
THE INDIAN CARD CLOTHING COMPANY LIMITED

CORPORATE OFFICE : 1ST FLOOR, PLOT NO. 265, MIDC SECTOR NO. 10, MIDC - BHOSARI, PUNE 411 026, MAHARASHTRA, INDIA
TEL. : +91-20-61326700, FAX : +91-20-61326731
CIN : L29261PN1955PLC009579

GST NO. : 27AAACT6211F1ZO



September 1, 2020

To,

The Listing Department,
BSE Limited,
P. J. Towers,
Dalal Street,
Mumbai – 400001.

The Listing Department,
National Stock Exchange of India Limited,
Exchange Plaza, C – 1, Block – G,
Bandra – Kurla Complex, Bandra (East),
Mumbai – 400051.

Security ID : INDIANCARD
Security Code : 509692

Symbol : INDIANCARD
Series : EQ

Madam / Sirs,

SUB : Submission of Annual Report for the financial year 2019-2020.

This is to inform you that the 66th AGM of the members of the Company is scheduled on **Thursday, September 24, 2020, at 10:30 a.m. (IST)**, *through two-way video conferencing (VC) facility / Other Audio Visual Means (OAVM)* from the Registered office of the Company, i.e., "Katariya Capital", A-19, Vidyut Nagar Society, Lane No. 5, Koregaon Park, Pune – 411001 which shall be deemed to be the venue of the meeting.

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed a copy of Annual Report for the financial year 2019-2020 together with the Notice of AGM for your information and records which has been sent electronically today, i.e., on September 1, 2020 to those Members whose email IDs are registered with the Company.

The said AGM Notice and Annual Report is also available on the website of the Company at www.cardindia.com.

This is for your information and record.

Thanking you.

Yours faithfully,
For The Indian Card Clothing Company Limited

Amogh Barve
Company Secretary and Head Legal & Corporate Affairs
Membership No: A33080



Encl. As above

A large, abstract graphic dominates the background of the page. It features a vibrant rainbow arc in the upper right corner, transitioning from red to orange, yellow, green, blue, and purple. This arc is set against a dark blue, jagged, and irregular shape that resembles a stylized mountain range or a series of peaks, extending from the bottom left towards the center of the page.

The Indian Card Clothing Company Limited
66th Annual Report 2019-20

FINANCIAL DATA SUMMARY

(Rs. in Lakh)

