrutinizer's report of the total e-votes cast before the AGM in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- e) The Results declared along with the report of the Scrutinizer will be placed on the website of the Company at [www.ginnifilaments.com](http://www.ginnifilaments.com) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com) immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results will also be immediately submitted to the National Stock Exchange of India Ltd., Mumbai.
- f) The voting rights of shareholders shall be in proportion to their shares of the paid up equity shares capital of the Company.
- g) Any person who becomes a Member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. **21<sup>st</sup> September, 2022** may obtain the login details in the manner as mentioned below.

## 24. THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

1. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
2. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
3. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.ginnifilaments.com](http://www.ginnifilaments.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

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

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

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

- (i) The voting period begins on 25.09.2022 at 9.00 AM and ends on 27.09.2022 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **21<sup>st</sup> 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.**

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>





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

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in Demat mode with <b>CDSL</b></p>	<p>Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33</p>
<p>Individual Shareholders holding securities in Demat mode with <b>NSDL</b></p>	<p>Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30</p>

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

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

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.



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

		<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
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"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details	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"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

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



- (xiii) Once you “**CONFIRM**” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “**Click here to print**” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
    - It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
    - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarial@ginnifilaments.com](mailto:secretarial@ginnifilaments.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.



6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company latest by 17.09.2022 through email at [secretarial@ginnifilaments.com](mailto:secretarial@ginnifilaments.com). Such questions shall be taken up during the meeting or replied within 7 days from the date of AGM by the Company suitably.
8. Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and client ID/Folio no, No. of shares, PAN, mobile number at [secretarial@ginnifilaments.com](mailto:secretarial@ginnifilaments.com) on or before 17.09.2022. Those Members, who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. **For Demat shareholders** -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. **For Individual Demat shareholders** – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.
4. 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](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33
5. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.



## EXPLANATORY STATEMENT

### *In terms of Regulation 36(5) of SEBI Regulations, 2015*

Members of the Company had approved the appointment of M/s. Doogar & Associates, Chartered Accountants (Firm Registration No. 000561N), New Delhi as the Statutory Auditor of the Company at the 34<sup>th</sup> Annual General Meeting (AGM) of the Company which is valid till 39<sup>th</sup> Annual General Meeting (AGM) i.e. forthcoming AGM of the Company.

M/s Doogar & Associates is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India (ICAI) vide Firm Registration No. 000561N. Firm has over 40 years standing with multi industry and multi-disciplinary experience. The firm offers wide gamut of professional services and provide a comprehensive range of fully coordinated services under a single umbrella which mainly includes audit & assurances, risk consulting & internal audit, taxation, corporate and financial advisory services and Business Valuations. The firm has presence in India with offices in Mumbai, Delhi (Head Office) & Agra. Firm has various large, medium & MNCs as clients across industry i.e., textile, hotel, real estate, infrastructure, steel, mobile, pharmaceuticals, power, seed, banking and financial sector. The firm is acting as auditors to various listed Companies.

In accordance with the provisions of the Companies Act, 2013 and on the recommendations of the Audit Committee and in the best interest of the Company, the Board of Director have considered and recommended proposed re-appointment of M/s Doogar & Associates, Chartered Accountants (Firm Registration No. 000561N) for another term of 5 years i.e. from the conclusion of this Annual General Meeting till the conclusion of 44<sup>th</sup> AGM. M/s Doogar & Associates have provided their consent and confirmed their re-appointment, if made, would be within the limits of Section 141(3)(g) of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, as amended from time to time. The details of the proposed remuneration to be paid to M/s Doogar & Associates for the financial year is Rs. 17,50,000/-

### *In terms of Section 102 (1) of the Companies Act, 2013:*

#### **ITEM NO. 4:**

Shri Shishir Jaipuria was appointed as Managing Director of the Company for a period of three (3) years w.e.f. 1<sup>st</sup> April, 2020. His present term will be concluded on 31<sup>st</sup> March, 2023. The Board of Directors of the Company at their meeting held on 29/07/2022 has re-appointed him as Managing Director of the Company for a further period of three (3) years with effect from 01/04/2023 on remuneration, as approved by the Nomination and Remuneration Committee, and as set out below:

- 1. Salary :** ₹ 11,80,000/- per month with annual increment of ₹ 80,000/- thereon. First increment will fall due on 1<sup>st</sup> April, 2024.
- 2. Commission :** Not exceeding 2% of the net profits of the Company, computed in the manner laid down under Section 197 and 198 of the Companies Act, 2013.
- 3. Perquisites :** The Managing Director shall be entitled to the following perquisites classified into Categories 'A' and 'B'.

#### **CATEGORY – 'A' :**

- i) Housing :** Free furnished residential accommodation or House Rent Allowance of 55% of salary in lieu thereof along with furniture & fixtures as per requirement.
- ii) Gas, Electricity, Water & Furnishings :** Expenses pertaining to gas, electricity, water and other utilities will be borne / reimbursed by the Company.
- iii) Medical Reimbursement :** Medical expenses incurred for self and his family.



- iv) **Leave Travel Concession** : For self and his family, as per rules of the Company.
- v) **Insurance** : As per Company rules and requirements.
- vi) **Car** : Free use of the Company's car(s) with driver.
- vii) **Club** : Fees of club(s).
- viii) **Telecom / Computer Facilities** : As per requirements.
- ix) **Travelling Expenses** : While travelling on the Company's business purposes, the Managing Director will be entitled to be accompanied by his wife, and the travelling and other incidental expenses incurred by his wife will also be borne/reimbursed by the Company.

The perquisites to be evaluated as per Income Tax Rules wherever applicable and actual cost to the Company in other cases. Family means the spouse and dependent children.

## CATEGORY – 'B' :

- i) Contribution to Provident Fund as per rules of the Company, to the extent the same is not taxable under the Income Tax Act, 1961.
- ii) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
- iii) Encashment of leave as per rules of the Company.

## MINIMUM REMUNERATION :

In the absence or inadequacy of profits in any financial year, the total remuneration to Shri Shishir Jaipuria, Managing Director by way of salary, commission and perquisites payable as aforesaid shall be the minimum remuneration subject to compliance of Part II, Section II of Schedule V of the Companies Act, 2013.

The aforesaid given information shall be deemed to be memorandum in accordance with Section 190 of the Act.

The statement containing information as required under Schedule V of the Companies Act, 2013 is annexed to the notice. Shri Shishir Jaipuria is not debarred from appointment as Director pursuant to any order of SEBI or any other authority.

In terms of Regulation 17 (6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 issued on May 9, 2018 ("Amended Listing Regulations") which is effective from 01.04.2019, the fees or compensation payable to managing director who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting, if:

- i. the annual remuneration payable to such executive director exceeds rupees 5 crore or 2.5 per cent of the net profits of the listed entity, whichever is higher; or
- ii. where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the listed entity:

and for the purposes of the above clauses, net profits shall be calculated as per section 198 of the Companies Act, 2013.

The Directors recommended the resolution for your approval as a special resolution.



None of the Directors, Key Managerial Personnel or their relatives except Shri Shishir Jaipuria, to whom the resolution relates, may be deemed to be financially interested upto the extent of remuneration drawn by him and Shri Saket Jaipuria being relative, may be demed to be interested or concerned otherwise in the proposed resolution.

## ITEM NO. 5:

Shri Suresh Singhvi was appointed as Whole-time Director of the Company for a period of two (2) years w.e.f. 1<sup>st</sup> August, 2020 to 31<sup>st</sup> July, 2022 and his tenure was concluded on 31<sup>st</sup> July, 2022. The Board of Directors of the Company at their meeting held on 29<sup>th</sup> July, 2022 has re-appointed him as Whole-time Director and designated as Director (Finance) & CFO of the Company for a further period of 2 years with effect from 1<sup>st</sup> August, 2022 on remuneration, as approved by the Nomination and Remuneration Committee, as set out below:

1. **Basic Salary** : ₹ 2,10,000 /- per month and ₹ 2,25,000/- per month with effect from 1<sup>st</sup> August, 2023.
2. **H.R.A.** : 55% of Basic Salary.
3. **Special Incentive** : ₹ 5,00,000/- per annum w.e.f. 1<sup>st</sup> August, 2022 on completion of the relevant years.

**Other Benefits** : In addition to Basic Salary, he would also be entitled to following benefits :

- (i) **Medical Allowance / reimbursement**: 8.33% of the Basic Salary
- (ii) **Leave Travel Allowance / reimbursement**: 8.33% of the Basic Salary
- (iii) **Newspaper/ magazines reimbursement**: Upto ₹ 1,500/- per month
- (iv) **Entertainment reimbursement**: Upto ₹ 5,000/- per month
- (v) **Telecom / Computer Facilities**: As per requirements
- (vi) **Car facility**: Car(s) with driver
- (vii) **Insurance**: As per policy of the Company / requirements.
- (viii) **Membership** fee of professional bodies
- (ix) **Provident Fund**: As per rules of the Company
- (x) **Gratuity**: As per rules of the Company.
- (xi) **Encashment of Leave**: As per rules of the Company.

## MINIMUM REMUNERATION:

In the absence or inadequacy of profits in any financial year, the total remuneration to Shri Suresh Singhvi, Wholetime Director by way of salary, commission and perquisites shall be governed by the limits prescribed in Part II, Section II of Schedule V of the Companies Act, 2013.

The statement containing information as required under Schedule V of the Companies Act, 2013 is annexed to the notice.

The Directors recommended the resolution for your approval as a special resolution.

None of the Directors, Key Managerial Personnel or their relatives or concerned or interested financially or otherwise, except Shri Suresh Singhvi, to whom the resolution relates, is financial interested or concerned in the proposed resolution.



## ITEM NO. 6:

The Board, on recommendation of the Audit Committee, has approved the re-appointment and remuneration of M/s K.G. Goyal & Associates, Cost Accountants (Firm Registration No.000024) as Cost Auditors to conduct the audit of the cost records of Spinning Units of the Company situated at Kosi Kalan (Distt. Mathura, UP) for the Financial Year ending 31<sup>st</sup> March, 2023 at a remuneration of Rs. 1,85,000/- (Rupees One Lakh Eighty Five Thousand only) plus applicable taxes and out of pocket expenses.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is required by way of an ordinary resolution for ratification of the remuneration payable to the Cost Auditors for the financial year ending on 31<sup>st</sup> March, 2023.

The Directors recommend the resolution for your approval as an ordinary resolution.

None of the Directors, Key Managerial Personnel or their relatives, is interested or concerned in the proposed resolution.

Place: Noida

Date: 29<sup>th</sup> July, 2022

**By Order of the Board**

Bharat Singh

**Company Secretary**

**Membership No. F6459**

## STATEMENT IN TERMS OF SCHEDULE V OF THE COMPANIES ACT, 2013 RELATING TO REMUNERATION PAYABLE TO WHOLE TIME DIRECTOR

### I. GENERAL INFORMATION:

1.	Nature of Industry	Textile Industry		
2.	Date or expected date of commencement of commercial production	The Company had commenced production in 1990.		
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable  <i>(Rs. in Lacs)</i>		
4.	Financial performance based on given indicators	<b>FINANCIAL RESULTS</b>	<b>2021-22</b>	<b>2020-21</b>
		Total Revenue	<b>108949.99</b>	<b>78089.26</b>
		Profit before Depreciation, Finance Cost & Tax	<b>12454.07</b>	<b>11537.39</b>
		Less : Finance Cost	<b>2436.60</b>	<b>2711.04</b>
		Less: Depreciation and Amortisation Expenses	<b>2580.58</b>	<b>2479.88</b>
		Profit before Tax	<b>7436.89</b>	<b>6346.47</b>
		Provision for Tax		
		- Current	<b>2633.07</b>	<b>2462.98</b>
		- Deferred Tax	<b>(43.35)</b>	<b>(246.07)</b>
		- Income Tax earlier year	<b>10.86</b>	<b>-</b>
		Profit after Tax	<b>4836.31</b>	<b>4129.56</b>
5.	Foreign Investments or collaborators, if any	The Company has neither made any foreign investments nor has any collaboration.		





## II. INFORMATION ABOUT THE APPOINTEE:

### 1. BACKGROUND:

#### SHRI SHISHIR JAIPURIA:

A renowned industrialist, having vast experience in Textile, Sugar, Media and Education Sector. Currently serving as Managing Director of Ginni Filaments Ltd, an integrated textile company, which produce yarn, fabrics, garments and technical textiles. He is presently Chairman of Textile & Technical Textile Committee of Federation of Indian Chambers of Commerce & Industry (FICCI) and Executive Committee Member of PHD Chamber of Commerce & Industry (PHDCCI). He is also Chairman of Jaipuria Group of Educational Institutions comprising a chain of K-12 schools, Pre-schools and two Management Institutions under its aegis. Jaipuria Group of Educational Institutions has a combined strength of more than 20000 students and 15000 alumni. A philanthropist, he chairs the Char Dham Ved Nyas, a Trust operating Sanskrit and Vedic education from primary to post graduate levels at five most auspicious centres of Indian religious pilgrimage. Besides, he chairs charitable trusts that run hospitals and guest houses at different places in India.

He was earlier Managing Director of The Pioneer Limited, a leading Newspaper in Uttar Pradesh. Formerly, he was on the Board of National Skill Development Corporation (NSDC). In the past he has served as Chairman of Confederation of Indian Textile Industry (CITI), Chairman of Northern India Textile Research Association (NITRA) and Chairman of Northern India Textile Mills Association (NITMA).

#### SHRI SURESH SINGHVI:

Shri Suresh Singhvi is a Chartered Accountant and also a Law Graduate having around 41 years of experience in finance, accounts and legal matters. Before joining the Company he served for some of the reputed business groups of the Country. He is working with the Company at the top level since long time and has contributed tremendously in growth of the Company.

### 2. PAST REMUNERATION:

Past Remuneration paid to Shri Shishir Jaipuria for the year 2021-22 are as under:

(Rs. in Lacs)

	Salary	Perquisites & Others	Total
Shri Shishir Jaipuria	186	185.63	371.63
Shri Suresh Singhvi	42.24	8.49	50.73

### 3. RECOGNITION OR AWARDS : NIL

### 4. JOB PROFILE AND THEIR SUITABILITY

#### SHRI SHISHIR JAIPURIA:

Shri Shishir Jaipuria has been looking after the overall operations of Company including financial planning and overall control of the Company and various other responsibilities as are assigned by the Board of Directors from time to time. During his tenure as Managing Director, the Company has undertaken various expansion / diversification plans and has improved its operating efficiency substantially.

#### SHRI SURESH SINGHVI :

Shri Suresh Singhvi is managing the whole finance and accounts related operations under the overall supervision and guidance of MD and Board of Directors of the Company. He has successfully managed financing of several expansion/ diversification projects of the Company.

### 5. REMUNERATION PROPOSED:

As per details given in the Explanatory Statement enclosed to the Notice of AGM.



## 6. COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRY, SIZE OF THE COMPANY, PROFILE OF THE POSITION AND PERSON

Considering the size of the Company, the profile of the Whole time Director, the responsibilities shouldered by them, the aforesaid remuneration is commensurate with the remuneration being drawn by persons of similar position in other Companies.

## 7. PECUNIARY RELATIONSHIP DIRECTLY OR INDIRECTLY WITH THE COMPANY, OR RELATIONSHIP WITH THE MANAGERIAL PERSONNEL, IF ANY

Besides the remuneration proposed and their shareholding in the Company, the Managing Directors and Wholetime Directors have no pecuniary relationship with the Company except the transactions with the related parties in the ordinary course of business. Shri Shishir Jaipuria, Chairman & Managing Director and Shri Saket Jaipuria, Executive Director cum President are related to each other. Further that Shri Shishir Jaipuria hold 3429033 Equity Shares of the Company, whereas Shri Saket Jaipuria hold 6136008 Equity Shares of the Company.

### III. OTHER INFORMATION:

#### 1. Reasons of loss or inadequate profits

The Company may have inadequate profits in future due to unexpected adversities due to cyclical nature of textile business and unforeseen variant of Corona which may result into operational constraints and impact profits, therefore we are taking it as an enabling provision for the upcoming years.

#### 2. Steps taken or proposed to be taken for improvement:

Company is exploring new products and markets for better results. Company is also taking measures of cost saving where possible.

#### 3. Expected increase in productivity and profits in measurable terms

The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

### IV. DISCLOSURES:

The remuneration packages of all the managerial persons are given in the respective resolutions.

The required information about the terms and conditions of re-appointments is given in Explanatory Statement annexed to this Notice.

Place: Noida

Date: 29<sup>th</sup> July, 2022

**By Order of the Board**

Bharat Singh

**Company Secretary**

**Membership No. F6459**

# GINNI FILAMENTS LIMITED



**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING AS REQUIRED UNDER REGULATION 36(3) OF SEBI (LODR) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2 ISSUED BY INSTITUTE OF COMPANIES SECRETARIES OF INDIA**

<b>Name of the Directors</b>	<b>Shri Shishir Jaipuria, Chairman &amp; Managing Director</b>	<b>Shri Suresh Singhvi, Whole-time Director, designated as Director Finance and CFO</b>
DIN Number	00274959	00293272
Date of Birth	07.04.1957	21.11.1953
Nationality	Indian	Indian
Date of Appointment	14.02.1990	30.07.2009
Qualification	B. Com., LLB	B.Com., LL.B, FCA
Brief Resume and Experience / Expertise	<p>A renowned industrialist, having vast experience in Textile, Sugar, Media and Education Sector. He is having 38 years of experience in textile industry and currently serving as Chairman &amp; Managing Director of Ginni Filaments Ltd, an integrated textile company, which produce yarn, fabrics, garments and technical textiles. He is presently Chairman of Textile &amp; Technical Textile Committee of Federation of Indian Chambers of Commerce &amp; Industry (FICCI) and Executive Committee Member of PHD Chamber of Commerce &amp; Industry (PHDCCI). He is also Chairman of Jaipuria Group of Educational Institutions comprising a chain of K-12 schools, Pre-schools and two Management Institutions under its aegis. Jaipuria Group of Educational Institutions has a combined strength of more than 20000 students and 15000 alumni. A philanthropist, he chairs the Char Dham Ved Nyas, a Trust operating Sanskrit and Vedic education from primary to post graduate levels at five most auspicious centres of Indian religious pilgrimage. Besides, he chairs charitable trusts that run hospitals and guest houses at different places in India.</p> <p>He was earlier Managing Director of The Pioneer Limited, a leading Newspaper in Uttar Pradesh. Formerly, he was on the Board of National Skill Development Corporation (NSDC). In the past he has served as Chairman of Confederation of Indian Textile Industry (CITI), Chairman of Northern India Textile Research Association (NITRA) and Chairman of Northern India Textile Mills Association (NITMA).</p>	<p>Shri Suresh Singhvi is a Chartered Accountant and also a Law Graduate having around 41 years of experience in finance, accounts and legal matters. Before joining the Company he served for some of the reputed business groups of the Country. He is working with the Company at the top level since long time and has contributed tremendously in growth of the Company.</p>
Name of Listed entities in which the person also holds the directorship and the membership of Committees of the Board	NIL	NIL
Remuneration last drawn (in Lakhs)	Rs. 371.63/- (for financial year 2021-22)	Rs. 50.73 (For Financial year 2021-22)



Terms and conditions of re-appointment along with the details of remuneration sought to be paid	As mentioned in the explanatory statement	As mentioned in the explanatory statement
Relationship with other Directors, Manager and other Key Managerial Personnel	Shri Shishir Jaipuria, Chairman and Managing Director of the Company is the father of Shri Saket Jaipuria, Whole-time Director (Designated as the Executive Director cum President)	Nil
Number of listed entity from which the person has resigned since last 3 years	Nil	Nil
Directorship held in other Companies	1. The India Thermit Corporation Ltd. 2. PHD Chamber of Commerce and Industry 3. JNG Construction Pvt Ltd. 4. Ginni Consumer Private Limited 5. Institute Incubation & Innovation Council (I3c)-IIT Jammu	1. SRJ Edu Services Pvt Ltd. 2. JNG Construction Pvt Ltd
Membership/ Chairmanship of committees held in other Indian companies	Nil	Nil
Number of Board Meetings attended	Shri Shishir Jaipuria attended all the Board Meetings for the Financial year 2021-22	Shri Suresh Singhvi attended all the Board Meetings for the Financial year 2021-22
No. of Shares & % of shares held	3429033 (4.00%)	Nil
Shareholding of Non Executive Directors in the listed entity, including shareholding as a beneficial owner	N.A	N.A.



## DIRECTORS' REPORT

Your Directors have pleasure in presenting their report on the business and operation of your Company together with the Audited Financial Statements for the year ended March 31, 2022.

### FINANCIAL HIGHLIGHTS

(₹ in Lacs)

FINANCIAL RESULTS	2021-22	2020-21
Total Revenue	108949.99	78089.26
Profit before Depreciation, Finance Cost & Tax	12454.07	11537.39
Less : Finance Cost	2436.60	2711.04
Less : Depreciation and Amortisation Expenses	2580.58	2479.88
Profit before Tax	7436.89	6346.47
Provision for Tax		
- Current	2633.07	2462.98
- Deferred Tax	(43.35)	(246.07)
- Income Tax earlier year	10.86	-
Profit after Tax	4836.31	4129.56

### DIVIDEND AND RESERVES

Your Directors do not recommend any dividend for the financial year ended March 31, 2022 and no amount has been transferred to General Reserve.

### OPERATIONS AND STATE OF COMPANY AFFAIRS

During the year under review revenue has increased to Rs. 108949.99 as compare to previous year of Rs. 78089.26 Lacs and Company earned profit of Rs. 4836.31 against the profit in previous year of Rs. 4129.56 lacs.

### SHARE CAPITAL

During the year 2021-22, the Company had allotted remaining 65,00,000 convertible warrants into equity shares out of the 1,50,00,000 warrants of the Company at a price of Rs. 12.50/- each (including a premium of Rs. 2.50/- each) to the promoter group Companies on receipt of Rs. 6,09,37,500 and the said sum is the balance 75% of such warrants paid at the time of allotment of equity shares pursuant to exercise of the options attached to warrants to subscribe equity shares.

### MANAGEMENT DISCUSSION AND ANALYSIS

Management Discussion and Analysis, as required under Regulation 34(3) of SEBI (LODR) Regulations, 2015 read with Schedule V of said Regulations, forms part of this Board's report and is annexed as **Annexure – 'A'**.

### DIRECTORS, KEY MANAGERIAL PERSONNEL AND COMMITTEES

As per provision of Section 152 of the Companies Act, 2013 Shri Shishir Jaipuria, Managing Director, retires by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

The Independent Directors namely Shri Joginder Pal Kundra, Dr. Har Prasad Bhattacharya, Shri Jugal Kishore Bhagat and Smt. Manju Rana have given their declaration of independence in terms of Section 149 of the Companies Act, 2013. Meeting of the Independent Directors excluding all other Directors and officials of the Company was held as required under, Rule 8 of Schedule IV to the Companies Act, 2013 and Regulation 25 of SEBI (LODR) Regulations, 2015 wherein they reviewed the performance of the Executive Directors of the Company, Chairman of the Company and assessed the quality, quantity and timelines of flow of information.

The company has several Committees and the details alongwith its meetings have been included in the Corporate Governance report.

Further during the Financial Year 2021-22, Shri Sushil Chandra Tripathi, Independent Director had passed away due to prolonged illness because of Covid-19 and therefore ceased as the director of the Company w.e.f. May 19, 2021.



The Board of Directors of the Company at its meeting held on February 8, 2022 has reappointed Shri Saket Jaipuria as Executive Director cum President of the Company for the period of three years w.e.f. 11<sup>th</sup> February, 2022 to 10<sup>th</sup> February, 2025 on remuneration as approved by the Nomination and Remuneration Committee (NRC). Further, his appointment was approved by shareholders by passing Special Resolution through postal ballot dated March 23, 2022.

## ANNUAL EVALUATION BY THE BOARD

For performance evaluation of the Board as stipulated under Listing Regulations and Section 134 of the Companies Act, 2013 read with Rule 8(4) of the Companies (Account) Rules, 2014, a formal Annual Evaluation process has been carried out for evaluating the performance of the Board, its Committees and the individual Directors. The performance of the Board was evaluated by the Board after seeking inputs from all directors on basis of criteria, such as, board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking input from the Committee members on the basis of criteria, such as, composition of Committees, effectiveness of Committee meetings, etc. The Board and the NRC reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, performance of Non Independent Directors and performance of the Board as a whole was evaluated. Further, they also evaluated the performance of the Chairman of the Company, taking into account the views of the Executive Directors and Non-executive Directors. Additionally, the Independent Directors in the said meeting also evaluated 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 above evaluations were discussed in the board meeting and NRC at which the performance of the board, its committees, and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has in place the Vigil Mechanism / Whistle Blower Policy with a view to provide for adequate safeguards against victimization of persons who use such mechanism and made provisions for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. The details of the Vigil Mechanism and whistle Blower Policy are available on the website of the Company i.e. [www.ginnifilaments.com](http://www.ginnifilaments.com) .

## NOMINATION AND REMUNERATION POLICY

The salient features of Nomination and Remuneration Policy of the Company is annexed to this report as **Annexure–‘B’**. The Nomination and Remuneration Policy as approved by the Board may be accessed on the Company’s website i.e. [www.ginnifilaments.com](http://www.ginnifilaments.com).

## MEETINGS OF THE BOARD

During the year under review, five (5) Board Meetings were held on 14<sup>th</sup> May 2021, 27<sup>th</sup> July, 2021, 20<sup>th</sup> August, 2021, 09<sup>th</sup> November, 2021 and 08<sup>th</sup> February, 2022 and four (4) Audit Committee meetings were held on 14<sup>th</sup> May 2021, 27<sup>th</sup> July, 2021, 09<sup>th</sup> November, 2021 and 08<sup>th</sup> February, 2022. In accordance with the requirement from time to time other Committee meetings were held and one separate meeting of Independent Directors was also held. The attendance of the Directors who attended the Board Meetings and Committees thereof has been included in the Corporate Governance Report.

## CODE OF CONDUCT

The Code of conduct laid down by the Board is in operation in the Company. All Board members and senior management personnel have affirmed the compliance with the code. The declaration to this effect is enclosed to the Corporate Governance Report.



## **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, to the best of knowledge and belief and according to the information and explanations obtained, your Directors make the following statements that :

- a. in the preparation of the annual accounts for the year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b. the Directors had 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 and loss of the Company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. the Directors had prepared the annual accounts on a going concern basis;
- e. 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
- f. 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.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Particulars of Loans, Guarantees or Investments are provided in the Financial Statements of the Company. Please refer to Note No. 7 of the Financial Statements of the Company.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The Policy on Related Party Transactions may be assessed at the Company's website at [www.ginnifilaments.com](http://www.ginnifilaments.com) . During the year under review, there were no material contracts or arrangements with the related parties refer to in Section 188 of the Companies Act, 2013.

Disclosure related to transactions of the listed entity with person or entities belonging to the promoter/promoter group which holds 10% or more shareholding in the Company have been disclosed in the accompanying Financial Statement of the Company. Please refer to Note No. 43 of the Financial Statement of the Company.

## **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**

The Independent Directors on the Board of the Company are well versed with the Company's business model and the nature of industries in which it is operating.

The Directors are also kept updated with information of the Company, the industry and developments in different segments in which the Company operates at the Board meetings while reviewing the operations, quarterly/annual financial results and considering the budgets.

A familiarization programme for IDs laid down by the Board has been posted on the Company's website at [www.ginnifilaments.com](http://www.ginnifilaments.com).

## **RISK MANAGEMENT**

The company has a risk management committee which has the responsibility to identify the risk and suggest the management the mitigation plan for the identified risks in accordance with the risk management policy of the Company. The detail of risks and other concerns are included in the Management Discussion and Analysis which is the part of this Directors' Report.



## CORPORATE SOCIAL RESPONSIBILITY

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and applicable Rules and recent amendments, for the year ended March 31, 2022, your Company has during the year 2021-22 spent upto two percent of the average net profits of your Company during the three preceding financial years. The Company approved the fund of CSR contribution of Rs. 38.61/- lacs for the Financial Year 2021-22 out of which Rs. 9.67 Lacs had been spent for the construction of cremation ground on the request of local administration under Corporate Social Responsibility (CSR) activity. Further the Company had also spent Rs. 28.94 lacs towards advancement of education for the students as requested by Seth Anandram Jaipuria Education Society. The details are provided in the Annual Report on CSR activities

Acknowledging its responsibility towards the society, your Company has put in place a CSR Policy, which may be referred to at the Company's website [www.ginnifilaments.com](http://www.ginnifilaments.com). The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended ("CSR Rules") is annexed as **Annexure- C** and forms an integral part of this Report.

## EXTRACT OF THE ANNUAL RETURN

A Copy of the Annual Return of the Company containing the particulars, prescribed u/s 92 of the Companies Act, 2013, in form MGT-7 is uploaded on the website of the Company i.e. [www.ginnifilaments.com](http://www.ginnifilaments.com)

## FIXED DEPOSITS

The Company has neither invited nor accepted any deposits from the public or its employees under section 73 of Companies Act, 2013 and rules made thereunder, during the year under review.

## DETAILS OF MATERIAL CHANGES AND COMMITMENTS

There is no significant and material order passed by any of regulators, court of law or tribunals impacting the going concern status of the company or impacting its operations in future.

## ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has an internal financial controls system, commensurate with the size, scale and complexity of its operation. The details have been included in the Management Discussion and Analysis which is the part of this Board's Report.

## STATUTORY AUDITORS

M/s. Doogar & Associates, Chartered Accountants (Firm Registration No. 000561IN) Statutory Auditors of the Company were appointed as Auditor of the Company at 34<sup>th</sup> Annual General Meeting held on August 5, 2017, to hold office from the conclusion of 34<sup>th</sup> AGM until the conclusion of 39<sup>th</sup> AGM.

M/s. Doogar & Associates, Chartered Accountants (Firm Registration No. 000561IN) has furnished a certificate of their eligibility and consent under Section 139 and 141 of the Act and the Companies (Audit and Auditors) Rules 2014 for their re-appointment as the Statutory Auditors of the Company for another term of 5 (five) years. In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI-

Accordingly, the Board of Directors of the Company at their meeting held on 6<sup>th</sup> May, 2022, on the recommendation of the Audit Committee and subject to the approval of the shareholders of the Company in the ensuing AGM, have approved the re-appointment of M/s. Doogar & Associates, Chartered Accountants (Firm Registration No. 000561IN) as Statutory Auditors, for a second term of 5 consecutive years i.e., from the conclusion of the 39<sup>th</sup> AGM till the conclusion of 44<sup>th</sup> AGM of the Company.

## AUDITOR'S REPORTS

The Auditors Report on the Audited Financial Statement of the Company for the year ended 31<sup>st</sup> March, 2022 do not contain any qualification, reservation or adverse remark so need not require any explanation or comment.





## **COST AUDITOR**

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s K. G. Goyal & Associates, Cost Accountants (Firm Registration No. 000024), as Cost Auditor to audit the cost accounts of the Company for the Financial Year 2022-23. In accordance with the provisions of Section 148 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the cost Auditors requires ratification by the shareholders of the company.

## **COST RECORDS**

The Cost accounts and records as required to be maintained under Section 148 (1) of Act are duly made and maintained by the Company.

## **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed Mr. Praveen Rastogi, Proprietor of M/s Praveen Rastogi and Co., Company Secretary in practice as Secretarial Auditor of the Company to conduct the Secretarial Audit for the Financial Year ended March 31, 2022. The Secretarial Audit Report is annexed as **Annexure –‘D’**.

The Secretarial Audit Report for the Financial Year ended on March 31, 2022 issued by Secretarial Auditor do not contain any qualification, reservation or adverse remark so need not require any explanation or comment,

## **CHANGE IN NATURE OF BUSINESS:**

During the year under review, there has been no change in the Company's nature of business.

## **THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF DURING THE FINANCIAL YEAR:**

Not applicable during the financial year.

## **NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

There are no companies which have become or ceased to be subsidiary, joint venture and / or associate of the company during the financial year 2021-22.

## **SECRETARIAL STANDARD**

The Company is in Compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

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

A statement giving details of conservation of energy, technology absorption, foreign exchange earnings and out-go, in accordance with the requirement of the Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Account) Rules, 2014 forms part of this Board's Report and is annexed as **Annexure - 'E'**.

## **REMUNERATION AND PARTICULARS OF EMPLOYEES**

The information in accordance with the provisions of Section 197 of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure – 'F'**.



## CORPORATE GOVERNANCE

Your Company is in compliance with the requirements and disclosures with respect to the report of Corporate Governance as required under Regulation 34 read with Schedule V of SEBI (LODR) Regulations, As a listed company, necessary measures are taken to comply with the requirements of regulations of SEBI (LODR) Regulations, 2015. A report on Corporate Governance as stated above, along with a certificate of compliance from the Auditor, M/s Praveen Rastogi and Co., Company Secretary, forms part of this Board's Report and is annexed as **Annexure - 'G'**.

### COMPOSITION OF AUDIT COMMITTEE

As on the date of this report, the Audit Committee comprises of 4 Non Executive Independent Directors, viz., Shri J. P. Kundra (Chairman of the Committee), Shri J.K. Bhagat, Dr. H.P. Bhattacharya and Smt Manju Rana and one Executive Director i.e. Shri Shishir Jaipuria as Members.

### COMPOSITION OF OTHER COMMITTEE

Details regarding Composition of other Committees of the Board are mentioned in the Corporate Governance Report forming part of this Annual Report.

### THE DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE FINANCIAL YEAR

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the financial year 2021-22.

### DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted committee under the sexual harassment of women at workplace (prevention, prohibition and Redressal) Act, 2013 and complied with the provisions of the same.

The Company is committed to provide a safe and conducive work environment to its employees during the financial year. Your Directors further state that during the financial year, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### INDUSTRIAL RELATIONS

The Company continued to maintain harmonious and cordial relations with its workers in all its divisions, which enabled it to achieve high performance level on all fronts.

### ACKNOWLEDGEMENT

The Directors wish to convey their deep appreciation for the cooperation and assistance received from its stakeholders, valued customers, suppliers, banks, financial institutions, government authorities and stock exchanges. The Directors also wish to place on record their sincere appreciation of the devoted and dedicated services rendered by all Executives, Staff Members and Workmen of the Company.

Place : NOIDA (U.P.)

Date : 06/05/2022

For and on behalf of the Board of Directors  
SHISHIR JAIPURIA  
Chairman & Managing Director



## MANAGEMENT AND DISCUSSION ANALYSIS

The Management of the Company is pleased to present its Report on Industry scenario including Company's performance during the financial year 2021-22.

### **1. Industry Structure and Developments**

Global economy has been affected in recent past due to USA-China trade relations and severe jolt of COVID-19. Current escalation of war between Russia and Ukraine has further dampened the sentiments and this has led to considerable reduction in all kind of economic activities and investment which led to depressed consumer sentiments. Textile Industry has not been aloof from the same and the imports of textile and clothing in USA, Europe, Japan etc. declined sharply. However, with the decline of COVID cases, the global markets for textile and apparel have started showing some growing demand.

The textiles and apparel industry in India has strengths across the entire value chain from fiber, yarn, fabric to apparel. The Indian textile and apparel industry is highly diversified with a wide range of segments ranging from products of traditional handloom, handicrafts, wool, and silk products to the organized textile industry in India. The organized textile industry in India is characterized by the use of capital-intensive technology for the mass production of textile products and includes spinning, weaving, processing, and apparel manufacturing.

Technical textiles industry is at a nascent stage in India and hence, holds a vast potential for growth. With the government's aim to create world class infrastructure in the country, in addition to the implementation of several policies and schemes to boost the textile sector, technical textiles is poised for growth. Useful physical properties such as durability, elasticity and versatility with hygiene and cost effectiveness make technical textiles even more useful in times of changing climate, global warming, and complex industrial processes. Presence of large and global and domestic players has influenced the growth in technical textiles and has helped build sector prominence.

### **2. Opportunities and Threats**

Fundamentally, the Indian Textile industry is supported by rich resources of raw materials availability in India. It is one of the largest producers of cotton in the world and is well placed in manufacturing of fibres like polyester, silk, viscose, jute, etc. It has highly trained and skilled manpower and has advantage of wage rates.

The Government has approved the Production Linked Incentive (PLI) Scheme for promotion of MMF Apparel, MMF Fabrics and Products of Technical Textiles. Incentives under the scheme will be available for 5 years period i.e. during FY 2025-26 to FY 2029-30 on incremental turnover achieved during FY 2024-25 to FY 2028-29 with a budgetary outlay of Rs. 10,683 crore.

The Current Cotton shortage and high prices is reversing good performance achieved during recent past. The frequently changing policies stated by the government at the central and state levels create an immense pressure on the textile industry. The GST applied on the products make the garments and clothes even more expensive. Broken value chain in GST has created input credit accumulation issues.

Another challenge that the textile industry faces is the limitation to access the latest and best technology while also failing to meet the global standards in the competitive export market. Apart from these issues like child labour, competition from neighbouring countries regarding low-cost garments, personal safety norms are some of the challenges the Indian textile industry faces.

### **3. Segment-wise or product-wise performance**

The Company has presently operated in textile and consumer products segments. The textile segment includes spinning, Knitting, fabric processing garment and spunlace nonwoven fabric, a technical textile product.

During recent past, Spinning and Fabric industry have shown improved working and Company has also achieved better results.

Company's technical textiles and Consumer product segments are showing consistent good performance for a long period of time.



#### 4. **Risks and Concerns**

The effect of COVID-19 has been a big concern to the textile industry due to the closure of retail markets and consumer sentiments throughout the world.

Beside COVID-19 concern, there are some inherent risk and concern to Indian textile like competition from low cost countries, favorable trade agreements between some countries, high power cost, high labour costs, low labour, productivity, low cotton yield.

Lower availability of cotton with high cotton prices during current cotton season is also a big concern.

#### 5. **Internal Control System and their adequacy**

The company has Internal Control System commensurate with the size, scale and complexity of its operations. The framework has been designed to provide reasonable assurance with respect to recording and providing reliable financial and operational information, complying with applicable laws, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliance with corporate policies. The controls, based on the prevailing business conditions and processes have been tested during the year and no reportable material weakness in the design or effectiveness was observed.

The use of ERP platform and internal audit by independent Chartered Accountant firm with vast experience and knowledge further strengthens Internal control system.

#### 6. **Outlook**

The consumption of textile products is an essential requirement of human needs and therefore, the long term outlook of the textile Industry globally and in India must have consistent performance. The strong availability of all fibers provide a positive outlook for textile industry in India.

However, the covid-19 has temporarily affected such outlook, with the vaccination of large part of world population, would revive the demand of textile products and the future outlook is showing positive trends. The increasing domestic consumption in India is also indicating for a better future.

#### 7. **Financial performance with respect to operational performance.**

The same is referred to Audited Financial Statement which is forming part of the Annual Report of 2021-22 may be referred, however the overall financial performance figures are indicated in Directors report which is further enumerated below;

(₹ in Lacs)

<b>FINANCIAL RESULTS</b>	<b>2021-22</b>	<b>2020-21</b>
Total Revenue	108949.99	78089.26
Profit before Depreciation, Finance Cost & Tax	12454.07	11537.39
Less : Finance Cost	2436.60	2711.04
Less : Depreciation and Amortisation Expenses	2580.58	2479.88
Profit before Tax	7436.89	6346.47
Provision for Tax		
Current	2633.07	2462.98
Deferred Tax	(43.35)	(246.07)
- Income Tax earlier year	10.86	-
Profit after Tax	4836.31	4129.56

#### 8. **Human Resources / Industrial Relations**

The Company believes that the human resources are the most critical element responsible for growth. Company strives towards attracting, retaining and developing the best talent required for the business to grow. The employees are regularly provided with training and development programmes to enhance their skills and focus on career progression. Company nurtures a work culture that leads to employee satisfaction, unflagging motivation and high retention rate.

Company HR policies ensure working together with the employees for their personal and professional development and at the same time aligning their goals with those of the Company to create a win-win situation. Company focus on ensuring transparent, safe, healthy, progressive and engaging work environment is aimed at creating leaders of the future. Employees have a sense of belongingness and feel empowered in driving business profitability. The well-



disciplined workforce who has served the Company for thirty years lies at the very foundation of the company's major achievements. The focus is on adopting best practices to ensure better work life balance for the employees of the Company.

## 9. Details of Significant Changes in Key Financial Ratios

### Key Financial Ratios

<u>Ratios</u>	<u>2022</u>	<u>2021</u>	<u>Change</u>	<u>Remarks</u>
Debtors Turnover	8.66	7.11	21.80%	N.A.
Inventory Turnover	4.96	4.39	12.98%	N.A.
Interest Coverage Ratio	4.05	3.65	10.96%	N.A.
Current Ratio	1.32	1.15	14.78%	N.A.
Debt Equity Ratio	1.11	0.96	15.63%	N.A.
Operating Profit Margin %	6.18	8.15	(24.17%)	N.A.
Net Profit Margin %	4.35	5.31	(18.08%)	N.A.
Return on Net Worth %	18.20	19.47	(6.52%)	N.A.

## 10. Cautionary Note

Statement in this management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute Forward Looking statement within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

**Annexure – 'B'**

### **SALIENT FEATURES OF THE NOMINATION AND REMUNERATION POLICY**

#### **THE POLICY SHALL BE APPLICABLE TO:**

1. The Board of Directors of the Company
2. KMP of the Company
3. Senior Management of the Company
4. Such other person(s) as may be prescribed by the law time being in force

#### **EFFECTIVE DATE**

This policy shall be effective from May 02, 2014.

#### **CRITERIA FOR IDENTIFICATION AND REMOVAL OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL**

##### **Criteria for Identification**

The Committee shall identify and determine the integrity, qualification, Positive attributes, expertise and experience of the person for appointment as Director, KMPs or SMPs and recommend to the Board his / her appointment. The criteria for determining independence of an Independent Director and qualification of a Director shall be governed by the Companies Act, 2013 and rules made there under. A person should possess requisite qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether the qualification, expertise and experience possessed by a candidate are adequate for the concerned proposed position. The HR policy of the Company shall be applicable to KMPs and SMPs. The minimum and maximum age limit of persons shall be governed by HR policy of



the Company and all applicable laws for the time being in force and may be relaxed or extended subject to compliance of applicable provisions of law / rule / regulations. It will be ensured by the Committee that (a) The composition of the Board in terms of capabilities diversity and independence is appropriate (b) The succession planning is robust (c) Remuneration Policy structures are appropriate to attract & retain talent at the Board and Senior Management level.

## **Criteria for Removal:**

Removal of any Director, who is disqualified, under Companies Act, 2013 and rules made there under or due to any other reason recorded in writing. Removal of any KMPs / SMPs, who is disqualified due to any reason recorded in writing.

## **MANNER & CRITERIA OF FORMAL ANNUAL EVALUATION**

### (1) Board as a whole

- Structure of Board including Composition/Diversity/ Process of appointment /qualifications/experience, etc
- Fulfillment of functions of the Board (for instance guiding corporate strategy, risk policy, business plans, corporate performance, monitoring Company's governance practices etc., as per the Act and Listing Regulations).
- Meetings of Board (Number of Board Meetings held during the year including quality/quantity/timing of circulation of agenda for Board Meetings, approval process/recording of minutes and timely dissemination of information to Board.
- Professional Development and Training of Board of Directors as required

### (2) Board Committees

- Composition of Committee
- Fulfillment of functions of the Committee with reference to its terms of reference, the Act and the Listing Regulations.
- Number of committee meetings held during the year.