Sr. No.	Particulars for the year ended	IND AS			IGAAP		
		31-Mar-20	31-Mar-19	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15
	STATEMENT OF PROFIT AND LOSS						
1	Card Clothing Sales (Net)	4,236.00	3,864.10	5,231.42	4,519.10	5,760.93	5,854.08
	Includes Export	1,459.30	1,002.73	1,586.73	1,045.55	1,456.74	1,433.02
2	Other Income						
	Dividend & Interest	94.31	126.61	189.95	668.38	161.52	86.39
	Profit / (Loss) on Sale of Investment	54.16	170.26	139.91	397.03	(65.31)	92.79
	Profit on Sale of Assets	324.28	0.42	-	1,831.82	1,931.31	14.80
	Rent and other operating Income	893.04	763.13	686.75	632.87	814.69	929.17
	Others	8.00	14.23	220.92	21.27	7.77	128.43
	Total	1,373.79	1,074.65	1,237.53	3,551.37	2,849.98	1,251.58
3	Material Cost Including Stock Change	(1,796.91)	(1,874.55)	(2,081.20)	(1,609.40)	(2,073.86)	(2,228.48)
	Material Cost to Net Sales %	(42.42%)	(48.51%)	(39.78%)	(35.61%)	(36.00%)	(38.07%)
4	Staff Cost	(1,251.51)	(1,521.23)	(2,426.04)	(1,894.41)	(1,866.19)	(2,118.76)
5	Other Expenses	(2,204.06)	(2,762.43)	(2,173.41)	(2,016.27)	(2,176.35)	(2,100.07)
6	Depreciation	(395.34)	(404.13)	(517.31)	(606.00)	(740.21)	(1,011.68)
7	Interest	(278.26)	(260.38)	(241.37)	(183.86)	(80.73)	(111.92)
8	Profit Before Exceptional Items and Tax	(316.29)	(1,883.97)	(970.77)	(1,760.17)	1,673.21	(465.63)
9	Exceptional item , VRS Payment	-	-	(1,302.30)	-		
10	Profit Before Tax	(316.29)	(1,883.97)	(2,273.07)	1,760.17	1,673.21	(465.63)
11	Current & Deferred Tax	(101.40)	(83.36)	491.54	(307.99)	(313.36)	82.45
12	Profit After Tax	(417.69)	(1,967.33)	(1,781.53)	1,452.18	1,359.85	(383.18)
13	Earning Per Share Rs.	(9.18)	(43.23)	(39.14)	31.91	29.89	(8.41)
14	Dividend Per Share Rs.	-	-	-	12.00	14.50	2.50
	BALANCE SHEET						
15	Fixed Assets						
	Gross Block	11,202.55	11,421.17	11,315.07	11,308.94	11,433.08	12,142.73
	Depreciation	(8,033.19)	(8,110.33)	(7,716.19)	(7,219.97)	(6,705.10)	(6,171.85)
	Net Block	3,169.36	3,310.84	3,598.88	4,088.97	4,727.98	5,970.88
16	Investments	1,676.75	2,868.38	6,621.50	6,470.49	5,202.02	2,678.00
17	Other Current and non Current Assets	4,100.40	3,715.87	3,512.53	3,389.18	1,558.24	2,017.28
18	Less : Current and non Current liabilities and Provisions	(1,677.43)	(2,841.52)	(4,778.01)	(2,825.64)	(1,749.27)	(946.80)
19	Net Current and Non Current Assets	2,422.97	874.35	(1,265.48)	563.54	(191.03)	1,070.48
20	Deferred Tax	375.34	472.51	548.76	43.79	118.34	84.23
	APPLICATION OF FUNDS	7,644.42	7,526.08	9,503.66	11,166.79	9,857.31	9,803.59
21	Share Capital	455.11	455.11	455.11	455.11	455.11	455.11
22	Reserves & Surplus	5,446.26	5,875.20	7,862.76	9,780.65	8,644.42	8,079.23
23	Borrowings	1,743.05	1,195.77	1,185.79	931.03	757.78	1,269.25
	SOURCES OF FUNDS	7,644.42	7,526.08	9,503.66	11,166.79	9,857.31	9,803.59

FY 2018 and 2019 figures are restated as per IND AS whereas numbers for FY 2015 to 2017 are as per Indian GAAP.

THE INDIAN CARD CLOTHING COMPANY LIMITED

DIRECTORS

Prashant Trivedi	Chairman
Mehul Trivedi	Deputy Chairman
Jyoteendra Kothary	Director
Sudhir Merchant	Director
Sangeeta Pandit	Director
Darshan Bhatia	Director
Sanjeevkumar Karkamkar	Director

AUDITORS

M/s. P.G. Bhagwat,
Chartered Accountants,
Suites 101 – 102, 'Orchard',
Dr. Pai Marg, Baner,
Pune – 411 045.

SOLICITORS

M/s. Crawford Bayley & Co.,
State Bank Building,
N.G. Vaidya Marg,
Mumbai – 400 023.

BANKERS

Corporation Bank
HDFC Bank Limited

MANAGEMENT TEAM

Alok Misra	Chief Executive Officer
Prasad Mahale	Vice President (Sales & Marketing)
Amogh Barve	Company Secretary and Head Legal & Corporate Affairs
Chandrakant Patil	Finance Controller
Kamaljeet Singh	Vice President (Operations-Nalagarh)
Nitin Latkar	Vice President (SCM & Materials)
Vishal Upadhye	Head-Human Resource

ANNUAL GENERAL MEETING

Thursday, September 24, 2020, 10:30 a.m.
through two-way video conferencing (VC)
facility / Other Audio Visual Means (OAVM)
from the Registered office of the Company.

REGISTRAR AND TRANSFER AGENT

REGISTERED OFFICE

"Katariya Capital", A-19,
Vidyut Nagar Society,
Lane No. 5, Koregaon Park,
Pune – 411001
Tele-Fax : +91-20-26151618
E-mail : investor@cardindia.com
Website : www.cardindia.com

KFin Technologies Private Limited
Selenium, Tower B,
Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally,
Hyderabad – 500 032.
Phone : +91 40 67162222
Fax : +91 40 23420814
E-mail : einward.ris@kfintech.com