### (3) Individual Directors

- Fulfillment of responsibilities as a director as per the Act, the Listing Regulations and applicable Company policies and practices.
- In case of the concerned director being Independent Director, Executive Director, Chairperson of the Board or Chairperson or member of the Committees, with reference to such status and role;
- Board and/or Committee meetings attended and General meetings attended.

## **POLICY ON REMUNERATION**

### **Remuneration to Directors:**

1. The Non Executive Directors including Independent Directors shall be paid sitting fee as may be decided by the Board from time to time for attending meetings of Board and Committees thereof subject to ceiling limit as provided in Companies Act, 2013 and rules made there under. The out of pocket expenses incurred by Directors to attend the meetings shall be reimbursed. The Non Executive Directors including Independent Directors may also be paid commission in accordance with provisions of the Companies Act, 2013 and rules made there under.
2. The Executive Directors including Managing Director(s) shall be paid remuneration as recommended by Nomination and Remuneration Committee considering their qualification, experience and market condition.



## Remuneration to KMPs / SMPs:

The KMPs / SMPs shall be paid remuneration in accordance with their term of appointment and such remuneration shall be based on total cost to company (CTC) which may include a balance between fixed and incentive pay.

The above remuneration shall be subject to annual increments which will be based on his / her performance as per annual appraisal of KMPs / SMPs in accordance with HR policy of the Company.

## Annexure-C

### Format for the Annual Report on CSR Activities to be Included in the Board's Report For Financial Year Commencing on or After 1st Day of April, 2020

1. Brief outline on CSR Policy of the Company.

The brief outline of CSR policy has been enumerated in the Board Report under the Para Corporate Social Responsibilities.

2. Composition of CSR Committee\*:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year

\*The constitution of the Corporate Social Responsibility Committee shall not be applicable to the Company because the liability towards CSR activity is not exceeding Rs. 50.00 lacs.

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. [www.ginnifilaments.com](http://www.ginnifilaments.com)

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

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
<b>Not Applicable</b>			

6. Average net profit of the company as per section 135(5). Rs. 1930.70 Lacs

7. (a) Two percent of average net profit of the company as per section 135(5)- Rs. 38.61 Lacs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.- Not Applicable

(c) Amount required to be set off for the financial year, if any- Not Applicable

(d) Total CSR obligation for the financial year (7a+7b-7c). Rs. 38.61 Lacs

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



Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
Rs. 38.61 Lacs	Not Applicable				

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	Not Applicable											
	Total											

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1.	Construction of Cremation Ground	rural development projects	Yes	UP	Chhata	Rs. 966,875/-	No	Not Applicable	Not Applicable
2.	Advancement of education to the students	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	UP	Kanpur	Rs. 28,94,125/-	Yes	Seth Anandram Jaipuria Education Society	CSR00016919
	<b>Total</b>					Rs. 38,61,000/-			

(d) Amount spent in Administrative Overheads- Nil

(e) Amount spent on Impact Assessment, if applicable- Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- Rs. 38.61 Lacs





(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 38.61 Lacs
(ii)	Total amount spent for the Financial Year	Rs. 38.61 Lacs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.				Nil			
	Total						

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
1					Nil			
	Total							

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

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).  
**Not Applicable**

Place : NOIDA (U.P.)  
Date : 06/05/2022

For and on behalf of the Board of Directors  
SHISHIR JAIPURIA  
Chairman & Managing Director



## SECRETARIAL AUDIT REPORT

### FORM MR-3

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2022

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014}

To,

The Members,

#### GINNI FILAMENTS LIMITED

We have conducted the Secretarial Audit of the compliance of applicable statutory provision and the adherence to good corporate practice by **GINNI FILAMENTS LIMITED** (hereinafter called the "Company") having **CIN L71200UP1982PLC012550**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

Based on your verification of the Companies book, paper, minute book, form and return filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit.

We hereby report that in our opinion, the Company has during the audit period covering the financial year ended 31<sup>st</sup> March 2022 ('Audit Period') complied with the statutory provision listed hereunder and also that the Company has proper Board – processes and compliance – mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and return filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provision of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder:
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder
- (iii) The Depositories Act, 1956 and the Regulation and Bye-laws framed thereunder:
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing :
- (v) The following Regulation and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulation , 2011
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading ) Regulation , 2015
  - (c) The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulation, 2018
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) regulation, 2014 (**Not applicable to the Company during the audit period**)
  - (e) The Securities and Exchange Board of India (Issue and listing of Debt Securities) Regulation, 2008(**Not applicable to the Company during the audit period**)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulation ,1993 regarding the Companies Act and dealing with client:



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation 2009 and **(Not applicable to the Company during the audit period)**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulation, 1998 **(Not applicable to the Company during the audit period)**
- (i) The securities and Exchange board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- (vi) Other laws as applicable specifically to the Company based on the Sector in which the Company Operates:
  - 1. Factories Act 1948
  - 2. Textile Committee Act, 1963
  - 3. Textile (Development and Regulation) order, 2001 under Bureau of Indian Standard Act 1986
  - 4. The Boiler Act, 1923 as amended by the Indian Boilers (Amendment) Act, 2007
  - 5. The Water (Prevention and Control of Pollution) Act, 1974
  - 6. The Air (Prevention and Control of Pollution) Act, 1981
  - 7. The Environment (Protection) Act, 1986
  - 8. Acts as prescribed under Direct Tax and Indirect Tax
  - 9. The Sexual Harassment of Women at work place (Prevention, Prohibition & Redressal) Act, 2013
  - 10. Minimum Wages Act, 1948

We have also examined compliances with the applicable clauses /regulation of the following:

- (j) The Secretarial Standard issued by the Institute of the Company Secretaries of India
- (ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and the Listing Agreements entered into by the Company with the National Stock Exchange of India Limited,

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

## **We further report that:**

The Board of Directors of the Company is duly re-constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Director.

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 meetings.

As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

## **We further report that:**

There are adequate systems and processes in the Company commensurate with the size and its operations to monitor and ensure compliance with applicable laws, rules, regulation and guidelines.

**We further report that** during the audit period the Company has followings specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:



1. Allotment of 65,00,000 Equity shares at Rs. 12.50/- each (including a premium of Rs. 2.50/-) out of the total 1,50,00,000 convertible warrants in its Board Meeting held on August, 20, 2021 to M/s Raghukul Trading Private Limited (50,00,000 Equity shares) and to M/s Lochan Agro Pvt Ltd. (15,00,000 Equity shares) respectively.
2. The Members of the Company gave their consent vide a special resolution passed at Annual General Meeting held on 28<sup>th</sup> September, 2021 for (i) amendment in the main object clause of Memorandum of Association as per the provision of the Companies Act, 2013. (ii) adoption of New Memorandum of Association as per the provision of the Companies Act, 2013. (iii) adoption of New Articles of Association as per the provision of the Companies Act, 2013.
3. Shri Saket Jaipuria (DIN: 02458923) was re- appointed as the Whole Time Director of the Company for the period of 3 years w.e.f. 11<sup>th</sup> February, 2022 upto 10<sup>th</sup> February, 2025 for which the Members of the Company gave their consent vide a Special Resolution passed through postal ballot on 23<sup>rd</sup> march, 2022 pursuant to Section 196, 197, 203 read with Schedules V of the Companies Act, 2013 and the Companies (Appointment and Remuneration Managerial Personnel) Rules, 2014.
4. Variation in terms of appointment and increase the Remuneration of Shri Yash Jaipuria, as a Chief Executive w.e.f. 1<sup>st</sup> March, 2022 for which the Members of the Company gave their consent vide a Special Resolution passed through postal ballot on 23<sup>rd</sup> march, 2022.

**PLACE: NEW DELHI**  
**DATE: 29.04.2022**  
**UDIN: F004764D000237436**

**FOR PARVEEN RASTOGIN & CO.**  
**COMPANY SECRETARIES**  
**PARVEEN RASTOGI**  
**C.P. No 2883**  
**M.No. 4764**

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

## **ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To

The Member,  
**GINNI FILAMENTS LTD.**

**Our report of event date is to be read along with this letter:**

1. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the content of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the Correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required we have obtained the Management representation about the compliance of law, rules and regulations and happening of events etc.
5. The Compliance of the provisions of the corporate and other applicable laws, rules, regulation and standard is the responsibility of Management .Our Examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**PLACE: NEW DELHI**  
**DATE: 29.04.2022**  
**UDIN: F004764D000237436**

**FOR PARVEEN RASTOGIN & CO.**  
**COMPANY SECRETARIES**  
**PARVEEN RASTOGI**  
**C.P. No 2883**  
**M.No. 4764**



**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO [SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014]**

**(A) Conservation of Energy**

	<u>Energy Conservation Steps Taken</u>	<u>Annual Impact Saving in Lacs Rs</u>
(i) The steps taken or impact on conservation of energy :	a) Maintained power factor at optimum levels	Rs 26.09 lac
	b) Saving in Compressed Air by Leakage arresting in Spinning Machines by maintaining Two Compressor operation	Rs 4.59 lac Rs 1.23 lac Rs 0.73 lac Rs. 0.60 Lacs Rs. 0.25 Lacs
	c) Saving by Optimization of Suction Pressure in ring frames	Rs. 2.07 Lacs
	d) Saving by Optimization of Suction Pressure on Card Waste Collection System.	
	e) Air curtains made with interlocked limit Switches to reduce the energy consumption.	
	f) Led Light of 20 watt are replaced in place of 36 watt T-5 light	
	g) Installed 11TR Ductable AC in Card panel room and closed suction of supply fan reduced load 3 Kwh	
(ii) The steps taken by the company for utilizing alternate sources of energy :	: Nil	
(iii) The capital investment on energy conservation equipments :	i) EE Motors for Blow room Card ii) Conversion speed variator to Inverter iii) Installed 2 nos VFD in 1 KI manufacturing Tank in Pharma division.	Rs. 24.8 Lacs Rs. 24.41 Lacs Rs. 0.48 Lacs
	<b>Total</b>	<b>Rs. 49.69 Lacs</b>

**B) Technology absorption**

- (i) The efforts made towards technology absorption :
- 1) Latest technology winders Autoconer X-6 (Germany) – 05 machines installed to replace old technology Autoconer 238
  - 2) Installation of Elite compact yarn system (Germany) on 16 nos KTTM Ring frame machines
  - 3) Latest technology Rieter (Switzerland) C -72 -03 machines installed to replace old technology C-4 Cards
  - 4) Installed USTER vision shield with magic eye (Switzerland) – 02 m/cs to replace Applied make contamination clearing machine
  - 5) Installed Rieter (Switzerland) D/F D-50
  - 6) In 9 LR Ring frames Rieter make drafting refurbishing kit installed to get better quality yarn.
  - 7) Installed Automatic Buffing M/c for better quality of Cots
  - 8) Installed USTER Quality Expert for online quality monitoring by UT5, UTR-5, Affis & Blow Room Vision Shield.
  - 9) Installed Carton Collapsing Strength Tester for testing of collapsing strength of cartons.
  - 10) Online Checkweigher & Metal detector at CPD Panoli
  - 11) Green Building CPD project in Panoli. (Puff Panels, Chillars, Flameproof Lights, ESD Epoxy flooring, Recycled RO for reject water treatment and reused in process)
  - 12) Batch detection Vision System at 4 lines in Cpd Haridwar.



- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution :
- 1) New winders giving higher productivity & better quality of yarn.
  - 2) Elite compact yarn is value added superior yarn giving better price in market
  - 3) Rieter C-72 Card is a high production card having double production than previous old model C-4 Card.
  - 4) USTER vision shield giving 90 % efficiency of contamination from cotton in process & we are able to produce very low contamination yarn.
  - 5) D-50 draw frame having more productivity & better quality than previous models
  - 6) In LR machines old worn out parts replaced & releveilling done to get better productivity & quality
  - 7) In drafting components were old & these were replaced by a complete kit having Rieter imported drafting components.
  - 8) Installed Tertiary water treatment Plant for recover 50% of RO rejects water.
  - 9) Separate the UPS and Batteries room and make AC for improvement in equipment efficiency.
  - 10) New FG GMP Pass box installed to avoid interruption in productivity by making FG movement from 2 places at a time.
  - 11) Make arrangements of cooling & heating provision in 1Kl side pot in house at liquid cosmetics to reduce batch manufacturing time up to 4hrs.
  - 12) Novel technology with 99.9% water wipes and 99% water baby wipes.
  - 13) Development of 10hr moisturizing wipes for baby care
  - 14) Novel technology in patient care segment, Ginni developed Bed bath towel under the Pharma category.
  - 15) Natural and sustainable products under the personal care category like Cream, Lotion, face Wash, Shampoo, and Detergent etc.
  - 16) Natural and sustainable products under the baby care category Cream, Lotion, face Wash, Shampoo, and Detergent etc.
  - 17) Novel technology of alcohol and IPA wipes for surface and personal hygiene
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) :
- (a) The details of technology imported : Wet Wipes Machine Atex proof along with technology (All flameproof components and suitable to make Alcohol wipes) installed at CPD Panoli
- (b) The year of import : 2021-22
- (c) Whether the technology been fully absorbed : Yes
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and : NA
- (iv) The expenditure incurred on Research and Development : Rs. 38.19 Lacs
- C) Foreign Exchange Earnings and Outgo : Earnings-32638.37 Lacs  
Outgo- 9493.08 Lacs**



## DETAILS PERTAINING TO EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT 2013

## ➤ Information as per Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Director / KMP	Designation	Remuneration in FY 2021-22 (Rs. In lacs)	Remuneration in FY 2020-21 (Rs. In lacs)	% increase in remuneration	Ratio of remuneration to MRE
Sh. Shishir Jaipuria	Chairman and Managing Director (KMP)	371.63	324.86	14.0	218.61
Sh. Saket Jaipuria	Executive Director Cum President	194.99	169.51	15.0	114.7
Sh. Suresh Singhvi	Director-Finance & CFO (KMP)	50.73	46.50	9.0	29.84
<b>Sitting Fee paid to Independent and Nominee Director</b>					
Sh. J.P. Kundra	Independent Director	4.40	4.15	6.0	2.59
Sh. J.K. Bhagat	Independent Director	4.85	4.45	9.0	2.85
Dr. H. P. Bhattacharya	Independent Director	4.25	3.85	10.0	2.50
Smt. Manju Rana	Independent Director (Woman category)	3.80	3.80	0.0	2.24
<b>Salary paid to Key Managerial Personnel</b>					
Shri Bharat Singh	Company Secretary (KMP)	19.20	17.64	9.0	11.29

- The increase in Median Remuneration of the Employees (MRE) in FY 2021-22 as compared to FY 2020-21 is 6.02%.
- There were 2489 permanent employees on the rolls of the Company as on 31.03.2022.
- The average increase in remuneration of employees was less than the managerial remuneration during FY 2021-22 because managerial positions are key positions and need to be taken care as per market rate and also governed by prevailing laws for the time being in force.
- Company has formulated a Nomination and Remuneration policy as required under section 178 of the Companies Act, 2013 and the remuneration paid to employees are as per the remuneration policy of the Company.

# GINNI FILAMENTS LIMITED



- Pursuant to provisions of Section 197 of the Companies Act, 2013 and rules 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the details of remuneration of the employees are given below:

Name of the Employee	Designation of the Employee	Remuneration Received (Rupees in Lakhs)	Nature of employment, whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of employee	Last Employment held by employee before joining the company.	No. of share held by the employee in the company	Whether such employee is a relative of any director / manager of the company and if so name of such Director or Manager.
<b>A). Top 10 Employees in terms of remuneration who were Employed throughout the financial year: 2021-22.</b>									
SHRI SHISHIR JAIPURIA	CMD	371.63	PERMANENT	B.Com, LL.B. 38 years	14.02.1990	65	M/S PIONEER LTD.	3429033	FATHER OF SHRI SAKET AND YASH JAIPURIA
SHRI SAKET JAIPURIA	ED Cum PRESIDENT	194.99	PERMANENT	DEGREE IN BUSINESS ADMINISTRATION, USA 18 years	10.01.2004	39	--	6136008	SON OF SHRI SHISHIR JAIPURIA AND BROTHER OF SHRI YASH JAIPURIA
SHRI YASH JAIPURIA	CHIEF EXECUTIVE	54.20	PERMANENT	Studies in Economics/ statistics, USA 10years	11.02.2012	32	--	5745847	SON OF SHRI SHISHIR JAIPURIA AND BROTHER OF SHRI SAKET JAIPURIA
SHRI SURESH SINGHVI	DIR. (FIN.) & CFO	50.73	PERMANENT	B.Com, FCA, LL.B 41 years	18.08.1992	68	M/s Swadeshi Polytex Ltd	Nil	No.
DR R K GAUR	SR V.P.	38.71	PERMANENT	B.Com, MBA (Finance), Phd (Fin.) 40 years	14.11.2008	62	M/s Sutlaj Textiles Industries Ltd.	Nil	No.
SHRI PRADEEP KUMAR CHEROT	SR. V.P.	37.16	PERMANENT	B.A. , P.G.Diploma in Business Management 40 years	03/06/2019	63	M/s Johnson & Johnson Pvt. Ltd.	Nil	No.
SHRI BAL KRISHAN SHARMA	SR. V.P.	33.60	PERMANENT	B.Tech Textiles), Diploma in Management, 27 years	11/09/2017	51	M/s SEL Manufacturing Company Ltd.	Nil	No.
SHRI ARUN NAG	SR.V.P.	32.66	PERMANENT	B.sc, Diploma in Textile, MBA (Mktg.) 41 years	24.11.1995	64	M/s Himachal Fibers Ltd.	Nil	No.
SHRI RAJIV SHARMA	SR. V.P.	31.78	PERMANENT	Diploma in Textile 38 years	23.01.2006	48	M/s Shivalik Global Ltd.	Nil	No.
SHRI J V SINGH	VP (Engg. & Power)	29.08	PERMANENT	Diploma in Electrical Engereeing, AMIE (Electical), MBA 35 years	16.04.1990	60	M/s Modern Syntex India Ltd.	Nil	No.





B). Persons employed throughout the financial year & paid ₹1 crore two lacs P.A. or more.

SHRI SHISHIR JAIPURIA	CMD	371.63	PERMANENT	B.Com, LL.B. 38 years	14.02.1990	65	M/S PIONEER LTD.	3429033	FATHER OF SHRI SAKET AND YASH JAIPURIA
SHRI SAKET JAIPURIA	EXECUTIVE DIRECTOR CUM PRESIDENT	194.99	PERMANENT	DEGREE IN BUSINESS ADMINISTRATION, USA 18 years	10.01.2004	39	--	6136008	SON OF SHRI SHISHIR JAIPURIA AND BROTHER OF SHRI YASH JAIPURIA

Notes:

1. None of the person was employed for the part of the year in receipt of remuneration aggregating to ₹ eight lacs fifty thousand or more per month.
2. None of the employees draw remuneration more than remuneration drawn by Managing Director and hold by themselves or along with their spouse and dependent children, not less than two percent of the equity shares of the Company.

Place: NOIDA (U.P.)

Date : May 06, 2022

For and on behalf of the Board of Directors  
SHISHIR JAIPURIA  
Chairman & Managing Director



## REPORT ON CORPORATE GOVERNANCE

## (1) CORPORATE PHILOSOPHY

Your Company is committed to the standards of good Corporate Governance, which emphasis on transparency, professionalism and accountability with the aim of enhancing long term economic value of its shareholders, while giving equal respect to the other stakeholders and the society at large.

## (2) BOARD OF DIRECTORS

## a) Composition

As on 31<sup>st</sup> March, 2022, the Board comprised of Seven Directors, out of which one is Managing Director, two Whole time Directors and Four other independent Non Executive Directors (including one Women Director).

b) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

c) **Attendance of each director at the Board meetings and last AGM during the year 2021-22 and number of other directorship and committee memberships/ chairmanships held in other Companies.**

During the year under review, five Board Meetings were held on 14<sup>th</sup> May, 2021, 27<sup>th</sup> July, 2021, 20<sup>th</sup> August, 2021, 09<sup>th</sup> November, 2021 and 08<sup>th</sup> February, 2022.

The necessary quorum was present for all the meetings.

d) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on March 31, 2022 are given herein below. Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public Companies in which he/she is a Director. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Name of the Director	Category	Number of Board Meetings attended during the FY 2021-22	Whether attended last AGM held on September 28, 2021	Number of Directorship in other public companies	Number of committee positions held in other public companies #		Directorship in other listed entity (Category of Directorship)
					Chairman	Member	
Shri Shishir Jaipuria (Chairman & Managing Director)	Non-Independent, Executive	5	No	1	-	-	-
Shri Saket Jaipuria (Executive Director cum president)	Non-Independent, Executive	4	Yes	-	-	-	-



Shri Suresh Singhvi (Director – Finance & CFO)	Non-Independent, Executive	5	Yes	-	-	-	-
Shri Jugal Kishore Bhagat	Independent, Non-Executive	5	Yes	4	1	1	Ludlow Jute & Specialities Ltd. -(Independent Director)
Shri Joginder Pal Kundra	Independent, Non-Executive	5	Yes	1	2	0	Dhunseri Venture Ltd.-(Independent Director)
Dr. Har Prasad Bhattacharya	Independent, Non-Executive	5	Yes	-	-	-	-
Smt Manju Rana	Independent, Non-Executive	5	Yes	-	-	-	-
* Shri Sushil Chandra Tripathi	Independent, Non-Executive	-	--	--	--	--	--

\*Shri Sushil Chandra Tripathi, Independent Director had passed away due to prolonged illness because of Covid-19 and therefore ceased as the director of the Company w.e.f. May 19, 2021.

# For the purpose of Committee position, only Audit Committee and Stakeholders Relationship Committee have been taken into account.