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NOTICE

NOTICE is hereby given that the Sixty Sixth (66th) Annual General Meeting of the members of THE INDIAN CARD CLOTHING COMPANY LIMITED will be held on Thursday, September 24, 2020, at 10:30 a.m. (IST), through two-way video conferencing (VC) facility / Other Audio Visual Means (OAVM) from the Registered office of the Company, i.e., "Katariya Capital", A-19, Vidyut Nagar Society, Lane No. 5, Koregaon Park, Pune – 411001 which shall be deemed to be the venue of the meeting to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020 together with the reports of the Board of Directors and the Auditors thereon.
- 2) To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, together with the report of the Auditors thereon.
- 3) To appoint a Director in place of Mr. Prashant K. Trivedi (DIN: 00167782), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 5 and 14 and any other applicable provisions of the Companies Act, 2013 ("the Act") read with Rules thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the new set of the Articles of Association in the place of the existing Articles of Association of the Company as placed before the meeting and available for inspection by the members, be and is hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors (including a Committee of the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing of requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

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

"RESOLVED THAT pursuant to the provisions of Section 4, 13, 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), including any amendment thereto or re-enactment thereof and the rules framed there under, approval of the members of the Company be and is hereby accorded to increase the Authorised Share Capital of the Company from existing Rs. 5,00,00,000 (rupees five crores only) divided into 50,00,000 (fifty lakhs) Equity Shares of Face Value of Rs. 10/- (rupees ten only) each to Rs. 10,00,00,000 (rupees ten crore only) divided into 1,00,00,000 (one crore) Equity Shares of Rs. 10/- (rupees ten only) each by creation of additional 50,00,000 (fifty lakhs) Equity Shares of Rs.10/- each ranking *pari-passu* in all respect with the existing Equity Shares of the Company.

RESOLVED FURTHER THAT the Memorandum of Association of the Company be altered by the deletion of the existing Clause 5 of the Memorandum of Association and the same be substituted with the following new clause as Clause 5:

- 5. The Authorised Share Capital of the Company is Rs. 10,00,00,000 (rupees ten crore only) divided into 1,00,00,000 (one crore) Equity Shares of Rs. 10/- (rupees ten only) each.**

RESOLVED FURTHER THAT the Board of Directors (including a Committee of the Board of Directors) be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing of requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

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

“RESOLVED THAT pursuant to the provisions of Sections 42, 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as the “Companies Act”) read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended and the Companies (Share Capital and Debentures) Rules, 2014, as amended and other relevant rules made there under (including any statutory modification(s) thereto or re-enactment thereof for the time being in force), enabling provisions of Memorandum of Association and Articles of Association of the Company, provisions of the uniform listing agreement entered into by the Company with the relevant stock exchange(s) where the Equity Shares of the Company are listed (“Stock Exchange(s)”), and in accordance with the guidelines, rules and regulations of the Securities and Exchange Board of India (“SEBI”), as amended including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“SEBI LODR Regulations”), and in accordance with other applicable rules, regulations, circulars, notifications, clarifications and guidelines issued thereon, from time to time, by the Government of India and subject to the approvals, consents, permissions and/ or sanctions, as may be required from the Government of India, Reserve Bank of India, SEBI, Stock Exchange(s) and any other relevant statutory, governmental authorities or departments, institutions or bodies and subject to such terms, conditions, alterations, corrections, changes, variations and/or, modifications, if any, as may be prescribed by any one or more or all of them in granting such approvals, consents, permissions and / or sanctions and which may be agreed by the Board of Directors of the Company (hereinafter referred to as the “Board” which terms shall be deemed to include any committee duly constituted by the Board or any committee, which the Board may hereafter constitute, to exercise one or more of its powers, including the powers conferred hereunder), the approval of the members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, on a preferential basis, upto 13,90,000 (Thirteen Lakhs Ninety Thousand) equity shares of face value of Rs.10/- (Rupees Ten only) each fully paid up for cash, at an issue price of Rs. **105/-** (Rupees One Hundred Five Only) per equity share or at such other higher price as may be determined in accordance with the provisions of Chapter V of SEBI (ICDR) Regulations, to the below-mentioned proposed allottee in the manner given below:

Sr. No.	Name of the Proposed Allottee	Category	No. of equity shares
1)	Multi-Act Industrial Enterprises Limited, Level 2, Max City Building, Remy Ollier Street, Port Louis, Mauritius. (PAN : AAHCM4554D)	Promoter	13,90,000

RESOLVED FURTHER THAT the Relevant Date pursuant to the provisions of Chapter V of the SEBI (ICDR) Regulations, 2018, being the date 30 days prior to the date on which the meeting of shareholders is held to consider the Preferential Issue, shall be Tuesday, August 25, 2020.

RESOLVED FURTHER THAT the aforesaid issue of Equity Shares shall be subject to the following terms and conditions:

- The proposed allottee of equity shares shall be required to bring in the entire consideration for the equity shares to be allotted, on or prior to the date of allotment thereof.
- The consideration for allotment of equity shares shall be paid to the Company by the proposed allottee from its respective bank accounts.
- The pre-preferential shareholding of the proposed allottee and equity shares to be allotted shall be under lock-in for such period as may be prescribed under Chapter V of the SEBI ICDR Regulations.
- The equity shares so allotted to the proposed allottee under this resolution shall not be sold, transferred, hypothecated or encumbered in any manner during the period of lock-in provided under SEBI ICDR Regulations except to the extent and in the manner permitted there under.
- Allotment of equity shares shall only be made in dematerialized form.

RESOLVED FURTHER THAT the equity shares proposed to be so allotted shall rank pari-passu in all respects including as to dividend, with the existing fully paid up Equity Shares of face value of Rs.10/- (Rupees Ten only) each of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board / Committee(s) of the Board and the Company Secretary of the Company be and are hereby authorized severally to do all such acts, deeds, matters and things as they may in their absolute discretion consider necessary, desirable or expedient including application to Stock Exchanges, filing of requisite documents with the Registrar of Companies, Depositories and/ or such other authorities as may be necessary for the purpose, to resolve and settle any questions/difficulties that may arise in the proposed issue, of the said equity shares, including making an offer to the proposed allottee, utilization of issue proceeds, signing of all deeds and documents as may be required without being required to seek any further consent or approval of the shareholders.

RESOLVED FURTHER THAT all actions taken by the Board or Committee(s) duly constituted for this purpose in connection with any matter(s) referred or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects."

By Order of the Board of Directors
For The Indian Card Clothing Company Limited

Place : Pune
Date : August 17, 2020

Amogh Barve
Company Secretary and Head Legal & Corporate Affairs
(Membership No. : A33080)

NOTES:

- 1) The Statement pursuant to Section 102 of the Companies Act, 2013, ("the Act") setting out material facts in respect of Item Nos. 4 to 6 is annexed hereto. The Board of Directors of the Company at its meeting held on August 17, 2020 considered that the special business under Item Nos. 4 to 6, being considered unavoidable, be transacted at the 66th AGM of the Company. Further, the relevant details as required under Regulation 36(3) of SEBI LODR Regulations and Secretarial Standard on General Meeting (SS-2) of the Institute of Company Secretaries of India (ICSI), of persons seeking appointment / re-appointment as Directors are provided in the **Attachment – I** to this Notice.
- 2) In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020 and May 5, 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars"), Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI LODR Regulations, the 66th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. Complete details and instructions for Instructions for the members for attending the e-AGM through VC/OAVM are furnished as **Attachment – II** to the Notice.
- 3) Company has appointed M/s KFin Technologies Private Limited (previously known as Karvy Fintech Private Limited) ["Kfintech"], Registrar and Transfer Agents, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
- 4) Pursuant to the provisions of the circulars of MCA on the VC/OVAM(e-AGM):
 - a) Members can attend the meeting through the login credentials provided to them to connect to Video conference. Physical attendance of the Members at the Meeting venue is not required.
 - b) The facility of appointment of proxies to attend and cast vote on behalf of the member will not be available for the 66th AGM of the Company and hence the Proxy Form is not annexed hereto.
 - c) Body Corporates are entitled to appoint authorised representatives to attend the e-AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- 5) The members can join the e-AGM 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
- 6) Members may note that the VC/OAVM Facility provided by Kfintech allows participation of atleast 1000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. can attend the e-AGM without any restriction on account of first-come- first-served principle.
- 7) The attendance of the members (members logins) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- 8) M/s. P. G. Bhagwat, Chartered Accountants, Pune (Firm Registration No.: - 101118W), were appointed as the Statutory Auditors of the Company to hold the office for a period of five (5) consecutive years commencing from the conclusion of the 63rd Annual General Meeting held on August 11, 2017, subject to ratification by the members at every Annual General Meeting. Further, pursuant to the notification of certain sections of the Companies (Amendment) Act, 2017, with effect from May 7, 2018, the requirement of ratification of the Statutory Auditors by the members is no longer required. Hence, the resolution proposing the ratification has not been sought this year.
- 9) The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, September 18, 2020 to Thursday, September 24, 2020 (both days inclusive).
- 10) Members holding equity shares in multiple folios in the identical order of names are requested to consolidate their holdings into one folio by directing all correspondence to the Registrar and Transfer Agent of the Company.