- e) During Financial Year 2021-22 one meeting of the Independent Directors was held on February 08, 2022. The Independent Directors, inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors.
- f) The Board periodically reviews the compliance reports of all laws applicable to the Company.
- g) Details of equity shares of the Company held by the Independent Non-Executive Directors as on March 31, 2022 are given below :

Name	Category instruments.	Number of Equity Shares
Shri Jugal Kishore Bhagat	Independent Non-Executive Director	2281

The Company has not issued any convertible instruments.

**h) Disclosure of Relationship between director inter-se:**

Shri Shishir Jaipuria is father of Shri Saket Jaipuria. No others Directors are related to the other Directors.

- i) **The policy for conducting familiarization programme of Independent Directors can be accessed on the Company's website i.e. [www.ginnifilaments.com](http://www.ginnifilaments.com)**
- j) **The Board has identified the following skills/expertise/ competencies fundamental for the effective functioning of the Company which are currently available with the Board:**

Textile Industry	Experience and expertise of Textile Industry of country and globally.
Accounts and Finance	Experience and expertise in Finance and Accounts
Human Resource	-Good idea about the manpower requirement of the company in terms of skill, expertise and qualification. -Ability to evaluate the performance of the employee and to draft and adhere the policy to encourage and retain them.
General Industry and Economy Knowledge	Knowledge about the industry trends and can draw inference from the present scenario for the enhancement of existing performance.



Given below is a list of core skills, expertise and competencies of the Individual Directors

Name of Director	Textile Industry	Accounts and Finance	Human Resource	General Industry and Economy Knowledge
Shri Shishir Jaipuria	✓	✓	-	✓
Shri Saket Jaipuria	✓	✓	-	✓
Shri Suresh Singhvi	✓	✓	✓	✓
Shri Jugal Kishore Bhagat	✓	✓	-	✓
Shri Joginder Pal Kundra	✓	✓	-	✓
Dr. Har Prasad Bhattacharya	✓	✓	-	✓
Smt Manju Rana	✓	✓	-	✓

**(k) Confirmation**

On the basis of declaration received from the independent Directors, the Board confirms that in their opinion the Independent Directors of the Company fulfill the conditions specified in the SEBI Listing Regulations, 2015 and are independent of the management.

**(3) AUDIT COMMITTEE**

**(a) Terms of Reference:**

The Audit Committee is authorised to exercise all the powers and perform all the functions as specified in Section 177 of the Companies Act, 2013 and rules made there under and Regulation 18 of SEBI (LODR) Regulation, 2015 both as amended from time to time. The said Committee reviews reports of the Internal Auditors, Statutory Auditors and Cost Auditors periodically to discuss their findings and suggestions, Internal control systems, scope of audit, observations of the auditors and other related matters and reviews major accounting policies followed by the Company. The Minutes of the Audit Committee meetings are circulated to and taken note by the Board of Directors.

**(b) Composition**

The Committee comprises of four Independent Non Executive Directors namely Shri J. P. Kundra (Chairman of the Committee), Shri J.K. Bhagat, Dr. H.P. Bhattacharya and Smt Manju Rana and one Executive Director i.e. Shri Shishir Jaipuria. The Company Secretary of the Company is the Secretary of the Committee. The Statutory Auditors, Cost Auditors and Internal Auditors are invited to the meetings of the Committee. The Committee met four times during the year and the attendance of members at the meetings was as follows:

Name of the Members	Status	No. of Meetings attended
Shri J.P. Kundra	Chairman	4
Shri Shishir Jaipuria	Member	4
Shri J. K. Bhagat	Member	4
Dr. H P Bhattacharya	Member	4
Smt Manju Rana	Member	4

All the members are financially literate and Shri J.P. Kundra and Shri J. K. Bhagat have Financial and Accounting expertise.

**(4) NOMINATION AND REMUNERATION COMMITTEE**

**(a) Terms of reference:**

The Nomination and Remuneration Committee is authorized to exercise all powers and perform all the functions as specified in Section 178 of the Companies Act, 2013 and rule made there under and Regulation 19 of SEBI (LODR) Regulation, 2015 both as amended from time to time. The said Committee is authorised to exercise all powers specified in the Companies Act, 2013 and rules made there under, Nomination and Remuneration policy of the Company and the Regulation of SEBI (LODR) Regulation, 2015 both amended from time to time.

**(b) Composition:**

The Committee comprises of three Independent Non Executive Directors namely Shri J.P. Kundra (Chairman of the Committee), Shri J. K. Bhagat and Dr. H. P. Bhattacharya. The Company Secretary of the Company is the Secretary of the Committee. The committee met three times during the year dated 14/05/2021, 27/07/2021 and 08/02/2022 the attendance of member at the meeting was as follows:

Name of the Members	Status	No. of Meetings attended
Shri J.P. Kundra	Chairman	3
Shri J. K. Bhagat	Member	3
Dr. H.P. Bhattacharya	Member	3

**(c) Performance Evaluation criteria for Independent Directors**

Performance evaluation of Independent Directors shall be done on annual basis. The rating shall be provided by all Directors except the Independent Director being evaluated. The evaluation criteria shall be reviewed by the Nomination and Remuneration Committee and the Board from time to time and shall be subject to the provisions of SEBI (LODR) Regulations, 2015 and the Companies Act, 2013 and rules made thereunder and amendments thereto from time to time.

**(5) STAKEHOLDERS RELATIONSHIP COMMITTEE**

The terms of reference and the ambit of powers of Stakeholders Relationship/ Grievance Redressal Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (specified in Part D of Schedule II). The status of shareholder correspondences, queries, grievances etc. are endeavored to be addressed instantaneously by the secretarial department and status thereof is also placed before the Stakeholders Relationship/ Grievance Redressal Committee.

**(a) Name of Non-Executive Director heading the Committee**

The Stakeholders Relationship/ Grievance Redressal Committee comprises of 3 (three) members namely Shri J. K. Bhagat (Chairman of the Committee), Shri Shishir Jaipuria and Shri Saket Jaipuria. The Company Secretary of the Company acts as Secretary to the Stakeholders Relationship/ Grievance Redressal Committee. The Composition of Stakeholders Relationship/ Grievance Redressal Committee as on 31st March, 2022, is given below:

Name of the Members	Category	Designation
Shri J. K. Bhagat	Non-Executive Independent	Chairman
Shri Shishir Jaipuria Executive		Member
Shri Saket Jaipuria Executive		Member

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

Shri Bharat Singh, Company Secretary of the Company is the Compliance Officer of the Company.

**(c) No. of Shareholders' complaints received during the financial year**

One complaint was received during financial year 2021-22

**(d) Number not solved to the satisfaction of shareholders**

Nil.

**(e) Number of pending complaints**

As at 31st March, 2022, no complaint was pending

**(f) Meetings and attendance during the year**

During the financial year 2021-22, the Stakeholders Relationship/ Grievance Redressal Committee met 4 (Four) times during the year dated 14<sup>th</sup> May, 2021, 27<sup>th</sup> July, 2021, 09<sup>th</sup> November, 2021 and 08<sup>th</sup> February, 2022, which were attended by all the Members of the Committee.

**(6) DETAILS OF REMUNERATION TO DIRECTORS FOR THE YEAR 2021-22**

- a) Independent Directors do not have any pecuniary relationship or transaction with the Company except for the sitting fee drawn for attending the meeting of the Board and Committee(s) thereof.
- b) Criteria of making payments to Non-Executive Directors is as per Remuneration Policy which can be accessed on the Company's website i.e [www.ginnifilaments.com](http://www.ginnifilaments.com)
- c) Remuneration to Directors for the year ended on March 31, 2022 is as under:

(₹ In Lacs)

Name of Directors	Salary	Perquisites & Other	Commission	Sitting Fee	Total
Shri Shishir Jaipuria	186.00	23.60	162.03	--	371.63
Shri Saket Jaipuria	100.74	10.08	84.17	--	194.99
Shri S. Singhvi	42.24	8.49	--	--	50.73
Shri J.P. Kundra	--	--	--	4.40	4.40
Shri J.K. Bhagat	--	--	--	4.85	4.85
Dr. H.P. Bhattacharya	--	--	--	4.25	4.25
Smt. Manju Rana	--	--	--	3.80	3.80

- d) The appointment of the Managing Director and Whole time Director is governed by the Articles of Association of the Company and the Resolutions passed by the Board of Directors and the Members of the Company. These cover terms and conditions of their appointment read with the service rules of the Company. No separate service contract is entered by the Company with its Managing Directors and Wholetime Directors. There is no provision of notice period or severance fee under the resolutions governing the appointments of Managing Directors and Wholetime Directors. The company does not have in place any Employee Stock Option Scheme and there is no performance linked incentives to the Directors.

**(7) OTHER COMMITTEES****(i) COMMITTEE OF DIRECTORS****(a) Terms of reference:**

The Committee was constituted to take decisions in all matters relating to the management of the Company except the matters required to be considered and approved by the Board of Directors under the provisions of the Companies Act, 2013 and rules made thereunder.

**(b) Composition :**

The Committee comprises two Executive Directors namely Shri Shishir Jaipuria (Chairman of the Committee), Shri Suresh Singhvi and Two Non Executive Independent Directors namely i.e. Shri J. P. Kundra and Smt. Manju Rana. The Company Secretary of the Company is the Secretary of the Committee. One meeting was held during the year.

**(ii) DISINVESTMENT COMMITTEE****(a) Terms of reference:**

The Committee was constituted to take decisions about disinvestment such as number of shares to be sold and to negotiate the price and other terms and conditions for sale of such investments and to take necessary steps in relation to the sale of investments.



**(b) Composition:**

The Committee comprises two Independent Non Executive Directors namely Shri Jugal Kishore Bhagat (Chairman of the Committee) and Smt. Manju Rana and one Executive Directors namely Shri Suresh Singhvi. The Company Secretary of the Company is the Secretary of the Committee. No meeting of the Company was held during the year.

**(8) GENERAL BODY MEETINGS**

**Annual General Meetings (AGMs)**

The details of last three Annual General Meetings are as under:

Year	2018-19	2019-20	2020-21
Date & Time	7 <sup>th</sup> September, 2019 11.30 A.M.	29 <sup>th</sup> September, 2020 11.30 A.M.	28 <sup>th</sup> September, 2021 11.30 A.M.
Venue	110 K.M. Stone Delhi-Mathura Road Chhata  Distt. Mathura (U.P.)	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of Members at a common venue	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), without the physical presence of Members at a common venue
Details of Special Resolutions	<ol style="list-style-type: none"> <li>1. Reappointment of Shri Saket Jaipuria whole time Director designated as Executive Director Cum President for a period of three years w.e.f. 11.02.2019.</li> <li>2. Reappointment of Shri Jugal Kishore Bhagat, Independent Director for a period of Five Years w.e.f. 10<sup>th</sup> September, 2019.</li> <li>3. Reappointment of Shri Sushil Chandra Tripathi, Independent Director for a period of Five Years w.e.f. 10<sup>th</sup> September, 2019.</li> <li>4. Reappointment of Smt Manju Rana, Independent Director for a period of Five Years w.e.f. 10<sup>th</sup> September, 2019.</li> <li>5. Reappointment of Shri Joginder Pal Kundra, Independent Director for a period of Five Years w.e.f. 10<sup>th</sup> September, 2019.</li> <li>6. Reappointment of Dr Har Prasad Bhattacharya Independent Director for a period of Five Years w.e.f. 10<sup>th</sup> September, 2019.</li> <li>7. Approved payment of Remuneration to Shri Shishir Jaipuria, Managing Director in terms of Regulation 17(6) (e) of SEBI amended listing Regulation for the remaining tenure of his appointment.</li> </ol>	<ol style="list-style-type: none"> <li>1. Re-Appointment of Mr. Shishir Jaipuria (Din: 00274959) as Managing Director for a period of 3 years w.e.f April 01, 2020.</li> <li>2. Re-Appointment of Shri Suresh Singhvi (Din: 00293272) as Whole-Time Director designated as Director (Finance) &amp; CFO for a period of 2 years w.e.f. August 01, 2020.</li> </ol>	<ol style="list-style-type: none"> <li>1. Amendment in the Main Object Clause of Memorandum of Association as per the provision of the Companies Act, 2013.</li> <li>2. Adoption of New Memorandum of Association as per the provision of the Companies Act, 2013</li> <li>3. Adoption of Articles of Association as per the provision of the Companies Act, 2013</li> </ol>

During the Financial year, the Company had passed two Resolutions dated March 23, 2022 through postal ballot regarding the reappointment of Shri Saket Jaipuria, (DIN: 02458923) as the Whole Time Director (designated as Executive Director cum President) for a further period of 3 years through Special resolution and to fix his remuneration and Variation in the terms of appointment and increase the remuneration of Shri Yash Jaipuria, Chief Executive w.e.f.



March 01, 2022 through Ordinary resolution. Further the Board had appointed M/s Parveen Rastogi & Co. Practicing Company Secretary as the scrutinizer.

#### Details of Postal Ballot Meeting

<b>Date of Postal Ballot</b>	February 08, 2022
<b>Voting Period</b>	February 22, 2022 to March 23, 2022
<b>Date of Approval</b>	March 23, 2022
<b>Date of Declaration of Result</b>	March 24, 2022

Name of the resolution	Type of Resolution	No of Votes Polled	No of Votes in favour	No of Votes Against	% of votes in favour on votes polled	% of votes against on votes polled
To reappoint Shri Saket Jaipuria, (DIN: 02458923) as the Whole Time Director (designated as Executive Director cum President) for a further period of 3 years and to fix his remuneration	Special	53836169	53675116	161053	99.70	0.30
Variation in the terms of appointment and increase the remuneration of Shri Yash Jaipuria, Chief Executive w.e.f. March 01, 2022.	Ordinary	13618487	13456034	162453	98.81	1.19

#### Procedure for Postal Ballot

In Compliance with the provision of Section 108, 110 and other applicable provisions of the act, read with related rules and any amendment thereof, the Company provided electronic facility (e-voting) to all the members. For this purpose the Company had engaged the services of Central Depository Services Limited ("CDSL").

The postal ballot notice and forms were dispatched by e-mail to members. An advertisement was also published in newspaper giving the details and requirements as mandated by the Act and applicable rules. The scrutinizer completed his scrutiny and submitted his report to the Director Finance and CFO and thereafter consolidated results were announced by the Director Finance and CFO. The results were displayed on the website of the Company, Stock Exchange, Registrar and transfer agent and CDSL. The last date e-voting is the date on which the resolution has been deemed to be passed.

Further there is no immediate proposal for passing resolution through postal ballot.

#### (9) MEANS OF COMMUNICATION

- (i) The Quarterly Unaudited and Annual Audited Financial Results of the Company were sent to the Stock Exchange through Neaps filing immediately after approval by the Board. The results were also published in news papers namely Dainik Jagran, Mathura/Agra (Hindi) and Business Standard all edition (English) as per the Regulation 47 SEBI (LODR) Regulations, 2015. Results were not sent individually to the shareholders.
- (ii) The results were also made available on Company's Website [www.ginnifilaments.com](http://www.ginnifilaments.com) Official news releases are generally not displayed on company's website. There were no presentations made to the Institutional investors or analysts.
- (iii) Designated exclusive e-mail id for investors: [secretarial@ginnifilaments.com](mailto:secretarial@ginnifilaments.com)

#### (10) GENERAL SHAREHOLDERS INFORMATION

- i. Annual General Meeting is notified to be held on Wednesday, the 28<sup>th</sup> September, 2022 at 11.30 A.M. through VC/OAVM





## ii Financial year of the Company is April 1 to March 31.

Tentative Financial Calendar:

Meeting of the Board / Audit Committee to consider financial results for the:

- Quarter ended 30<sup>th</sup> June, 2022 on 14<sup>th</sup> August, 2022
- Quarter ended 30<sup>th</sup> September, 2022 on or before 14<sup>th</sup> November, 2022
- Quarter ended 31<sup>st</sup> December, 2022 on or before 14<sup>th</sup> February, 2023
- Audited Annual Results on or before 30<sup>th</sup> May, 2023

## iii Date of Book Closure

The Register of Members and Share Transfer Books of the Company shall remain closed from 22<sup>nd</sup> September, 2022 to 28<sup>th</sup> September, 2022 (both days inclusive).

## iv Dividend Payment Date :

No Dividend has been proposed by the Board of Directors for the year 2021-22.

## v Listing on Stock Exchange and Stock Code

The Equity shares of the Company are listed at:

NAME OF STOCK EXCHANGE	STOCK CODE
------------------------	------------

National Stock Exchange of India Ltd. GINNIFILA

Exchange Plaza, 5<sup>th</sup> Floor, Plot No. C/1, G-Block,

Bandra - Kurla Complex, Bandra (E), **MUMBAI – 400 051**

Annual Listing Fee for the year 2021-22 has been paid to National Stock Exchange.

## vi Market Price Data

High / Low of the market price of the Company's equity shares traded on the National Stock Exchange of India Ltd. (NSE) and NIFTY Index during the year 2021 – 22 was as follows:

Month	Company's Share Price at NSE (₹)		NIFTY Index	
	High	Low	High	Low
April, 2021	22.30	19.10	15044.35	14151.40
May, 2021	33.95	22.20	15606.35	14416.25
June, 2021	38.40	27.15	15915.65	15450.90
July, 2021	42.30	33.60	15962.25	15513.45
August, 2021	38.50	28.10	17153.50	15834.65
September, 2021	38.50	29.65	17947.65	17055.05
October, 2021	36.70	31.10	18604.45	17452.90
November, 2021	38.70	30.45	18210.15	16782.40
December, 2021	51.90	31.45	17639.50	16410.20
January, 2022	63.70	45.00	18350.95	16836.80
February, 2022	59.20	40.00	17794.60	16203.25
March, 2022	47.90	40.50	17559.80	15671.45



vii. **Registrar and Transfer Agent for both physical & dematerialization of Equity Shares:**

**M/s Skyline Financial Services Pvt. Ltd.**

D-153A, 1st Floor, Okhla Industrial Area, Phase – I,  
New Delhi – 110 020  
Tel No. +91 11 26812682 / 40450193-197  
E-mail id : virener@skylinerta.com  
Website : [www.skylinerta.com](http://www.skylinerta.com)

viii. **Share Transfer System**

As per Regulation 40 of the Listing Regulations, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in demat form with a depository. In compliance of the provisions of Listing Regulations, the share transfer system of the Company is audited yearly by a Practicing Company Secretary and a certificate to that effect is issued by him/her. In case of request for dematerialization of shares, confirmation of dematerialization is sent to the respective depository i.e. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL), expeditiously.

The Company's Equity Shares are traded at the Stock Exchange Compulsorily in demat mode. Physical shares which are lodged with the Company/ Share Transfer Agent for transfer are processed and returned to the shareholders within 15 days from the date of receipt, if the relevant documents are complete in all respect.

ix. **Distribution of Shareholding as on 31<sup>st</sup> March, 2022**

No. of Shares	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
001 - 500	29090	82.92	4333563.00	5.06
501 - 1000	2922	8.33	2462216.00	2.87
1001 - 2000	1445	4.12	2280624.00	2.67
2001 - 3000	542	1.54	1411509.00	1.65
3001 - 4000	237	0.68	862052.00	1.01
4001 - 5000	238	0.68	1142141.00	1.33
5001 - 10000	323	0.92	2449963.00	2.86
10001 and Above	283	0.81	70707997.00	82.55
<b>TOTAL</b>	<b>35080</b>	<b>100.00</b>	<b>85650065</b>	<b>100.00</b>

x. **Shareholding Pattern as on 31<sup>st</sup> March, 2022**

Category of Shareholder	No. of Share holders	No. of Shares held	Percentage of shareholding
<b>(A) Promoter and Promoter Group</b>			
Indian	8	34712266	40.53
Bodies Corporate	2	25005017	29.19
Foreign	--	--	--
<b>Sub-Total</b>	<b>10</b>	<b>59717283</b>	<b>69.72</b>
<b>(B) Public Shareholding</b>			
Mutual Funds	1	100	0.00
Financial Institutions / Banks	2	60	0.00
Any other Specify	4	8510	0.01
Foreign Portfolio Investor	2	325642	0.38
Non-Resident Indians	295	600044	0.70
Bodies Corporate	198	835375	0.98
Resident Individuals	33896	22635167	26.43
Resident HUF	608	1168886	1.36
Trusts	1	100	0.00
Clearing Members/House	44	154058	0.18
IEPF	1	134164	0.16
Escrow Account	1	3736	0.00
Firms	17	66940	0.08
<b>Sub-Total</b>	<b>35070</b>	<b>25932782</b>	<b>30.28</b>
<b>(C) Shares held by custodians and against which Depository Receipts have been issued</b>	---	---	----
<b>Total (A) + (B) + (C)</b>	<b>35080</b>	<b>8,56,50,065</b>	<b>100.00</b>



(xi) **Dematerialisation of Shares**

Sl. No.	Mode of Holding	No. of Shares	% age
1	NSDL	72556242	84.71
2	CDSL	12250380	14.30
3	PHYSICAL	843443	0.99
<b>TOTAL :</b>		<b>85650065</b>	<b>100.00</b>

99.01% of Company's paid-up Equity Share Capital has been dematerialised upto March 31, 2022 (98.91% up from March 31, 2021).

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's Shares is **INE 424C01010**.

(xii) **Liquidity of Shares**

Equity Shares of the Company are listed at National Stock Exchange of India Ltd. However, the Equity Shares of the Company are also traded at the Bombay Stock Exchange, Mumbai under the Permitted Category.

(xiii) **Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity**  
:

During the year under review and on August 20, 2021, the Company has allotted 50,00,000 and 15,00,000 equity shares to M/s. Raghukul Trading Pvt Ltd and M/s Lochan Agro Pvt Ltd respectively upon conversion of remaining convertible warrants held by M/s. Raghukul Trading Pvt Ltd and M/s Lochan Agro Pvt Ltd. Post above conversion, there are no outstanding convertible warrants into Equity shares of the Company as on date.