11) Members are requested to note the following:

- a) Members holding shares in physical form are requested to intimate any change in their address, name, bank details, ECS Mandates, nominations, power of attorney, etc. to the Company's Registrar and Transfer Agent, KFin Technologies Private Limited (Attention-Mr. Anil Dalvi), Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032, Telephone +91-40-67162222, E-mail ID - einward.ris@kfintech.com.
- b) Members holding shares in physical form are requested to consider converting their share certificates into dematerialized form to eliminate risks associated with physical shares and for ease in portfolio management. Members can contact the Company's Registrar and Transfer Agent for any assistance in this regard.
- c) Members holding shares in dematerialized form are requested to intimate any change in their address, name, bank details, ECS Mandates, nominations, power of attorney, etc. to their respective Depository Participants (DPs) only. Quote their registered folio number in case of shares in physical form and DP ID & Client ID in respect of shares held in dematerialized form, in all the correspondence with the Company.

12) The Company has during the financial year 2019-20, transferred unclaimed final dividend declared for the financial year 2011-12 to the Investor Education and Protection Fund (IEPF). During the financial year 2019-20, the Company has also transferred all the shares in respect of which dividend had remained unclaimed for seven consecutive years or more to the Investor Education and Protection Fund (IEPF).

13) Those members who have so far not encashed their dividend warrants for the final dividend for the financial year 2012-13 onwards, may approach the Registrar and Transfer Agent (RTA) of the Company i.e., KFin Technologies Private Limited [previously known as Karvy Fintech Private Limited] (Attention – Mr. Anil Dalvi), Selenium, Tower B, 7th Floor, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500032, Telephone +91-40-67162222, E-mail ID - einward.ris@kfintech.com, for making their claim without any further delay as the said unpaid dividends will be transferred to the IEPF pursuant to the provisions of the Act. Further, the Ministry of Corporate Affairs has notified new rules, namely "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016" which have come into force from September 7, 2016. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years in the name of IEPF Suspense Account. The details of unpaid / unclaimed dividend and number of shares liable to be transferred are available on our website i.e. www.cardindia.com.

14) Members are requested to note that no claim shall lie against the Company in respect of any dividend amount which was unpaid / unclaimed for a period of seven (7) years and transferred to the IEPF. However, members may claim from the IEPF Authority, both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of the Act and rules made thereunder.

15) The dividend for the financial year ended March 31, 2013 which remains unclaimed for a period of seven (7) years, becomes due for transfer on September 5, 2020 to the IEPF. Members who have not claimed their dividend for the above-mentioned years are requested to send their claim to the RTA, at the earliest.

16) This Notice of the 66th Annual General Meeting of the Company dated August 17, 2020 ("the Notice") along with the Annual Report 2019-20 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company / Depositories. The same has also been uploaded on the website of the Company, i.e. www.cardindia.com and 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 and www.nseindia.com respectively. The same is also available on the website of e-voting agency M/s KFin Technologies Private Limited at their website address <https://evoting.kfintech.com> and can be accessed. It is hereby clarified that the members shall still be entitled to receive physical copies through permitted mode by making a specific request for the same by writing to the Company or to the Registrar and Transfer Agent of the Company mentioning their DP ID & Client ID/Folio No.

17) To support the 'Green Initiative', members who have not registered their e-mail addresses are requested to register the same with the Registrar and Transfer Agent / Depositories.

18) The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DP with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Transfer Agent.

- 19) Electronic copy of all the documents referred to in the accompanying Notice of the 66th AGM and the Explanatory Statement shall be available for inspection by the members on the website of the Company at www.cardindia.com and upon Log-in to Kfintech e-Voting system at <https://evoting.kfintech.com>.
- 20) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act will be available for inspection by the members on the website of the Company at www.cardindia.com and upon Log-in to Kfintech e-Voting system at <https://evoting.kfintech.com>.
- 21) Voting through electronic means:
- Pursuant to the provisions of Section 108 of the Act, the rules made thereunder and Regulation 44 of the Listing Regulations (as amended), the Company is providing an option to the members to exercise their right to vote by electronic means (**remote e-voting**). Complete details and instructions for remote e-voting are furnished as **Attachment – III** to the Notice. These details form an integral part of the Notice.
- 22) Further, the facility for voting through electronic voting system will also be made available at the Meeting (**“Insta Poll”**) and Members attending the Meeting who have not cast their vote(s) by remote e-voting will be able to vote at the Meeting through Insta Poll.
- 23) Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

By Order of the Board of Directors
For The Indian Card Clothing Company Limited

Place : Pune
Date : August 17, 2020

Amogh Barve
Company Secretary and Head Legal & Corporate Affairs
(Membership No. : A33080)

Annexure to the Notice

As required by Section 102(1) of the Companies Act, 2013, (hereinafter referred to as "the Act") the following Explanatory Statement sets out material facts relating to the special business mentioned under Item No. 4 to 6 of the Notice dated August 17, 2020.

Item No. 4

The Ministry of Corporate Affairs, on September 12, 2013 notified 98 sections of the new Companies Act, 2013. Subsequently, most of the sections of the new Companies Act, 2013 have been notified and implemented.

The existing Articles of Association (AOA) are based on the earlier Companies Act, i.e., Companies Act, 1956 and several regulations in the existing AOA contain references to specific sections of the Companies Act, 1956. Further, some of the regulations in the existing AOA are no longer in conformity with the Companies Act, 2013. Given this position, it is considered expedient to replace wholly the existing AOA by a new set of Articles. The new AOA to be substituted in place of the existing AOA are based on "Table-F" of the Act with appropriate modifications which sets out the model articles of association for a company limited by shares.

The Board of Directors in its meeting held on August 17, 2020, has, subject to the approval of the members of the Company, approved adoption of new set of Articles of association in place of and to the exclusion of existing Articles of Association.

The new set of the Articles of Association is available for inspection by the members on the website of the Company at www.cardindia.com and upon Log-in to Kfintech e-Voting system at <https://evoting.kfintech.com>.

In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

Your Directors recommend passing of this resolution by way of a special resolution.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the proposed Resolutions, except to the extent of their shareholding in the Company, if any.

Item No. 5

The present Authorised Capital of the Company is Rs. 5,00,00,000 (rupees five crores only) divided into 50,00,000 (fifty lakhs) Equity Shares of Rs. 10/- (rupees ten only) each. With a view to augment the long-term share capital requirements for the business of the Company and considering the proposed Preferential Issue of equity shares to Multi-Act Industrial Enterprises Limited, Mauritius, the Promoters of the Company, it is proposed to increase the Authorised Share Capital of the Company from present Rs. 5,00,00,000 (rupees five crores only) to Rs. 10,00,00,000 (rupees ten crore only) divided into 1,00,00,000 (one crore) Equity Shares of Rs. 10/- (rupees ten only) each by creation of additional 50,00,000 (fifty lakhs) Equity Shares of Rs.10/- each ranking *pari-passu* in all respect with the existing Equity Shares of the Company.

The proposed increase in Authorised Share Capital requires the approval of Members in the General Meeting. Consequent upon increase in the Authorised Share Capital, the Memorandum of Association of the Company will require alteration so as to reflect the increased Authorised Share Capital.

The Board of Directors in its meeting held on August 17, 2020, has, subject to the approval of the members of the Company, approved alteration the existing Clause 5 of the Memorandum of Association of the Company to give effect to this proposed increase in the Authorised Share Capital.

The new draft of the Memorandum of Association after incorporating the above stated increase in Authorised Share Capital is available for inspection by the members on the website of the Company at www.cardindia.com and upon Log-in to Kfintech e-Voting system at <https://evoting.kfintech.com>.

The proposed Resolution is in the interest of the Company and your Directors recommend the same for your approval.

None of the Directors, Key Managerial Person(s) of the Company including their relatives are, in any way, concerned or deemed to be interested in the resolution, except to the extent of their shareholding in the Company, if any.