Further, the Company has not issued any GDR/ADR or any convertible instruments

(xiv) **Commodity Price Risk/ Foreign Exchange Risk and Hedging Activities**

The Company is not involved in any speculative activities including hedging.

(xv) **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)**

During the year under review, the Company raised the funds through conversion of warrants into equity shares on preferential basis to promoter group entity. The funds raised through the respective issues were utilised for the purpose for which it was raised.

(xvi) **Transfer of Shares to Investor Education and Protection Fund:**

In accordance with the provisions of the Companies Act, 2013, the Company has transferred 463469 equity shares, to the credit of IEPF Authority, in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more and the ownership of the relevant equity shares was not claimed on or before the cut off date i.e., 28/02/2022.

(xvii) **Location of Plants**

- I. 110 K.M. Stone, Delhi - Mathura Road, Chhata – 281 401, Distt. Mathura (U.P.)
- II. Plot No. 205 – 206, GIDC Industrial Area, Panoli, Ankleshwar – 394 116, Distt. Bharuch (Gujarat)
- III. Plot No. : 98, Sector – 5, IIE Sidcul, Haridwar – 249403
- IV. D-196, Sector-63, Noida – 201 307 (UP)

(xviii) **Address for correspondence**

- I. **Regd. Office** :- 110 K.M. Stone, Delhi-Mathura Road, Chhata - 281 401, Distt. Mathura, (U.P.)
- II. **Corporate Office** :- D-196, Sector – 63, NOIDA - 201 307 (U.P.).



(xix) List of all credit rating obtained :-

S. No.	Particular	Rating
1	Short Term	Care Ratings - BBB
2	Long Term	Care Ratings - A3+

(11) OTHERS DISCLOSURES

- a) During the year, there were no significant related party transactions of material nature that could have potential conflict with the interest of the Company.
- b) During the last three years, there were no strictures made or penalties imposed by either SEBI or the Stock Exchanges or any other statutory authority on any matter related to the capital markets.
- c) The Company has formulated a Vigil Mechanism / Whistle Blower Policy for the Directors and employees to report genuine concerns in a manner prescribed in the Policy. The Policy is available at website of the Company i.e. [www.ginnifilaments.com](http://www.ginnifilaments.com) In accordance with the said Policy Whistle Blower shall have right to access to the Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee shall issue suitable directions in this regard.
- d) The Company is complying with all mandatory requirements of SEBI (LODR) Regulation, 2015 relating to reporting of Internal Auditor directly to Audit Committee. The Internal Auditors regularly attend the Audit Committee meeting on regular basis, they are allowed to report directly to Audit Committee, if required in their opinion.
- e) The Related Party transactions Policy is available at Website of the Company i.e. [www.ginnifilaments.com](http://www.ginnifilaments.com)
- f) The Company does not deal in commodities and hence the disclosure is not required to be given. For Foreign Exchange and Hedging Activities please refer to sub clause(xiv) of clause (10) of this Report
- g) A certificate from Parveen Rastogi & Co., Practicing Company Secretary is attached (which forms integral part of this report) confirming that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority.
- h) There was no such instance during FY 2021-22 when the Board had not accepted any recommendation of any committee of the Board.
- i) There is no Loans and advances in the nature of loans to firms/companies in which directors are interested.
- j) Total fees for all services paid by listed entity on a consolidated basis to the Statutory Auditor is given below:

Payment to Statutory Auditors	Rs. in Lacs
Statutory Audit	14.00
Tax Audit Fees	1.55
Limited Review Report	2.00
Other Services	1.85
<b>Total</b>	<b>19.40</b>

- k) Disclosures in relation to the Sexual Harassment of Women at Workplace:

a.	Number of Complaints filed during the financial year	Nil
b.	Number of Complaints disposed of during the financial year	Nil
c.	Number of Complaints pending as on end of the financial year	Nil

- l) Non Compliance of any requirement of corporate governance report of sub para (2) to (10) of Schedule V (c) of SEBI (LODR) Regulation, 2015 - NIL
- m) The Company has duly complied with the requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (LODR) Regulation, 2015.

**(12) DETAILS OF DEMAT SUSPENSE ACCOUNT**

The disclosure as required under Regulation 34 read with Schedule V of SEBI (LODR) Regulations, 2015:

Particulars	No. of cases	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. April 1, 2021.	12	3736
Number of shareholders, who approached issuer for transfer of shares from suspense account during the year i.e. April 1, 2021 to 31 <sup>st</sup> March, 2022.	NIL	NIL
Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. as on March 31, 2022.	12	3736

The Voting Rights on the outstanding unclaimed shares lying in suspense account shall remain frozen till the rightful owner of such shares claims the shares.

**(13) Code for Prevention of Insider Trading**

Your Company has adopted a comprehensive 'Code of Conduct to Regulate, Monitor and Report of Trading by Insiders' and also a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' relating to the Company, under the provisions of the Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

**(14) Adoption of Mandatory and Discretionary Requirements**

The Company has complied with all mandatory requirements of Regulation 34 of the Listing Regulations. The Company has adopted the following discretionary requirements of the Listing Regulations:

**Audit Qualification**

The Company is in the regime of unmodified opinions on financial statements.

**Reporting of Internal Auditor**

The Internal Audit Department of the Company, co-sourced with professional firms of Chartered Accountants, reports directly to the Audit Committee.

**(15) Certificate on Corporate Governance**

A Compliance certificate from M/s Parveen Rastogi & Co., Practicing Company Secretary, pursuant to Schedule V of the Listing Regulations regarding compliance of conditions of corporate governance is attached.

**(16) CODE OF CONDUCT**

The Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The Code of Conduct has been posted on the website of Company. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct. A declaration signed by the Chief Executive Officer is attached.

**Declaration regarding Compliance of Code of Conduct**

"I hereby confirm that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the financial year 2021-22.

**SHISHIR JAIPURIA**  
**MANAGING DIRECTOR & CEO**

Place: Noida  
Date : 6<sup>th</sup> May, 2022



## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

TO,

**THE MEMBERS**

**GINNI FILAMENTS LIMITED**

**110 KM STONE, DELHI MATHURA ROAD,  
CHHATA, MATHURA-281401**

1. The Corporate Governance Report prepared by Ginni Filaments Limited ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C,D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2022. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.
2. The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanation given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27, and clause (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations.
4. We further state that such compliance certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
5. This Report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the listing Regulations and should not be used by any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

**PLACE: NEW DELHI  
DATE: 29.04.2022  
UDIN: F004764D000236336**

**For PARVEEN RASTOGI & CO.  
COMPANY SECRETARIES  
PRAVEEN RASTOGI  
M NO.: 4764  
COP. NO. 2883**



## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,  
The Members of  
**GINNI Filaments Limited**  
110 KM Stone, Delhi Mathura Road, Chhata  
Distt. Mathura, Uttar Pradesh-281401

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Ginni Filaments Limited having CIN-L71200UP1982PLC012550 and having registered office at **110 KM Stone, Delhi Mathura Road, Chhata, Distt. Mathura, Uttar Pradesh-281401** (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	JOGINDER PAL KUNDRA	00004228	31/01/2000
2	JUGAL KISHORE BHAGAT	00055972	28/07/1982
3	SHISHIR JAIPURIA	00274959	14/02/1990
4	SURESH SINGHVI	00293272	01/08/2014
5	HAR PRASAD BHATTACHARYA	00304475	30/10/2000
6	SAKET JAIPURIA	02458923	11/02/2016
7	MANJU RANA	06939634	01/08/2014

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

**PLACE: NEW DELHI**  
**DATE: 29.04.2022**  
**UDIN: F004764D000236116**

**FOR PARVEEN RASTOGIN & CO.**  
**COMPANY SECRETARIES**  
**PARVEEN RASTOGI**  
**C.P. No 2883**  
**M.No. 4764**



To The Members of  
Ginni Filaments Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Ginni Filaments Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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.

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, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as 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 Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<b>Receivables for Insurance Claims (Refer note no.14 of the financial statements)</b>	
The company books a receivable against a claim placed with insurer. As the calculation for such claims is complex and requires involvement of an expert to arrive at the amount of claims placed by the company, we have considered this as a key audit matter.	In view of the significance of the matter, our audit procedures in this area includes the review of the following: <ul style="list-style-type: none"> <li>(i) Evaluation of the principles and guidelines laid in the insurance agreement between the company and the insurer for calculation of such claims.</li> <li>(ii) We have evaluated the reasonability of the management's claim.</li> <li>(iii) We have analysed and compared insurance claims with the previous identical insurance claims accepted by the insurers.</li> </ul> Based on the above procedures, we found that the Management's assessment to be reasonable.





<b>Evaluation of litigations under arbitration or various court forums (Refer note no.38 &amp; 48 of the financial statements)</b>	
<p>The Company has pending litigation with various parties pending under arbitration and various forums of court which involves significant judgment to determine the possible outcome of these disputes.</p>	<p>In view of the significance of the matter, our audit procedures in this area includes the review of the following:</p> <ul style="list-style-type: none"> <li>(i) We have obtained details of litigations pending under arbitration and various forums of court for the year ended March 31, 2022 from the management.</li> <li>(ii) We have reviewed basis of assumptions made by the management in relation to the ongoing proceedings.</li> <li>(iii) We have had verbal discussions with internal and external legal experts of the Company and evaluated whether the stands taken by the management required any change.</li> </ul> <p>Based on the above procedures, we found that the Management's assessment to be reasonable.</p>

### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's report including Annexures to Board's Report, Corporate Governance and Shareholder's Information 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Indian Accounting Standard ('Ind AS') and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

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

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

### **Auditor's Responsibility for the Audit of the Financial Statements**

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



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

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

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

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity 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 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 as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- g. With respect to 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, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer note 38 to the financial statements.
  - 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.
    - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N  
**Vardhman Doogar**  
Partner  
Membership No. 517347

**UDIN:** 22517347AIVRAM9983  
**Date:** 6<sup>th</sup> May 2022  
**Place:** Noida



## Annexure "A" to the Independent Auditor's Report

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

### Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act")

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets: -
  - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, Plant and Equipment and relevant details of right-of-use assets.  
  
(B) The company has maintained proper records showing full particulars of intangible assets.
  - b. The Company has a program of physical verification of Property, Plant and Equipment and right-to-use assets to cover all the assets once every three year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c. Based on our examination, title deeds of all immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory ( excluding stocks with third parties) has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by the Management is appropriate (In respect of inventories lying with third parties, they have substantially been confirmed by them). The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been properly dealt with in the books of accounts.  
  
(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 Crores, in aggregate, from banks on the basis of security of current assets. The company has filed quarterly returns or statements with such banks, which are in agreement with the unaudited books of account.
- iii. The Company has not made investments in, provided any guarantee or security or granted any loan and advances in nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships during the year. Accordingly, reporting under Clause 3(iii) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under Clause 3(v) of the Order are not applicable.



vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities.

There are no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Nature of Statute	Nature of dues	Forum where dispute is pending	Period(s) to which the amount relates	Amount involved (₹ in Lacs)	Amount Paid (₹ in Lacs)
UP Tax on Entry of Goods into Local Areas Act, 2007	Entry Tax	High Court, Allahabad	FY 1999-2000 to 2000-01 and FY 2003-04 to 2004-05	47.39	36.02
Income Tax Act, 1961	Income Tax	CIT (A)	AY 2008-09	14.19	Nil

viii. According to the information and explanation given to us and the records of the Company examined by us, there is no income surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

ix. (a) According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender as at the balance sheet date.

(b) According to the information and explanation given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanation given to us, the term loans have been applied for the purpose for which they were obtained.

(d) According to the information and explanation given to us, and the procedures performed by us, and on the overall examination of the financial statements of the Company, we report that no funds raised on the short term basis have been used for long-term purposes by the Company.

(e) There is no subsidiary of the Company. Accordingly, the reporting under Clause 3(ix)(e) of the Order are not applicable to the Company.

(f) There is no subsidiaries, joint venture or associate of the company. Accordingly, the reporting under Clause 3(ix)(f) of the Order are not applicable to the Company.



- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us, the Company has utilized the monies raised during the year for allotment of equity shares against share warrants and term loans for the purposes for which they were raised. According to the information and explanations given by the management, the Company has not raised any money during the year, by way of initial public offer/ further public offer.
- xi. (a) During the course of the examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company noticed or reported during the year, nor have been informed of any such case by the Management.
- (b) During the course of the examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, report under section 143(12) of the Act, in Form ADT-4 was not required to be filed. Accordingly, the reporting under Clause 3(xi)(b) of the Order are not applicable to the Company.
- (c) During the course of the examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and as represented to us by the management, no whistle blower complaints have been received during the year by the Company. Accordingly, the reporting under Clause 3(xi)(c) of the Order are not applicable to the Company.
- xii. The Company is not a Nidhi Company. Accordingly, the reporting under Clause 3(xii) of the Order are not applicable.
- xiii. According to the information and explanation and records made available by the company, the Company has complied with the provision of Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, reporting under Clause 3(xv) of the Order are not applicable.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause 3(xvi)(a), (b) and (c) of the Order are not applicable.
- (b) Based on the information and explanations provided by the management of the Company, there is one core investment company as the part of the Group.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation 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, 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.

- xx. (a) According to the information and explanations given to us, there are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- (b) According to the information and explanations given to us, there are no amount remaining unspent in pursuant to ongoing project under sub-section (5) of Section 135 of the Act. Accordingly, reporting under Clause 3(xx)(b) is not applicable to the Company.

**For Doogar & Associates**  
Chartered Accountants  
Firm Registration No. 000561N  
**Vardhman Doogar**  
Partner  
Membership No. 517347

**UDIN:** 22517347AIVRAM9983

**Date:** 6<sup>th</sup> May 2022

**Place:** Noida



## Annexure “B” to the Independent Auditor’s Report

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

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

We have audited the internal financial controls over financial reporting of Ginni Filaments Limited (“the Company”) as of March 31, 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 (the “Guidance Note”) 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 (“the Act”) .

#### **Auditor’s 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 of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘the Guidance Note’) and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Doogar & Associates*  
Chartered Accountants  
Firm Registration No. 000561N  
**Vardhman Doogar**  
Partner  
Membership No. 517347

**UDIN:** 22517347AIVRAM9983

**Date:** 6<sup>th</sup> May 2022

**Place:** Noida



## Balance Sheet as at March 31, 2022

	Note No.	(₹ in Lacs)	
		As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>Non-current Assets</b>			
(a) Property, plant and equipment	3	26,257.72	20,878.82
(b) Capital work-in-progress	4	263.08	240.32
(c) Intangible assets	5	4.68	6.29
(d) Right of use assets	6	629.82	814.26
<b>(e) Financial assets</b>			
(i) Investments	7	3,314.43	3,352.45
(ii) Other financial assets	8	303.45	233.98
(f) Other non-current assets	9	127.08	274.30
<b>Total Non-current assets</b>		<b><u>30,900.26</u></b>	<b><u>25,800.42</u></b>
<b>Current Assets</b>			
(a) Inventories	10	25,803.43	17,955.70
<b>(b) Financial Assets</b>			
(i) Trade receivables	11	14,529.09	10,376.12
(ii) Cash and cash equivalents	12	171.53	228.80
(iii) Bank balances other than (ii) above	13	781.77	218.74
(iv) Other financial assets	14	545.57	416.20
(c) Other current assets	15	4,934.92	3,349.28
<b>Total Current assets</b>		<b><u>46,766.31</u></b>	<b><u>32,544.84</u></b>
<b>Total Assets</b>		<b><u>77,666.57</u></b>	<b><u>58,345.26</u></b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	8,565.01	7,915.01
(b) Other equity	17	20,705.91	15,951.62
<b>Total Equity</b>		<b><u>29,270.93</u></b>	<b><u>23,866.63</u></b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
<b>(a) Financial Liabilities</b>			
(i) Borrowings	18	8,827.77	2,476.02
(ii) Lease liabilities	19	-	213.23
(b) Deferred tax liabilities (net)	20	2,926.43	2,347.85
(c) Provisions	21	1,137.30	1,036.08
<b>Total Non-current liabilities</b>		<b><u>12,891.50</u></b>	<b><u>6,073.18</u></b>
<b>Current Liabilities</b>			
<b>(a) Financial liabilities</b>			
(i) Borrowings	22	23,699.42	20,332.90
(ii) Trade payables	23	-	-
- Total outstanding dues of micro enterprises and small enterprises		302.14	247.95
- Total outstanding dues of creditors other than micro enterprises and small enterprises		7,709.96	3,245.85
(iii) Lease liabilities	24	222.37	135.47
(iii) Other financial liabilities	25	1,325.43	1,510.06
(b) Provisions	26	620.31	537.64
(c) Other current liabilities	27	1,622.97	2,186.32
(d) Current tax liabilities (net)	28	1.55	209.26
<b>Total Current liabilities</b>		<b><u>35,504.15</u></b>	<b><u>28,405.45</u></b>
<b>Total Liabilities</b>		<b><u>48,395.65</u></b>	<b><u>34,478.63</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>77,666.57</u></b>	<b><u>58,345.26</u></b>

See accompanying notes to the financial statements 1 to 52

As per our report of even date attached

For **Doogar & Associates** Chartered Accountants  
Firm's registration No. 000561N

For and on behalf of the Board of Directors  
**Shishir Jaipuria**  
Chairman & Managing Director  
DIN: 00274959

**Saket Jaipuria**  
Executive Director cum President  
DIN: 02458923

**Vardhman Doogar**  
Partner  
M. No 517347

**Suresh Singhvi**  
Director Finance & CFO  
DIN: 00293272

**Bharat Singh**  
Company Secretary

Place : Noida  
Dated: 6th May 2022



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

(₹ in Lacs)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Revenue from operations	29	1,08,446.47	77,841.88
II. Other income	30	<u>503.52</u>	<u>247.38</u>
<b>III. Total Income (I+II)</b>		<b><u>1,08,949.99</u></b>	<b><u>78,089.26</u></b>
IV. <b>Expenses :</b>			
Cost of materials consumed	31	67,464.73	42,729.42
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	(2,032.57)	1,298.32
Employee benefits expense	33	7,292.66	6,153.10
Finance costs	34	2,436.60	2,711.04
Depreciation and amortisation expense	35	2,580.58	2,479.88
Other expenses	36	<u>24,344.62</u>	<u>16,611.68</u>
<b>Total expenses (IV)</b>		<b><u>1,02,086.62</u></b>	<b><u>71,983.44</u></b>
<b>V. Profit before tax &amp; exceptional items (III-IV)</b>		<b>6,863.37</b>	<b>6,105.82</b>
<b>VI. Exceptional items</b>	49	573.52	240.65
<b>V. Profit before tax (V-VI)</b>		<b>7,436.89</b>	<b>6,346.47</b>
<b>VI. Tax Expense:</b>	41		
Current tax		2,633.07	2,462.98
Deferred tax		(43.35)	(246.07)
Income tax earlier years		<u>10.86</u>	<u>-</u>
<b>Total tax expense (VI)</b>		<b><u>2,600.58</u></b>	<b><u>2,216.91</u></b>
<b>VII. Profit for the year (VI-VII)</b>		<b><u>4,836.31</u></b>	<b><u>4,129.56</u></b>
<b>VIII. Other Comprehensive Income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
(i) Re-measurement gains/(loss) on defined benefit plans		(18.78)	(124.20)
(ii) Equity instruments through other comprehensive income		(38.03)	-
Income tax expense relating to items that will not be reclassified to profit or loss		<u>15.42</u>	<u>43.40</u>
<b>Total Other comprehensive income (VIII)</b>		<b><u>(41.39)</u></b>	<b><u>(80.80)</u></b>
<b>IX. Total Comprehensive Income for the year (VII+VIII)</b>		<b><u>4,794.92</u></b>	<b><u>4,048.76</u></b>
<b>X. Earnings per equity share of ₹ 10 each</b>	37		
- Basic (₹)		5.82	5.82
- Diluted (₹)		5.82	5.80

See accompanying notes to the financial statements 1 to 52

As per our report of even date attached

For **Doogar & Associates**  
Chartered Accountants  
Firm's registration No. 000561N

For and on behalf of the Board of Directors

**Vardhman Doogar**  
Partner  
M. No 517347

**Shishir Jaipuria**  
Chairman & Managing Director  
DIN: 00274959

**Saket Jaipuria**  
Executive Director cum President  
DIN: 02458923

Place : Noida  
Dated: 6th May 2022

**Suresh Singhvi**  
Director Finance & CFO  
DIN: 00293272

**Bharat Singh**  
Company Secretary



## Statement of Cash flows for the year ended March 31, 2022

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flow from operating activities</b>		
Net profit before tax	7,436.89	6,346.47
<b>Adjustments: -</b>		
Depreciation and amortisation	2,580.58	2,479.88
Provision for doubtful debts	499.78	47.29
Bad debts	32.18	-
Sundry balances written off	70.74	212.26
Unrealised foreign Exchange Fluctuation (Gain)/Loss	(50.67)	192.35
Interest expenses	2,035.47	2,385.11
Bank and finance charges	369.41	295.25
Interest on lease liabilities	31.72	30.68
Loss/(Profit) on sale of Property, plant & equipment	(656.97)	(209.69)
Interest Income	(85.61)	(39.97)
Provision for employee benefits	165.10	297.25
<b>Operating profit before working capital changes</b>	<b><u>12,428.62</u></b>	<b><u>12,036.88</u></b>
<b>Adjustments for:-</b>		
Inventories	(7,847.73)	(472.59)
Trade Receivables	(4,757.91)	1,113.44
Other current assets	(1,432.29)	(463.00)
Other current financial assets	(418.47)	111.52
Trade payables	4,518.29	(474.86)
Other financial liabilities	(126.74)	105.48
Other liabilities	(265.56)	493.16
<b>Cash generated from operations</b>	<b><u>2,098.21</u></b>	<b><u>12,450.03</u></b>
Income tax refund/(paid)	(2,214.30)	(1,073.75)
<b>Net cash inflow/(outflow) from operating activities</b>	<b><u>(116.09)</u></b>	<b><u>11,376.28</u></b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant & equipment	(7,896.98)	(2,144.69)
Sale proceeds of property, plant & equipment	757.77	353.45
Interest received	79.48	37.45
Decrease/(increase) in fixed deposits	(563.03)	90.92
<b>Net cash inflow / (outflow) from investing activities</b>	<b><u>(7,622.76)</u></b>	<b><u>(1,662.87)</u></b>
<b>C. Cash inflow/(outflow) from financing activities</b>		
Increase /(Decrease) in long term borrowings	7,101.91	(5,345.99)
Increase /(Decrease) in short term borrowings	2,591.11	(2,870.63)
Interest paid	(2,093.36)	(2,385.47)
Bank and finance charges paid	(369.41)	(295.25)
Proceeds from issue of shares	609.38	1,265.61
Lease liabilities	(158.05)	(98.12)
<b>Net cash inflow / (outflow) used in financing activities</b>	<b><u>7,681.58</u></b>	<b><u>(9,729.85)</u></b>
<b>Net changes in cash and cash equivalents</b>	<b><u>(57.27)</u></b>	<b><u>(16.44)</u></b>
<b>Opening Cash and cash equivalents</b>	<b><u>228.80</u></b>	<b><u>245.24</u></b>
<b>Closing Cash and cash equivalents</b>	<b><u>171.53</u></b>	<b><u>228.80</u></b>