Item No. 6

Since the global financial crises in the year 2008, the Company has been facing challenges to improve its sales revenue and the profitability. Further, longer than anticipated migration of manufacturing plant of the Company from Pimpri, Pune to Nalagarh in Himachal Pradesh during which time your Company was required to run two manufacturing plants both operating at sub-optimal levels of capacity utilization, exacerbated the challenges faced by the Company. As a result, the cumulative erosion of the Company's consolidated net worth since fiscal year 2009-2010 to 2019-2020 has been approx. Rs. 39.27 Crores.

The entire manufacturing operations have now been transferred to Nalagarh and the new leadership team has now been tasked with the responsibility of implementing strategies for improving the operational efficiency and profitability of the Company. The efforts taken by the team has resulted in a reduction in the net losses of the card clothing operations from Rs. 22.94 Crores in 2018-2019 to Rs. 5.63 Crores in the year 2019-20.

The Company has already borrowed an amount of US\$ 2.35 million by way of External Commercial Borrowing from its holding Company, Multi-Act Industrial Enterprises Limited, Mauritius ("MAIEL") for the purpose of repayment of its existing rupee loans and also for the purpose of working capital requirements. However, considering the present and expected impact of COVID-19 global pandemic and the resultant lockdown on the operations of the Company and its subsidiaries in India and abroad, the management of the Company has undertaken a review to re-assess its requirements for long-term permanent sources of capital to fund the capital expenditure proposals of the Realty Division and Card Clothing Division of the Company aimed at improving the quality and operating efficiency as well as to make strategic investments in subsidiaries, and, expansion of Company's market share in International markets given its new product range. All of the above measures would solidify Company's market share and boost its revenues.

It is, therefore, proposed to undertake a long-term capital raising plan to meet the aforementioned requirements by issuing equity shares of the Company by way of Preferential Issue instead of raising the funds through customary methods like borrowings from the banks or rights issue to the existing shareholders given the current challenging economic situation.

In this regard, it should be noted that the Securities and Exchange Board of India (SEBI), vide its Notification No. SEBI/LAD-NRO/GN/2020/14 dated June 16, 2020 notifying the SEBI (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2020, has provided relaxation on the requirements of Regulation 3 (2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations") thereby enhancing the limits on acquisition of shares or voting rights in the target Company without making an open offer, from 5% to 10% provided the acquisition is made by the Promoters during the financial year 2020-21 pursuant to the Preferential Issue of equity shares by the target Company.

In view of the above and the fact that MAIEL is a Promoter Group Company holding 57.35% paid-up share capital and voting rights in the Company, the Company approached MAIEL to seek its consent to the proposed Preferential Issue of equity shares of the Company to MAIEL. In response, MAIEL has expressed its willingness to subscribe to the equity share capital of the Company by way of Preferential Issue as mentioned above.

Subsequent to the consent received from MAIEL, the Board of Directors of the Company ("Board"), in its meeting held on Monday, August 17, 2020, subject to the approval of the shareholders of the Company and such other approvals as may be necessary, approved the proposal for issuance and allotment of 13,90,000 equity shares having face value of Rs. 10/- each to Multi-Act Industrial Enterprises Limited, Mauritius ("MAIEL") by way of "Preferential Issue" at an issue price of Rs. 105/- (Rupees One Hundred Five Only.) per equity share; being the price more than the minimum price per equity share arrived at in accordance with Chapter V of the SEBI ICDR Regulations.

The issuance of equity shares of the Company by way of Preferential Issue as mentioned above, shall be subject to the approval of the members by way of an ordinary resolution for increase in the Authorised Share Capital of the Company. The said resolution for increase in the Authorised Share Capital is proposed at Item No. 5 of this notice of 66th Annual General Meeting of the Company.

In terms of Section 62(1)(c) read with section 42 of the Companies Act, 2013 and the Rules made thereunder and provisions of Chapter V of the SEBI ICDR Regulations as amended, the Preferential Issue requires approval of the members by way of a special resolution.