**Notes: -**

- (i) Statement of cash flows has been prepared using Indirect method in accordance with Ind AS-7  
(ii) Refer note no. 12 for components of cash and cash equivalents

**See accompanying notes to the financial statements 1 to 52**  
**As per our report of even date attached**

**For Doogar & Associates**  
Chartered Accountants  
Firm's registration No. 000561N

**Vardhman Doogar**  
Partner  
M. No 517347

**Place : Noida**  
**Dated: 6th May 2022**

**For and on behalf of the Board of Directors**

**Shishir Jaipuria**  
Chairman & Managing Director  
DIN: 00274959

**Suresh Singhvi**  
Director Finance & CFO  
DIN: 00293272

**Saket Jaipuria**  
Executive Director cum President  
DIN: 02458923

**Bharat Singh**  
Company Secretary



## Statement of changes in equity for the year ended March 31, 2022

## A. Equity Share Capital

(₹ in Lacs)

Balance as at April 1, 2020	Movement during the year	Balance as at March 31, 2021	Movement during the year	Balance as at March 31, 2022
7,065.01	850.00	7,915.01	650.00	8,565.01

## B. Other Equity

(₹ in Lacs)

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Money against share warrants	General Reserve	Securities Premium	Capital Redemption Reserve	Retained Earnings	Equity Instruments through OCI	Re-measurement of the net defined benefit plans	
<b>Balance as at April 1, 2020</b>	-	560.00	6,287.43	750.00	1,277.94	2,487.91	123.93	11,487.21
Profit for the year	-	-	-	-	4,129.56	-	-	4,129.56
Remeasurement of the net defined benefit - gain/(loss) (net of tax)	-	-	-	-	-	-	(80.80)	(80.80)
Security premium received	-	-	212.51	-	-	-	-	212.51
Proceeds against share warrants	203.14	-	-	-	-	-	-	203.14
<b>Balance as at March 31, 2021</b>	<b>203.14</b>	<b>560.00</b>	<b>6,499.94</b>	<b>750.00</b>	<b>5,407.50</b>	<b>2,487.91</b>	<b>43.13</b>	<b>15,951.62</b>
Profit for the year	-	-	-	-	4,836.31	-	-	4,836.31
Remeasurement of the net defined benefit - gain/(loss) (net of tax)	-	-	-	-	-	-	(12.22)	(12.22)
Equity instruments through other comprehensive income (net of tax)	-	-	-	-	-	(29.16)	-	(29.16)
Security premium received	-	-	162.50	-	-	-	-	162.50
Exercise of share warrants	(203.14)	-	-	-	-	-	-	(203.14)
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>560.00</b>	<b>6,662.44</b>	<b>750.00</b>	<b>10,243.81</b>	<b>2,458.75</b>	<b>30.91</b>	<b>20,705.91</b>

See accompanying notes to the financial statements 1 to 52

As per our report of even date attached

For **Doogar & Associates**

Chartered Accountants

Firm's registration No. 000561N

For and on behalf of the Board of Directors

**Vardhman Doogar**

Partner

M. No 517347

**Shishir Jaipuria**

Chairman &amp; Managing Director

DIN: 00274959

**Saket Jaipuria**

Executive Director cum President

DIN: 02458923

Place : Noida

Dated: 6th May 2022

**Suresh Singhvi**

Director Finance &amp; CFO

DIN: 00293272

**Bharat Singh**

Company Secretary



## Note – 1 – Company overview

Ginni Filaments Ltd is a textile Company manufacturing cotton yarn, knitted fabric, non-woven fabric, garments, wipes and cosmetics at its factories located at Kosi kalan (U.P.), Panoli (Gujarat), Noida (U.P.) and Haridwar (Uttarakhand).

## Note – 2 – Significant Accounting Policies

### a. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### b. Use of estimate and judgements

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

### c. Revenue recognition

Revenue is recognised at the fair value of the consideration received or receivable. The amount disclosed as revenue is net of returns and discounts.

The company recognizes revenue when the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity.

#### (i) Sales of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods are transferred to the buyer and the entity retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.

The performance obligation in case of sales of goods is satisfied at a point in time i.e. Revenue from export sales is recognized when the material is shipped to the customer while Domestic sales is recognized on the basis of ex-factory dispatch as may be specified in the contract.

#### (ii) Sale of services

Revenue from services is accounted for on the basis of work performed and rendering of services as per the terms of the specific contract.

#### (iii) Export Incentives

Export benefits/incentives are accounted for on accrual basis.

#### (iv) Insurance and Other Claims

In accordance with the consistent practice, insurance and other claims, to the extent considered recoverable, are accounted for in the year relevant to claim while the balance is accounted for on settlement.



## d. Employee benefits

### (i) Short term Employee Benefits

Short Term Employee Benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

### (ii) Post Employment Benefits

#### (a) Defined Contribution Plans

##### Provident Fund

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

#### (b) Defined benefit plans

##### Gratuity

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurements comprising of actuarial gains and losses, on the net defined benefit liability are recognised in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

##### Compensated Absences

The liability with regard to accumulated compensated absences is determined by actuarial valuation, performed by an independent actuary at each balance sheet date using projected unit credit method.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurements are recognised in statement of profit & loss in the period in which they arise.

## e. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation / impairment loss, if any. Cost includes freight, duties, taxes, and other incidental expenses. Pre-operative expenses including eligible borrowing cost incurred during construction period are charged to Capital Work-in-Progress and on completion, the cost is allocated to the respective property, plant and equipment. Machinery spares which are specific to a particular item of the property, plant and equipment and if their use is expected to be irregular are capitalized as applicable.

## f. Intangible assets

Intangible assets are stated at cost less accumulated amount of amortization. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

## g. Depreciation and amortisation expenses

Depreciation on property, plant and equipment is provided on straight line method at the rate and in the manner prescribed in Schedule II of the Companies Act, 2013, w.e.f. 1st April, 2014 except in case of continuous Process plant. The depreciation on continuous Process Plant has been provided as per useful life technically evaluated by chartered engineer. Cost of leasehold land is amortized over the period of lease.

The Company has applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS and hence regarded thereafter as historical cost.



## **h. Inventories**

Raw materials, stores and spares are valued at lower of cost and net realizable value.

Work in progress and finished goods, stock in trade and stock in transit are valued at lower of cost and net realizable value. The costs of work in progress and finished goods include costs of raw material, conversion cost and other costs incurred in bringing the inventories to their present location and condition. Waste is valued at net realizable value.

Cost of inventories is computed on weighted average.

## **i. Borrowing costs**

Borrowing cost attributable to acquisition and construction of qualifying assets are capitalized as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other borrowing costs are charged to the Statement of Profit and Loss Account.

## **j. Government Grants**

Capital grants relating to property, plant and equipment are reduced from the gross value of property, plant and equipment. Other capital grants are credited to capital reserve. Revenue grants are credited in Statement of Profit and Loss or deducted from related expenses.

## **k. Income taxes**

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the balance sheet approach. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

## **l. Earnings per share**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value.





## **m. Foreign Currency Transactions**

The functional currency of the company is Indian rupee. These financial statements are presented in Indian rupee.

In preparing the financial statements, transaction in foreign currencies are recognised at the rates of exchange prevailing at the dates of the transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit & loss of the period.

The foreign currency monetary items are translated using the closing rate at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency shall be translated using the exchange rate at the date of the transaction. Exchange differences 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 shall be recognised in profit or loss in the period in which they arise. All other foreign exchange gains and losses are presented in the statement of profit and loss on net basis.

## **n. 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.

### **(i) Initial Recognition and measurement**

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

### **(ii) Subsequent measurement**

#### **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### **Financial assets at fair value through other comprehensive income (FVTOCI)**

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

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

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

#### **Financial liabilities**

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

## **o. Impairment of assets**

### **(i) Financial assets**

The company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss.



Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit or loss.

## **(ii) Non-financial assets**

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

## **p. Cash and cash equivalents**

The Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity period of three months or less from the balance sheet date, which are subject to an insignificant risk of changes in value.

## **q. Provisions and Contingencies**

A provision is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources in respect of which a reliable estimate can be made. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised.

## **r. Leases**

Effective April 1, 2019, the Company adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the right of use asset at its carrying amount.

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

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



## s. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

**Ind AS 16 – Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

**Ind AS 109 – Financial Instruments** – The amendment clarifies which fees an entity includes when it applies the "10%" test in assessing whether to derecognize a financial liability. An entity includes only fees paid or received between the entity and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

## 3 Property, plant and equipment

(₹ in Lacs)

Particulars	Freehold Land	Leasehold Improvements	Buildings	Plant and Machinery	Office Equipment	Electric Installation	Computers	Furniture and Fixtures	Vehicles	Total
<b>Gross carrying amount</b>										
As at April 1, 2020	207.85	492.22	7,171.77	48,501.37	241.39	2,140.82	289.77	315.84	221.56	59,582.59
Additions	-	-	125.76	1,754.68	20.19	30.88	17.40	7.25	8.29	1,964.45
Disposal/Adjustments	-	-	(37.75)	-	(10.43)	-	(4.83)	(21.05)	(6.88)	(80.94)
<b>As at March 31, 2021</b>	<b>207.85</b>	<b>492.22</b>	<b>7,259.78</b>	<b>50,256.05</b>	<b>251.15</b>	<b>2,171.70</b>	<b>302.34</b>	<b>302.04</b>	<b>222.97</b>	<b>61,466.09</b>
Additions			1,065.90	6,375.59	45.12	130.41	51.70	79.41	125.70	7,873.83
Disposal/Adjustments				(912.75)	(0.77)			(0.04)	(31.77)	(945.33)
<b>As at March 31, 2022</b>	<b>207.85</b>	<b>492.22</b>	<b>8,325.68</b>	<b>55,718.89</b>	<b>295.50</b>	<b>2,302.11</b>	<b>354.04</b>	<b>381.41</b>	<b>316.90</b>	<b>68,394.60</b>
<b>Accumulated Depreciation</b>										
As at April 1, 2020	-	381.40	3,186.04	32,045.29	214.04	1,792.35	255.82	246.92	109.91	38,231.77
Depreciation for the year	-	43.85	164.14	2,072.13	12.86	69.18	12.11	10.28	19.58	2,404.13
Disposal/reversal	-	-	(7.97)	-	(9.70)	-	(4.59)	(19.83)	(6.54)	(48.63)
<b>As at March 31, 2021</b>	<b>-</b>	<b>425.25</b>	<b>3,342.20</b>	<b>34,117.42</b>	<b>217.20</b>	<b>1,861.53</b>	<b>263.34</b>	<b>237.37</b>	<b>122.96</b>	<b>40,587.27</b>
Additions		43.68	170.41	2,089.97	15.59	72.22	16.55	14.80	23.56	2,446.78
Disposal/Adjustments				(876.30)	(0.67)			(0.04)	(20.16)	(897.17)
<b>As at March 31, 2022</b>	<b>-</b>	<b>468.93</b>	<b>3,512.61</b>	<b>35,331.09</b>	<b>232.12</b>	<b>1,933.75</b>	<b>279.89</b>	<b>252.13</b>	<b>126.36</b>	<b>42,136.88</b>
<b>Net Carrying amount</b>										
As at March 31, 2020	207.85	110.82	3,985.73	16,456.08	27.35	348.47	33.95	68.92	111.65	21,350.82
As at March 31, 2021	207.85	66.97	3,917.58	16,138.62	33.95	310.17	39.00	64.67	100.01	20,878.82
As at March 31, 2022	207.85	23.29	4,813.07	20,387.80	63.38	368.36	74.15	129.28	190.54	26,257.72



#### 4 Capital Work in progress Ageing of Capital work in progress: -

Particulars	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>As at March 31, 2022</b>					
Projects in progress	263.08	-	-	-	263.08
<b>As at March 31, 2021</b>					
Projects in progress	240.32	-	-	-	240.32

#### 5 Intangible assets

Particulars	(₹ in Lacs)		
	Licenses	Softwares	Total
<b>Deemed cost/ Gross carrying amount</b>			
<b>As at April 1, 2020</b>	54.99	21.29	76.28
Additions	-	0.35	0.35
Disposal/Adjustments			-
<b>As at March 31, 2021</b>	54.99	21.64	76.63
Additions	-	0.40	0.40
Disposal/Adjustments	6.04	(6.04)	-
<b>As at March 31, 2022</b>	61.03	16.00	77.03
<b>Accumulated amortisation</b>			
<b>As at April 1, 2020</b>	51.58	16.62	68.20
Amortisation during the year	2.10	0.04	2.14
Disposal/Adjustments	-	-	-
<b>As at March 31, 2021</b>	53.68	16.66	70.34
Amortisation during the year	1.91	0.10	2.01
Disposal/Adjustments	2.14	(2.14)	-
<b>As at March 31, 2022</b>	57.73	14.62	72.35
<b>Net Carrying amount</b>			
<b>As at April 1, 2020</b>	3.41	4.67	8.08
<b>As at March 31, 2021</b>	1.31	4.98	6.29
<b>As at March 31, 2022</b>	3.30	1.38	4.68

#### 6 Right of use assets

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
<b>Opening balance</b>	814.26	999.32
Additions	-	-
Deletions	(52.65)	(117.62)
Amortisation	(131.79)	(67.44)
<b>Closing balance</b>	629.82	814.26

#### 7 Non-current investments

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
<b>Investment in equity instruments (Unquoted)</b>		
<b>Measured at Fair Value Through OCI (FVTOCI)</b>		
(i) 41,60,450 (March 31, 2021 - 41,60,450) equity shares of ₹ 10/- each fully paid of Ginni International Limited	3,296.55	3,334.57
(ii) 1,78,750 (March 31, 2021- 1,78,750) equity shares of ₹ 10/- each fully paid of Narmada Clean Tech Limited	17.88	17.88
<b>Total</b>	<b>3,314.43</b>	<b>3,352.45</b>



## 8 Other non-current financial assets

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Security deposits	303.45	233.98
<b>Total</b>	<b>303.45</b>	<b>233.98</b>

## 9 Other non-current assets

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Capital advances	127.08	274.30
<b>Total</b>	<b>127.08</b>	<b>274.30</b>

## 10 Inventories

(at cost or net realisable value, whichever is lower)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	16,759.25	11,376.67
Work-in-progress	2,736.03	2,284.36
Finished Goods	4,016.04	3,412.60
Stores and spares	1,069.54	667.65
Goods in transit		
- Raw materials	73.92	43.23
- Finished goods	1,148.65	171.19
<b>Total</b>	<b>25,803.43</b>	<b>17,955.70</b>

## 11 Trade receivables

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured</b>		
Trade Receivables considered good	14,529.09	10,376.12
Trade Receivables - credit impaired	547.08	47.29
	<b>15,076.17</b>	<b>10,423.41</b>
Less: Allowances for credit loss	(547.08)	(47.29)
<b>Total</b>	<b>14,529.09</b>	<b>10,376.12</b>

### Ageing of trade receivables; -

Particulars	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2-3 years	More than 3 years	Total
<b>As at 31 March 2022</b>							
Undisputed trade receivables- considered good	11,020.09	3,390.78	42.38	26.47	14.83	11.27	14,505.82
Undisputed trade receivables -credit impaired	-	77.19	172.77	19.66	275.36	2.09	547.08
Disputed trade receivables - considered good	-	-	-	-	7.87	15.40	23.27
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total trade receivables</b>	<b>11,020.09</b>	<b>3,467.97</b>	<b>215.15</b>	<b>46.13</b>	<b>298.06</b>	<b>28.76</b>	<b>15,076.17</b>
Less: Allowance for credit loss	-	-	-	-	-	-	(547.08)
<b>Net trade receivables</b>	<b>11,020.09</b>	<b>3,467.97</b>	<b>215.15</b>	<b>46.13</b>	<b>298.06</b>	<b>28.76</b>	<b>14,529.09</b>



Particulars	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2-3 years	More than 3 years	Total
<b>As at 31 March 2021</b>							
Undisputed trade receivables- considered good	7,586.73	1,671.56	48.22	980.24	16.15	3.78	10,306.68
Undisputed trade receivables -credit impaired	-	-	-	47.29	-	-	47.29
Disputed trade receivables - considered good	-	-	-	7.87	-	61.56	69.44
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total trade receivables</b>	<b>7,586.73</b>	<b>1,671.56</b>	<b>48.22</b>	<b>1,035.40</b>	<b>16.15</b>	<b>65.34</b>	<b>10,423.41</b>
Less: Allowance for credit loss	-	-	-	-	-	-	(47.29)
<b>Net trade receivables</b>	<b>7,586.73</b>	<b>1,671.56</b>	<b>48.22</b>	<b>1,035.40</b>	<b>16.15</b>	<b>65.34</b>	<b>10,376.12</b>

### 12 Cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cash on hand	15.11	35.73
Balances with Banks		
- In current accounts	50.15	87.16
- In deposit accounts with maturity less than three months	106.27	105.91
<b>Total</b>	<b>171.53</b>	<b>228.80</b>

### 13 Bank balances other than cash and cash equivalents

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deposits held as margin money*	781.77	218.74
<b>Total</b>	<b>781.77</b>	<b>218.74</b>

\* Margin money for bank guarantees and letter of credit

### 14 Other current financial assets

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good</b>		
Security deposits	-	8.11
Insurance claim receivable	533.41	402.07
Interest accrued but not due	12.16	6.02
<b>Total</b>	<b>545.57</b>	<b>416.20</b>



## 15 Other current assets

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good</b>		
Advances to suppliers	675.89	1,005.62
Advance to employees	21.61	29.09
Prepaid expenses	202.74	175.52
Balance with government authorities	3,309.71	1,783.74
Export incentives receivables	724.97	355.31
<b>Total</b>	<b>4,934.92</b>	<b>3,349.28</b>

## 16 Equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	(₹ in Lacs)	No. of shares	(₹ in Lacs)
<b>Authorised</b>				
Equity shares of ₹10 each	9,42,85,000	9,428.50	9,42,85,000	9,428.50
<b>Total</b>	<b>9,42,85,000</b>	<b>9,428.50</b>	<b>9,42,85,000</b>	<b>9,428.50</b>
<b>Issued, subscribed and fully paid up</b>				
Equity shares of ₹10 each	8,56,50,065	8,565.01	7,91,50,065	7,915.01
<b>Total</b>	<b>8,56,50,065</b>	<b>8,565.01</b>	<b>7,91,50,065</b>	<b>7,915.01</b>

## (a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2022	As at March 31, 2021
	Number of shares	Number of shares
Shares at the beginning of the year	7,91,50,065	7,06,50,065
Issued during the year	65,00,000	85,00,000
<b>Shares outstanding at the end of the year</b>	<b>8,56,50,065</b>	<b>7,91,50,065</b>

## (b) Rights, preferences and restrictions attached to equity shares

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

## (c) Detail of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
<b>Equity shares of ₹ 10 each fully paid</b>				
Suniti Devi Jaipuria	1,33,60,027	15.60	1,33,60,027	16.88
Sunita Jaipuria	47,29,499	5.52	47,29,499	5.98
Saket Jaipuria	61,36,008	7.16	61,36,008	7.75
Yash Jaipuria	57,45,847	6.71	57,45,847	7.26
Raghukul Trading Pvt. Ltd.	2,00,05,017	23.36	1,50,05,017	18.96
Lochan Agro Pvt Ltd	50,00,000	5.84	35,00,000	4.42


**(d) Shareholding of promoter(s): -**

Particulars	As at March 31, 2022		As at March 31, 2021		Change during the year (%)
	No. of shares	% of total shares	No. of shares	% of total shares	
<b>(a) Promoters</b>					
Suniti Devi Jaipuria	1,33,60,027	15.60%	1,33,60,027	16.88%	-
Shishir Jaipuria	34,29,033	4.00%	34,29,033	4.33%	-
Sunita Jaipuria	47,29,499	5.52%	47,29,499	5.98%	-
Saket Jaipuria	61,36,008	7.16%	61,36,008	7.75%	-
Yash Jaipuria	57,45,847	6.71%	57,45,847	7.26%	-
Sharad Jaipuria	3,200	0.00%	1,700	0.00	88.24%
<b>(b) Promoter's Group</b>					
Shishir Jaipuria Karta HUF	13,08,286	1.53%	13,08,286	1.65%	-
Sharad Jaipuria Karta HUF	-	0.00%	1,500	0.00	-100.00%
Dr. Rajaram Jaipuria HUF	366	0.00%	366	0.00	-
Raghukul Trading Pvt Ltd	2,00,05,017	23.36%	1,50,05,017	18.96%	33.32%
Lochan Agro Pvt Ltd	50,00,000	5.84%	35,00,000	4.42%	42.86%
<b>Total</b>	<b>5,97,17,283</b>	<b>69.72%</b>	<b>5,32,17,283</b>	<b>67.24%</b>	<b>12.21%</b>

**17 Other equity**

(₹ in Lacs)

Particulars	Reserves and Surplus					Other Comprehensive Income		Total
	Money against share warrants	General Reserve	Securities Premium	Capital Redemption Reserve	Retained Earnings	Equity Instruments through OCI	Re-measurement of the net defined benefit plans	
<b>Balance as at April 1, 2020</b>		560.00	6,287.43	750.00	1,277.94	2,487.91	123.93	<b>11,487.21</b>
Loss for the year	-	-	-	-	4,129.56	-	-	<b>4,129.56</b>
Remeasurement of the net defined benefit - gain/(loss)	-	-	-	-	-	-	(80.80)	<b>(80.80)</b>
Security premium received			212.51					<b>212.51</b>
Proceeds against share warrants	203.14							<b>203.14</b>
<b>Balance as at March 31, 2021</b>	<b>203.14</b>	<b>560.00</b>	<b>6,499.94</b>	<b>750.00</b>	<b>5,407.50</b>	<b>2,487.91</b>	<b>43.13</b>	<b>15,951.62</b>
Profit for the year	-	-	-	-	4,836.31	-	-	<b>4,836.31</b>
Remeasurement of the net defined benefit - gain/(loss) (net of tax)	-	-	-	-	-	-	(12.22)	<b>(12.22)</b>
Equity instruments through other comprehensive income (net of tax)	-	-	-	-	-	(29.16)	-	<b>(29.16)</b>
Security premium received			162.50					<b>162.50</b>
Exercise of share warrants	(203.14)	-	-	-	-	-	-	<b>(203.14)</b>
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>560.00</b>	<b>6,662.44</b>	<b>750.00</b>	<b>10,243.81</b>	<b>2,458.75</b>	<b>30.91</b>	<b>20,705.91</b>



**(i) General reserve**

General Reserve represents the statutory reserve in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend. However, under Companies Act, 2013 transfer of any amount to General reserve is at the discretion of the Company.

**(ii) Securities Premium**

Securities premium represents the amount received in excess of par value of securities. Premium on redemption of securities is accounted in security premium available. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

**(iii) Retained earnings**

Retained earnings represents amount that can be distributed by the Company to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act 2013.

**(iv) Capital Redemption Reserve**

Capital Redemption reserve is a statutory, non-distributable reserve created on account of redemption of redeemable preference shares as per the provisions of Companies Act, 2013 which can be utilised for issue of bonus shares.

**(v) Equity Instruments Through Other Comprehensive Income**

Reserve for equity instruments through other comprehensive income represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income.

**(vi) Remeasurement of defined benefit plans**

Actuarial gain or losses for defined benefit plans are recognised through OCI in the period in which they occur.

**18 Non-current borrowings****(₹ in Lacs)**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>(i) Term loans from banks (Secured)</b>	<b>10,844.88</b>	<b>3,622.93</b>
Less : Current maturities classified under current borrowings	(2,278.08)	(1,249.91)
Less : Unamortised processing fee	(64.48)	(21.45)
	<b>8,502.32</b>	<b>2,351.57</b>
<b>(ii) Demand Loan from banks (Secured)</b>	<b>360.00</b>	<b>497.78</b>
Less : Current maturities classified under current borrowings	(90.00)	(373.33)
	<b>270.00</b>	<b>124.45</b>
<b>(iii) Vehicle Loan (Secured)</b>	60.77	-
Less : Current maturities classified under current borrowings	(5.32)	-
	<b>55.45</b>	-
<b>Total</b>	<b>8,827.77</b>	<b>2,476.02</b>

**a) Terms and conditions related to term loans/demand loans**

Term loans/Demand Loans are :-

- Term Loan of ₹ 2850 lacs is secured by way of (i) first pari passu charge on entire fixed assets, equitable mortgage of the factory land and building, (ii) second pari-passu charge on the entire current assets of the Company, both, present & future, (iii) personal guarantee of two directors. The outstanding amount of Rs.2650 Lacs is repayable in 22 equal quarterly instalments starting from Sep, 2023.
- Demand Loan of ₹ 560 lacs is secured by way of (i) first pari passu charge on entire current assets, both present and future with other members banks of Consortium (ii) second pari-passu charge on the entire fixed assets of the Company, both, present & future including equitable mortgage of the factory land and building of the Company, (iii) personal guarantee of two directors. The outstanding amount of Rs. 124.44 Lacs is repayable in equal monthly instalments ending in July, 2023.



- (ii) Demand Loan of ₹ 934 lacs is secured by way of (i) first pari passu charge on entire current assets, both present and future with other members banks of Consortium (ii) second pari-passu charge on the entire fixed assets of the Company , both, present & future including equitable mortgage of the factory land and building of the Company, (iii) personal guarantee of two directors. The outstanding amount of Rs.934 Lacs is repayable in 48 equal monthly instalments ending in June,2026.
- (ii) Term Loan of ₹ 1500 lacs is secured by way of (i) first pari passu charge on entire fixed assets, present and future, including equitable mortgage of the factory land & building (ii) second pari-passu charge on the entire current assets of the Company , both, present & future (iii) pledge of 177 Lacs equity shares of promoters. The outstanding balance of ₹ 243.40 lacs (March 31, 2021: ₹ 523.41 lacs) is repayable in 3 quarterly instalments ending in Dec, 2022.
- (iii) Term Loan of ₹ 3100.00 lacs is secured by way of (i) first pari passu charge on entire fixed assets, present and future, including equitable mortgage of the factory land & building (ii) second pari-passu charge on the entire current assets of the Company , both, present & future (iii) pledge of 177 Lakhs equity shares of promoters. The outstanding balance of ₹ 1650.00 lacs (March 31, 2021: 2950.00 lacs) is repayable in 8 quarterly instalments ending in March 2024.
- (iv) Term Loan of ₹ 2853.00 lacs is secured by way of (i) first pari passu charge on entire fixed assets, present and future, including equitable mortgage of the factory land & building (ii) second pari-passu charge on the entire current assets of the Company , both, present & future (iii) pledge of 177 lacs equity shares of promoters. The outstanding balance of ₹ 1600 lacs (March 31, 2021: Nil) is repayable in 24 quarterly instalments ending in Dec, 2028.
- (v) Demand Loan of ₹ 2700.00 lacs is secured by way of (i) first pari passu charge on entire fixed assets, present and future, including equitable mortgage of the factory land & building (ii) second pari-passu charge on the entire current assets of the Company , both, present & future (iii) pledge of 177 Lacs equity shares of promoters. The outstanding balance of ₹2700 lacs (March 31, 2021: Nil) is repayable in 48 monthly instalments ending in July 2027.
- (vi) Demand Loan of ₹ 360.00 lacs is secured by way of (i) movable/immovable assets created out of the Working Capital term Loan (ii) second charge on all primary and collateral securities available for the existing facilities with us (iii) 100% guaranteed by NCGTC. The outstanding balance of ₹ 360 lacs (March 31, 2021: Nil) is repayable in 48 monthly instalments ending in March 2026.
- (vii) Term Loan of ₹ 1200.00 lacs is secured by way of (i) pari passu charge on all the fixed assets of the Company present and future including equitable mortgage of the factory land and building (ii) second charge on entire current assets of the Company , both present and future. The outstanding balance of ₹ 943.02 lacs (March 31, 2021: ₹ 649.52 lacs) is repayable in 15 quarterly instalments ending in December 2025.
- (viii) Vehicle loan is secured by way of charge on vehicle owned by the Company against which such loan is obtained. The outstanding amount of ₹ 60.77 lacs is repayable in equal monthly instalment of ₹ 1.03 lacs each ending in October, 2025.

## b) Rate of Interest

The borrowings of the Company by way of term loans/demand loans carries floating interest rate ranging from 1Yr MCLR to MCLR+4.75% per annum.

## c) Satisfaction of charges

All charges statutorily in respect of loans/credit facilities taken by the Company required are duly registered and satisfied. The Company has initiated process for satisfaction of some duplicate charges and awaiting No Objection Certificate (NOC) from respective lenders.

## 19 Lease liabilities (non-current)

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	-	213.23
<b>Total</b>	-	<b>213.23</b>



## 20 Deferred tax liabilities (net)

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax liabilities	3,775.72	3,629.91
Deferred tax assets	(849.29)	(644.72)
MAT credit entitlement	-	(637.34)
<b>Total</b>	<b>2,926.43</b>	<b>2,347.85</b>

Refer note no.41 for components of deferred tax liabilities/(assets)

## 21 Non-current provisions

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provison for employee benefits (refer note no.40)		
(i) Gratuity	801.77	740.59
(ii) Leave encashment	335.53	295.49
<b>Total</b>	<b>1,137.30</b>	<b>1,036.08</b>

## 22 Current borrowings

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
Current maturities of long term debt	2,373.40	1,623.24
Working capital loans from banks #	18,260.52	14,021.21
Bills discounted from banks	-	40.95
<b>Unsecured</b>		
Loans repayable on demand from related parties	3,065.50	4,647.50
<b>Total</b>	<b>23,699.42</b>	<b>20,332.90</b>

### (a) Details of security for working capital loans

- (i) Secured by second pari passu charge on all the fixed assets, present and future of the Company, including equitable mortgage of the factory land and buildings of the Company and entire current assets of the Company, both present and future.
- (ii) Further guaranteed by two directors and by pledge of 177 Lacs shares (March 31, 2021: 177 Lacs shares) of the Company held by promoter and their relatives ranking pari pasu with term loans.

### (b) Rate of Interest

The rate of interest on rupee working capital loans from banks ranges from MCLR+0.35% to MCLR+2% per annum, while foreign currency loans carries interest rate 1 M SOFR+4% / 6M LIBOR + 2%.

## 23 Trade payables

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Due to micro and small enterprises #	302.14	247.95
(b) Due to others	7,709.96	3,245.85
<b>Total</b>	<b>8,012.10</b>	<b>3,493.80</b>

# refer note no. 39



## Ageing of trade payables : -

(₹ in Lacs)					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>As at 31 March 2022</b>					
Outstanding dues to micro and small enterprises	302.14				<b>302.14</b>
Others	7,628.37	21.33	19.48	40.78	<b>7,709.96</b>
<b>Total trade payables</b>	<b>7,930.51</b>	<b>21.33</b>	<b>19.48</b>	<b>40.78</b>	<b>8,012.10</b>
<b>As at 31 March 2021</b>					
Outstanding dues to micro and small enterprises	247.95				<b>247.95</b>
Others	3,132.27	31.20	18.93	63.45	<b>3,245.85</b>
<b>Total trade payables</b>	<b>3,380.22</b>	<b>31.20</b>	<b>18.93</b>	<b>63.45</b>	<b>3,493.80</b>

## 24 Lease liabilities (current)

(₹ in Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Lease Liabilities	222.37	135.47
<b>Total</b>	<b>222.37</b>	<b>135.47</b>

## 25 Other current financial liabilities

(₹ in Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Employees related payables	800.18	713.94
Security received from customers	46.99	123.32
Interest accrued but not due to related parties	313.89	533.95
Creditors for property, plant & equipment	164.37	138.85
<b>Total</b>	<b>1,325.43</b>	<b>1,510.06</b>

## 26 Current provisions

(₹ in Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (refer note no.40)		
(i) Gratuity	345.13	256.68
(ii) Leave encashment	275.18	280.96
<b>Total</b>	<b>620.31</b>	<b>537.64</b>

## 27 Other current liabilities

(₹ in Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers	500.26	1,053.55
Statutory dues payable	377.85	376.91
Other liabilities	744.86	755.86
<b>Total</b>	<b>1,622.97</b>	<b>2,186.32</b>

## 28 Current tax liabilities

(₹ in Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax (net of advance tax and TDS receivable)	1.55	209.26
<b>Total</b>	<b>1.55</b>	<b>209.26</b>



## 29 Revenue from operations

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Sale of products #</b>		
- Finished goods	1,06,708.83	77,348.17
<b>Sale of services</b>		
- Job work charges	291.42	81.94
<b>Other operating revenues</b>		
- Export incentives	1,446.22	411.77
<b>Total revenue from operations</b>	<b>1,08,446.47</b>	<b>77,841.88</b>

# Sale of products includes net gain of ₹ 233.98 lacs (March 31, 2021: ₹ 42.35 lacs) lacs on account of exchange rate fluctuation.

## 30 Other income

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income	85.61	39.96
Profit on sale of property, plant & equipment (net)	83.45	-
Insurance claims recoverable	156.92	54.74
Sundry balances / excess liability written back	73.45	14.42
Miscellaneous Income	104.09	138.26
<b>Total other income</b>	<b>503.52</b>	<b>247.38</b>

## 31 Cost of material consumed

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cotton/polyster/viscose	53,275.02	32,913.10
Yarn	8,676.56	6,571.27
Fabric	1,408.02	615.56
Others	4,105.13	2,629.49
<b>Total cost of material consumed</b>	<b>67,464.73</b>	<b>42,729.42</b>

## 32 Changes in inventories

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Inventories at the beginning of the year</b>		
Work-in-progress	2,284.36	3,272.18
Finished goods	3,583.79	3,894.29
	<b>5,868.15</b>	<b>7,166.47</b>
<b>Inventories at the end of the year</b>		
Work-in-progress	2,736.03	2,284.36
Finished goods	5,164.69	3,583.79
	<b>7,900.72</b>	<b>5,868.15</b>
<b>Total changes in inventories</b>	<b>(2,032.57)</b>	<b>1,298.32</b>



## 33 Employee benefits expense

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries & wages including bonus	6,663.07	5,651.19
Contribution to provident and other funds	465.39	381.78
Staff welfare expenses	164.20	120.13
<b>Total employee benefit expenses</b>	<b>7,292.66</b>	<b>6,153.10</b>

## 34 Finance cost

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expenses	2,035.47	2,385.11
Interest on lease liabilities	31.72	30.68
Bank and finance charges	369.41	295.25
<b>Total finance cost</b>	<b>2,436.60</b>	<b>2,711.04</b>

## 35 Depreciation and amortisation expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on tangible assets	2,446.78	2,404.13
Amortisation of right of use assets	131.79	73.61
Amortisation of intangible assets	2.01	2.14
<b>Total depreciation and amortisation expense</b>	<b>2,580.58</b>	<b>2,479.88</b>

## 36 Other expenses

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Consumption of stores and spares	2,517.83	1,749.08
Consumption of packing material	4,238.81	2,980.56
Power & fuel	7,236.84	5,357.67
Job work charges	2,443.68	1,427.07
Rent, rates & taxes	340.91	218.92
Insurance premium	291.23	262.82
Repairs and maintenance of plant and machinery	352.47	192.64
Repairs and maintenance of buildings	114.18	46.30
Repairs and maintenance - Others	220.74	128.10
Outward Freight, Handling & Other Selling Exp.	4,303.60	2,829.01
Commission on sales	554.59	255.60
Loss on sale of property, plant & equipment (net)	-	30.96
Provision for doubtful debts	499.78	47.29
Bad debts	32.18	-
Sundry balances/claims written off	70.74	212.26
Legal & professional expenses *	255.44	296.12
Corporate social responsibility	38.61	-
Travelling & conveyance	402.00	228.18
Business promotion	126.44	77.65
Miscellaneous expenses	304.55	271.45
<b>Total other expenses</b>	<b>24,344.62</b>	<b>16,611.68</b>

\* Legal and Professional expenses includes payment to auditors (excluding applicable taxes)



Particulars	(₹ in Lacs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>(i) Auditors' remuneration</b>		
a) Audit fee	14.00	13.25
b) Tax audit fee	1.55	1.45
c) Limited review fee	2.00	1.90
d) Other services	1.85	2.65
<b>(ii) Cost audit fee</b>	1.70	1.60
<b>Total payment to auditors</b>	<b>21.10</b>	<b>20.85</b>

### 37 Earnings per share

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share" given as under: -

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/(Loss) attributable to equity shareholders (₹ in Lacs) (A)	4,836.31	4,129.56
Weighted average number of outstanding equity shares (B)	8,31,39,106	7,09,52,805
Effect of Dilution due to share warrants	-	2,89,384
Weighted average number of outstanding equity shares for calculating Diluted EPS (C)	8,31,39,106	7,12,42,189
Nominal value per equity share (₹)	10.00	10.00
Basic EPS (A/B)	5.82	5.82
Diluted EPS (A/C)	5.82	5.80

### 38 Contingent liabilities and commitments

#### (i) Contingent liabilities

	Particulars	(₹ in Lacs)	
		As at March 31, 2022	As at March 31, 2021
a)	Guarantees issued by bank on behalf of the Company	217.62	216.70
b)	Disputed demands under income tax, sales tax and electricity duty etc *	59.58	72.15
c)	Claims against the company not acknowledged as debt	54.13	40.59

\* The Company has contested demand under excise, income tax, sales tax and deposited ₹ 37.46 Lacs (March 31, 2021: ₹ 37.46 Lacs)

#### (ii) Commitments

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	329.59	3,269.67
(ii) Export commitments against import of capital goods and stores & spares under EPCG scheme (Duty saved amount)	624.64	529.26

### 39 Disclosures required under Micro, Small and Medium Enterprises Development Act, 2006

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below: -



Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Principal amount due outstanding	302.14	247.95
Interest due on (1) above and unpaid	-	-
Interest paid to the supplier	-	-
Payments made to the supplier beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

#### 40 Employee benefits

##### a) Defined contribution plans: -

The Company has recognized following expense in respect of the defined contribution plans : -

Particulars	(₹ in Lacs)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Contribution to provident fund	392.96	323.31
Contribution to employee state insurance	72.43	58.47
<b>Total</b>	<b>465.39</b>	<b>381.78</b>

##### b) Defined benefit plans: -

Below tables sets forth the changes in the projected benefit obligation and amounts recognised in the balance sheet as at March 31, 2022 and March 31, 2021, being the respective measurement dates: -

##### (i) Movement in present value of obligations

Particulars	(₹ in Lacs)	
	Gratuity (unfunded)	Leave encashment (unfunded)
<b>Present value of obligation as at April 1, 2020</b>	808.22	489.79
Current service cost	109.08	106.46
Interest cost	45.66	19.50
Benefits paid	(89.88)	(55.86)
Remeasurement- Actuarial loss/(gain) on obligation	124.20	16.55
<b>Present value of obligation as at March 31, 2021</b>	<b>997.28</b>	<b>576.44</b>
Current service cost	143.98	171.47
Interest cost	58.13	24.13
Benefits paid	(71.27)	(68.97)
Remeasurement- Actuarial loss/(gain) on obligation	18.78	(92.36)
<b>Present value of obligation as at March 31, 2022</b>	<b>1,146.90</b>	<b>610.71</b>




**(ii) Expenses recognised in the Statement of profit & loss**

(₹ in Lacs)

Particulars	Gratuity (unfunded)	Leave encashment (unfunded)
Current service cost	109.08	106.46
Interest cost	45.66	19.50
Remeasurement - Actuarial loss/(gain)	-	16.55
<b>For the year ended March 31, 2021</b>	<b>154.74</b>	<b>142.51</b>
Current service cost	143.98	171.46
Interest cost	58.13	24.12
Remeasurement - Actuarial loss/(gain)	-	(92.37)
<b>For the year ended March 31, 2022</b>	<b>202.11</b>	<b>103.22</b>

**(iii) Expenses recognised in the Other Comprehensive Income**

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurement - actuarial loss/(gain) on gratuity	18.78	124.20

**(iv) The principal actuarial assumptions used are set out below: -**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Mortality rate	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate
Discount rate	7.26%	6.69%
Expected rate of increase in compensation	6.50%	6.00%
Employee attrition rate	5.00%	5.00%

**(v) The Company' best estimate of contribution during the year: -**

(₹ in Lacs)

Particulars	Gratuity (unfunded)	Leave encashment (unfunded)
For the financial year 2022-23	162.74	128.59

**(vi) Sensitivity Analysis**

(₹ in Lacs)

Particulars	Change in assumption	Gratuity (unfunded)	Leave encashment (unfunded)
Discount Rate	+ 1%	1,077.27	424.33
	- 1%	1,227.84	484.75
Salary growth rate	+ 1%	1,225.38	483.74
	- 1%	1,078.18	424.73

**(viii) Estimate of expected benefit payments (in absolute terms i.e. undiscounted)**

(₹ in Lacs)

Particulars	Gratuity (unfunded)	Leave encashment (unfunded)
1 April 2021 to 31 March 2022	345.13	127.43
1 April 2022 to 31 March 2023	67.73	24.87
1 April 2023 to 31 March 2024	74.29	28.46
1 April 2024 to 31 March 2025	59.79	26.51
1 April 2025 to 31 March 2026	67.71	24.39
1 April 2026 onwards	399.56	167.65


**41 a) Income tax expense**

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax	2,633.07	2,462.98
Deferred tax	(43.35)	(246.07)
Income tax earlier years	10.86	-
<b>Total tax expenses</b>	<b>2,600.58</b>	<b>2,216.91</b>

b) A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Accounting profit before tax (A)	7,436.89	6,346.47
Enacted tax rate in India (B)	34.944%	34.944%
Expected income tax expense at statutory tax rate (A*B)	2,598.75	2,217.71
<b>Tax effect of the amount not deductible for computing taxable income</b>		
Expenses not deductible in determining taxable profits	128.18	288.14
Earlier years tax adjustments	10.86	-
Changes in recognised temporary differences	(43.35)	(246.07)
Differential tax on capital gain	(93.86)	(42.87)
<b>Tax expense reported</b>	<b>2,600.58</b>	<b>2,216.91</b>

**c) Deferred tax**

The significant component of deferred tax assets / (liabilities) and movement during the year are as under:

(₹ in Lacs)

Particulars	Deferred tax liability/(asset) as at April 1, 2021	Recognised/ (reversed) in statement of profit & loss	(Recognised)/ reversed in OCI	Deferred tax liability/(asset) as at March 31, 2022
<b>Gross deferred tax liabilities</b>				
Property, plant and equipment	3,522.18	154.67	-	<b>3,676.85</b>
Equity Instruments	107.73	-	(8.86)	<b>98.87</b>
	<b>3,629.91</b>	<b>154.67</b>	<b>(8.86)</b>	<b>3,775.72</b>
<b>Gross deferred tax assets</b>				
Provision for doubtful debts	(16.53)	(130.17)	-	(146.70)
Provisions for employee benefit	(628.19)	(67.85)	(6.55)	(702.59)
	<b>(644.72)</b>	<b>(198.02)</b>	<b>(6.55)</b>	<b>(849.29)</b>
<b>Total</b>	<b>2,985.19</b>	<b>(43.35)</b>	<b>(15.42)</b>	<b>2,926.43</b>

(₹ in Lacs)

Particulars	Deferred tax liability/(asset) as at April 1, 2020	Recognised/ (reversed) in statement of profit & loss	(Recognised)/ reversed in OCI	Deferred tax liability/(asset) as at March 31, 2021
<b>Gross deferred tax liabilities</b>				
Property, plant and equipment	3,682.01	(159.83)	-	3,522.18
Equity Instruments	107.73	-	-	107.73
	<b>3,789.74</b>	<b>(159.83)</b>	-	<b>3,629.91</b>
<b>Gross deferred tax assets</b>				
Provision for doubtful debts	-	(16.53)	-	(16.53)
Provisions for employee benefits	(515.08)	(69.71)	(43.40)	(628.19)
	<b>(515.08)</b>	<b>(86.24)</b>	<b>(43.40)</b>	<b>(644.72)</b>
<b>Total</b>	<b>3,274.66</b>	<b>(246.07)</b>	<b>(43.40)</b>	<b>2,985.19</b>



## 42 Leases

The Company applies Ind AS 116 to all lease contracts and the disclosures under Ind AS 116 as a lessee in relation to leases are as follow: -

(i) The break-up of current and non-current lease liabilities as at the end of the reporting period is as follows: -

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Current lease liabilities	222.37	135.47
Non-current lease liabilities	-	213.23
<b>Total lease liabilities</b>	<b>222.37</b>	<b>348.70</b>

(ii) The expenses relating to short term and low value leases for the year ended March 31, 2022 amounting to ₹ 81.99 lacs (March 31, 2021: ₹ 105.81 lacs).

(iii) The details of the contractual maturities of lease liabilities as at the end of the reporting period on an undiscounted basis are as follows:

Particulars	(₹ in Lacs)	
	As at March 31, 2022	As at March 31, 2021
Less than one year	172.46	231.17
One to five years	-	162.52
<b>Total lease liabilities</b>	<b>172.46</b>	<b>393.69</b>

## 43 Related party disclosures

The related party disclosures in accordance with the requirements of Ind AS - 24 "Related Party Disclosures" has been given below: -

### (a) Name and nature of related party relationships

#### (i) Enterprises over which Key Management personnel are able to exercise significant influence

SRJ Edu Services Pvt. Ltd. (Formerly known as *Jairpuria Edu Services Private Limited*)  
 RRJ Infra Industries Pvt. Ltd. (Formerly known as *Kanpur Constructions Pvt.Ltd.*)  
 Raghukul Trading Pvt. Ltd.  
 Lochan Agro Pvt. Ltd.  
 Shree Bhawani Anand Pvt.Ltd.  
 Ginni Nonwoven Pvt. Ltd.  
 Laxmi Texknit Pvt. Ltd  
 Greymat Multi Services Pvt. Ltd.  
 Ginni Manufacturing Pvt. Ltd. (Formerly known as *Oval Infratech Services Pvt. Ltd*)  
 Ginni Consumer Pvt. Ltd  
 Fine Yarn Business LLP  
 Ganesh Texknit LLP  
 Sukun Multi Services LLP  
 Sarvgun Multi Services LLP  
 Orden Multi Services LLP  
 SSY Infra Services LLP  
 Yesjay Infratech LLP  
 Seth Anandram Jaipuria Educational Society

#### (ii) Key Managerial Personnel (KMP)

Shri Shishir Jaipuria, Managing Director  
 Shri Saket Jaipuria, Executive Director  
 Shri Suresh Singhvi, Director Finance & CFO  
 Shri Bharat Singh, Company Secretary  
 Shri. J.P. Kundra, Independent Director  
 Shri. J.K. Bhagat, Independent Director  
 Dr. H. P. Bhattacharya, Independent Director  
 Sh. S.C. Tripathi, Independent Director (ceased w.e.f 19th May 2021)  
 Smt. Manju Rana, Independent Director

(iii) **Relative of Key Managerial Personnel**

Smt. Suniti Devi Jaipuria  
 Smt. Sunita Jaipuria  
 Smt. Anika Jaipuria  
 Shri Yash Jaipuria  
 Shri Sharad Jaipuria  
 Smt. Archana Khaitan

(b) **Description of the nature of transactions with the related parties**

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Interest expenses</b>		
RRJ Infra Industries Pvt. Ltd.	297.76	478.18
Raghukul Trading Pvt. Ltd.	38.58	48.31
Lochan Agro Pvt. Ltd.	12.43	50.75
<b>Loan taken (net)</b>		
Lochan Agro Pvt. Ltd.	90.00	-
<b>Loan repaid (net)</b>		
RRJ Infra Industries Pvt. Ltd.	1,327.00	1,847.00
Raghukul Trading Pvt. Ltd.	345.00	380.00
Lochan Agro Pvt. Ltd.	-	664.00
<b>Contribution towards CSR</b>		
Seth Anandram Jaipuria Educational Society	28.94	-
<b>Proceeds against share warrants</b>		
Raghukul Trading Pvt. Ltd.	468.75	781.25
Lochan Agro Pvt. Ltd.	140.63	484.38

(c) **Compensation to key management personnel and their relative**

(₹ in Lacs)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Short-term employee benefits	678.67	600.76
Post-employment benefits	-	-
Other long-term benefits	-	-
termination benefits	-	-
Share-based payment	-	-
Director's sitting fee	17.30	19.50
<b>Total Compensation to key management personnel</b>	<b>695.97</b>	<b>620.26</b>

**Notes:**

As the future liability for gratuity is provided on an actuarial basis for the company as a whole, the amount pertaining to individual is not ascertainable and therefore not included above.

(d) **Amount due to/ from related parties**

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured loan payable</b>		
RRJ Infra Industries Pvt. Ltd.	2,787.09	4,114.09
Raghukul Trading Pvt. Ltd.	35.20	380.20
Lochan Agro Pvt. Ltd.	243.21	153.21
<b>Interest payable</b>		
RRJ Infra Industries Pvt. Ltd.	267.98	442.31
Raghukul Trading Pvt. Ltd.	34.72	44.68
Lochan Agro Pvt. Ltd.	11.18	46.95
<b>Money against warrants (pending conversion)</b>		
Raghukul Trading Pvt. Ltd.	-	156.25
Lochan Agro Pvt. Ltd.	-	46.88



#### 44 Segment reporting

The Company is in the business of textile having similar economic characteristics, operating in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. The Segment information as required by Ind AS-108 'Operating Segments' on segment reporting has complied on the basis of the financial statements is disclosed below: -

(₹ in Lacs)

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	Textiles	Others	Total	Textiles	Others	Total
<b>Revenue</b>						
External sales	1,00,608.44	12,795.54	<b>1,13,403.98</b>	71,644.08	11,324.96	<b>82,969.04</b>
Less: Segment sales	(4,914.59)	(42.92)	<b>(4,957.51)</b>	(5,107.51)	(19.65)	<b>(5,127.16)</b>
<b>Total revenue from operations</b>	<b>95,693.85</b>	<b>12,752.62</b>	<b>1,08,446.47</b>	<b>66,536.57</b>	<b>11,305.31</b>	<b>77,841.88</b>
<b>Results</b>						
Segment results	8,120.42	1,753.07	9,873.49	7,461.79	1,595.72	9,057.51
Finance costs	2,014.04	422.56	2,436.60	2,276.77	434.27	2,711.04
<b>Profit/(loss) before tax</b>	<b>6,106.38</b>	<b>1,330.51</b>	<b>7,436.89</b>	<b>5,185.02</b>	<b>1,161.45</b>	<b>6,346.47</b>
<b>Less: tax expenses</b>	-	-	<b>2,600.58</b>			<b>2,216.91</b>
<b>Profit/(loss) after tax</b>	<b>6,106.38</b>	<b>1,330.51</b>	<b>4,836.31</b>	<b>5,185.02</b>	<b>1,161.45</b>	<b>4,129.56</b>
<b>Other information</b>						
<b>Segment assets</b>						
Allocable	66,636.41	11,030.16	<b>77,666.57</b>	50,898.01	7,447.25	<b>58,345.26</b>
Unallocable	-	-	-	-	-	-
<b>Segment liabilities</b>						
Allocable	42,724.63	2,743.04	<b>45,467.67</b>	30,028.50	1,893.03	<b>31,921.53</b>
Unallocable			<b>2,927.98</b>			<b>2,557.11</b>
Capital employed	<b>23,911.78</b>	<b>8,287.12</b>	<b>29,270.92</b>	<b>20,869.51</b>	<b>5,554.22</b>	<b>23,866.62</b>
Depreciation and amortisation	2,159.23	421.35	<b>2,580.58</b>	2,214.54	265.34	<b>2,479.88</b>

The nature of products and services included in textiles segments are Yarn, Fabric, Nonwoven Fabrics and Garments while Others includes Consumer Products i.e. Wipes and Others.

#### Secondary segment information:

The Company is domiciled in India. Based on the location of the customers, the amount of its revenue from external customers are classified as below: -

(₹ in Lacs)

Particulars	Within India	Outside India	Total
Financial Year ended March 31, 2022	73,031.05	33,969.20	<b>1,07,000.25</b>
Financial Year ended March 31, 2021	56,437.92	20,992.19	<b>77,430.11</b>

There are no non-current assets outside India.



#### 45 Impairment of assets

In accordance with Ind AS-36 on "Impairment of Assets" the Company has assessed as on the balance sheet date, whether there are any indications with regard to the impairment of any of the assets. Based on such assessment it has been ascertained that no potential loss is present and therefore, formal estimate of recoverable amount has not been made. Accordingly no impairment loss has been provided in the books of account,

#### 46 Expenditure towards Corporate Social Responsibility

(₹ in Lacs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Gross amount required to be spent by the Company during the year	38.61	-
(b) Amount spent in cash during the year on:		
(i) Construction/ acquisition of any asset	-	-
(ii) Rural development projects	9.67	-
(iii) Promotion of education *	28.94	-

\* out of above expenditure, contribution to related party amounts to ₹ 28.94 lakhs (March 31, 2021: Nil).

#### 47 Financial instruments

##### a) Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of surplus funds into various investment options.

The Company's capital requirement is mainly to fund its capacity expansion and repayment of principal and interest on its borrowings. The principal source of funding of the Company has been, and is expected to continue to be, cash generated from its operations supplemented by funding from borrowings from banks and other parties.

The Company monitors its capital using gearing ratio, which is net debt divided to total equity. Net debt includes, interest bearing loans and borrowings less cash and cash equivalents, bank balances other than cash and cash equivalents while equity includes all capital and reserves of the Company.

(₹ in Lacs)

Particulars	As at March 31, 2022	As at March 31, 2021
Long term borrowings	8,827.77	2,476.02
Current borrowings	23,699.42	20,332.90
Less: Cash and cash equivalent	(171.53)	(228.80)
Less: Bank balances other than cash and cash equivalents	(781.77)	(218.74)
<b>Net debt</b>	<b>31,573.88</b>	<b>22,361.38</b>
<b>Total equity</b>	<b>29,270.93</b>	<b>23,866.63</b>
<b>Gearing ratio</b>	<b>107.87%</b>	<b>93.69%</b>



## b) Fair value measurement

## (a) Financial assets

(₹ in Lacs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
<b>(i) Measured at amortised cost</b>				
Trade receivables	14,529.09	14,529.09	10,376.12	10,376.12
Cash and cash equivalents	171.53	171.53	228.80	228.80
Bank balances other than cash & cash equivalents	781.77	781.77	218.74	218.74
Other financial assets	849.02	849.02	650.18	650.18
<b>Total financial assets at amortised costs (A)</b>	<b>16,331.42</b>	<b>16,331.42</b>	<b>11,473.84</b>	<b>11,473.84</b>
<b>(ii) Measured at fair value through OCI</b>				
Non-current Investments - at Level 3	3,314.43	3,314.43	3,352.45	3,352.45
<b>Total financial assets at FVTOCI (B)</b>	<b>3,314.43</b>	<b>3,314.43</b>	<b>3,352.45</b>	<b>3,352.45</b>
<b>Total financial assets</b>	<b>19,645.85</b>	<b>19,645.85</b>	<b>14,826.29</b>	<b>14,826.29</b>

## (b) Financial liabilities

(₹ in Lacs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
<b>(i) Measured at amortised cost</b>				
Long term borrowings	8,827.77	8,827.77	2,476.02	2,476.02
Short term borrowings	23,699.42	23,699.42	20,332.90	20,332.90
Trade payables	8,012.10	8,012.10	3,493.80	3,493.80
Other financial liabilities	1,325.43	1,325.43	1,510.06	1,510.06
Lease liabilities	222.37	222.37	348.70	348.70
<b>Total financial liabilities</b>	<b>42,087.08</b>	<b>42,087.08</b>	<b>28,161.48</b>	<b>28,161.48</b>

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties in an orderly market transaction, other than in a forced or liquidation sale.

**Fair value hierarchy**

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)

## c) Financial risk management

The company has a risk management committee which has the responsibility to identify the risk and suggest the mitigation plan for the identified risks in accordance with the risk management policy of the Company. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency.

These risks include market risk (including currency risk and interest rate risk), liquidity risk and credit risk.

**(i) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise two types of risks: foreign currency risk, interest rate risk.



### Foreign currency risk management

The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions primarily with respect to USD, GBP CAD and EURO. Foreign currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies, including the use of derivatives like foreign exchange forward contracts to hedge exposure to foreign currency risk.

### Foreign currency exposure

Particulars	Figures in Lacs			
	Amount in USD \$	Amount in GBP	Amount in EURO	Amount in CAD
Trade Receivables	107.93	0.18	1.13	0.43
Trade payables	(18.48)	-	(0.03)	-
Foreign currency loans and other creditors	(71.88)	-	-	-
Hedged through forward	55.37	-	-	-
<b>Total as at March 31, 2022</b>	<b>72.94</b>	<b>0.18</b>	<b>1.10</b>	<b>0.43</b>
Trade receivables	65.67	7.39	4.75	-
Foreign currency loans and other creditors	(52.03)	-	-	-
<b>Total as at March 31, 2021</b>	<b>13.64</b>	<b>7.39</b>	<b>4.75</b>	<b>-</b>

### Foreign currency sensitivity

The following table details the Company's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. (+)(-) 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates.

Particulars	₹ in Lacs			
	USD	GBP	EURO	CAD
<b>For the year ended March 31, 2022</b>				
Net impact on profit before tax - increase 5 %	276.06	0.89	4.62	1.31
Net impact on profit before tax - decrease- 5 %	(276.06)	(0.89)	(4.62)	1.31
<b>For the year ended March 31, 2021</b>				
Net impact on profit before tax - increase 5 %	49.85	37.27	20.34	-
Net impact on profit before tax - decrease- 5 %	(49.85)	(37.27)	(20.34)	-

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. The borrowings of the Company are principally denominated in rupees and US dollars with a mix of fixed and floating rates of interest. The Company has exposure to interest rate risk, arising principally on changes in base lending rate and LIBOR rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like demand loans and working capital loans.

The following table provides a break-up of the Company's fixed and floating rate borrowings: -

Particulars	₹ in Lacs	
	As at March 31, 2022	As at March 31, 2021
Fixed rate borrowings	3,065.50	4,647.50
Floating rate borrowings	29,461.69	18,161.42
<b>Total borrowings</b>	<b>32,527.19</b>	<b>22,808.92</b>



**(ii) Liquidity risk management**

Liquidity risk refers to the risk of financial distress or high financing costs arising due to shortage of liquid funds in a situation where business conditions unexpectedly deteriorate and requiring financing. The Company requires funds both for short term operational needs as well as for long term capital expenditure growth projects. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**Financial liabilities:**

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

(₹ in Lacs)				
As at March 31, 2022	Upto 1 year	1-2 years	> 2 years	Total
<b>Financial liabilities</b>				
Long term borrowings	-	2,527.88	6,299.89	<b>8,827.77</b>
Short term borrowings	23,699.42			<b>23,699.42</b>
Trade payables	7,930.51	21.33	60.26	<b>8,012.10</b>
Other financial liabilities	1,325.43	-	-	<b>1,325.43</b>
Lease liabilities	222.37	-	-	<b>222.37</b>
<b>Total financial liabilities</b>	<b>33,177.73</b>	<b>2,549.21</b>	<b>6,360.15</b>	<b>42,087.09</b>

**Financial liabilities:**

(₹ in Lacs)				
As at March 31, 2021	Upto 1 year	1-2 years	> 2 years	Total
<b>Financial liabilities</b>				
Long term borrowings	-	1,257.76	1,218.26	<b>2,476.02</b>
Short term borrowings	20,332.90		-	<b>20,332.90</b>
Trade payables	3,380.22	31.20	82.38	<b>3,493.80</b>
Other financial liabilities	1,510.06	-	-	<b>1,510.06</b>
Lease liabilities	135.47	213.23	-	<b>348.70</b>
<b>Total financial liabilities</b>	<b>25,358.65</b>	<b>1,502.19</b>	<b>1,300.64</b>	<b>28,161.48</b>

**(iii) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. The company also assesses the creditworthiness of the customers internally to whom goods are sold on credit terms in the normal course of business. The credit limit of each customer is defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to overseas customers are generally covered by letters of credit.

The impairment analysis is performed on client to client basis for the debtors that are past due at the end of each reporting date. The company has not considered an allowance for doubtful debts in case of trade receivables that are past due but there has not been a significant change in the credit quality and the amounts are still considered recoverable.

(₹ in Lacs)		
Particulars	As at March 31, 2022	As at March 31, 2021
Trade receivables	15,076.17	10,423.41
Less: - allowance for credit loss	(547.08)	(47.29)
<b>Trade receivables</b>	<b>14,529.09</b>	<b>10,376.12</b>

- 48 During the earlier years, the Company has partly received insurance claim on account of loss of cotton stock/property occurred due to fire. As per the management's assessment, the balance amount of insurance claim amounting to ₹ 296 lacs (March 31, 2021: ₹ 361.51 lacs) outstanding as at 31 March 2022 is considered to be recoverable and related arbitration proceedings are in process.



49 Exceptional items represents gain on disposal of part of leasehold land amounting to ₹ 573.52 lacs (March 31, 2021: ₹ 240.65 lacs).

## 50 Conversion of share warrants

In the financial year ended March 31, 2021, the Company had issued 1,50,00,000 share warrants to Promoter Group of companies on preferential allotment basis @ ₹ 12.5 per warrant . During the financial year 2020-21, the Company had converted 85,00,000 warrants into equivalent number of Equity Shares of ₹ 10/- each at a premium of ₹ 2.5 per share. Further, during the year ended March 31, 2022, in accordance with SEBI ICDR regulations, 2018 and other provisions of other applicable laws and regulations, upon receipt of balance consideration of ₹ 609.37 lakhs (being 75% of the Warrants issue price), the remaining 65,00,000 warrants were also converted into equivalent number of equity shares of ₹ 10/- each at a premium of ₹ 2.5 per share.

## 51 Ratios

The following are analytical ratios for the year ended March 31, 2022 and March 31, 2021: -

Particulars	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	Variance
Current Ratio	Current assets	Current liabilities	1.32	1.15	14.97%
Debt- Equity Ratio	Total debt	Shareholder's equity	1.11	0.96	16.28%
Debt Service Coverage Ratio*	Earnings available for debt service	Debt service	2.25	3.00	-25.10%
Return on Equity	Net Profit after taxes	Avg. shareholder's equity	18.20%	19.47%	-6.51%
Inventory Turnover Ratio	Revenue	Avg. Inventory	4.96	4.39	12.83%
Trade receivable Turnover Ratio	Revenue	Avg. Trade receivables	8.71	7.11	22.42%
Trade payable Turnover Ratio	Purchases	Avg. Trade payables	13.91	13.19	5.44%
Net Capital Turnover ratio **	Revenue	Avg. Working capital	14.45	20.56	-29.73%
Net Profit Ratio	Net profit	Revenue	4.46%	5.31%	-15.94%
Return on Capital employed	Earnings before interest and taxes	Capital employed	14.32%	17.86%	-19.82%
Return on Investment	Earnings before interest and taxes	Avg. Total assets	13.68%	14.97%	-8.65%

### Reasons for variations

\*Increase in Debt has resulted in variation in the ratio during the year .

\*\*Increase in the profitability has resulted in variation in the ratio during the year.

52 Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

See accompanying notes to the financial statements 1 to 52  
As per our report of even date attached

For **Doogar & Associates**  
Chartered Accountants  
Firm's registration No. 000561N

For and on behalf of the Board of Directors

**Vardhman Doogar**  
Partner  
M. No 517347

**Shishir Jaipuria**  
Chairman & Managing Director  
DIN: 00274959

**Saket Jaipuria**  
Executive Director cum President  
DIN: 02458923

Place : Noida  
Dated: 6th May 2022

**Suresh Singhvi**  
Director Finance & CFO  
DIN: 00293272

**Bharat Singh**  
Company Secretary