The following disclosures for the issue of equity shares to be issued on preferential basis are made in accordance with the provisions of Section 62 and The Companies (Prospectus and Allotment of Securities) Rules, 2014 and SEBI ICDR Regulations, 2018:

a) Objects of the Preferential Issue:

The proceeds of the Preferential Allotment are proposed to be used by the Company for various purposes to *inter alia* augment its long term resources including resources required for servicing and/ or repayment of its borrowings, capital expenditure, investment in subsidiaries of the Company for various purposes, including but not limited to fund the business needs of the subsidiaries, capital adequacy, business purposes and for general corporate purposes as per Company's and its subsidiaries growth and business related plans from time to time.

b) Maximum number of equity shares to be issued:

The proposed resolution authorises the Board to offer, issue and allot 13,90,000 fully paid-up equity shares of face value of Rs. 10/- each.

c) Name of the proposed Allottee and percentage of his shareholding post allotment:

Name of the proposed Allottee	Category	Shareholding % post allotment
Multi-Act Industrial Enterprises Limited, Mauritius ("MAIEL") PAN : AAHCM4554D	Promoter	67.33%

The proposed Allottee and the other promoters have not sold or transferred any equity shares of the Company during the six months preceding the Relevant Date.

d) Intent of the promoters, directors or key management personnel of the issuer to subscribe to the offer:

The proposed allottee, i.e., MAIEL, the holding Company holding 57.35% shares and voting rights in the Company and belonging to the promoter category intends to subscribe 13,90,000 equity shares offered by way of Preferential Issue. Except above mentioned, none of the other promoters, Director or Key Managerial Personnel intends to subscribe to any shares pursuant to this preferential issue of Equity Shares.

e) Issue Price and Relevant Date:

The Equity Shares in the Preferential Allotment shall be allotted at a price of Rs. 105/- (Rupees One Hundred Five Only) per equity Share including a premium of Rs. 95/- (Rupees Ninety-Five Only) per equity share, which is higher than the minimum price determined in compliance with the relevant provisions of Chapter V of the SEBI ICDR Regulations considering the Relevant Date as August 25, 2020; being the date, 30 days prior to the date on which the meeting of shareholders is held to consider the Preferential Issue.

f) Basis on which price has been arrived at:

The Equity Shares of the Company are listed on BSE Limited (BSE) & National Stock Exchange of India Limited (NSE) and are not frequently traded on both the stock exchanges as per the provisions of Chapter V of the SEBI ICDR Regulations and hence the issue price of Rs. 105/- per equity share has been fixed which is higher than the minimum price determined pursuant to the provisions of Regulation 165 of the SEBI ICDR Regulations after taking into consideration the valuation parameters including book value, Profit Earning Capacity Value (PECV) approach and Discounted Cash Flow approach.

In this regard, as required under Regulation 165 of SEBI ICDR Regulations, the Company has obtained a certificate from Mr. Sanka Hari Surya, an Independent Valuer (Registration No. : IBBI/RV/07/2019/12576) certifying the minimum price to be Rs. 100.99/- per equity share.

g) Time frame within which the preferential issue shall be completed:

In terms of Regulation 170 of the SEBI ICDR Regulations, preferential allotment of Equity Shares will be completed within a period of 15 (fifteen) days from the date of passing of special resolution.

Provided that where the allotment is pending on account of pendency of any application for approval or permission by any regulatory authority, if applicable, the allotment would be completed within 15 (fifteen) days from the date of such approval or within such further period as may be prescribed or allowed by SEBI, stock exchange(s) or other concerned authorities.

h) Shareholding Pattern of the Company before and after the Preferential Issue:

The shareholding pattern of the Company before the proposed Preferential Issue and after the proposed Preferential Issue, assuming full acceptances, is as follows:

Sr. No.	Category of Shareholders	Pre-Preferential Allotment shareholding (as of June 30, 2020)		Post-Preferential Allotment probable shareholding	
		No. of Shares	% holding	No. of Shares	% holding
A.	PROMOTERS				
1.	INDIAN				
a.	Individual / HUF	-	-	-	-
b.	Central Government	-	-	-	-
c.	State Government(s)	-	-	-	-
d.	Bodies Corporate				
	- Multi-Act Trade & Investments Pvt. Ltd.	100	0.00	100	0.00
e.	Banks / Financial Institutions	-	-	-	-
f.	Any Other	-	-	-	-
	Sub-Total (A)(1)	100	0.00	100	0.00
2.	FOREIGN				
a.	Individuals	-	-	-	-
b.	Bodies Corporate				
	- Multi-Act Industrial Enterprises Limited, Mauritius	2,610,066	57.35	4,000,066	67.33
c.	Banks / Financial Institutions	-	-	-	-
d.	Any Other	-	-	-	-
	Sub-Total (A)(2)	2,610,066	57.35	4,000,066	67.33
	TOTAL SHAREHOLDING OF PROMOTERS (A) = (A)(1)+ (A)(2)	2,610,166	57.35	4,000,166	67.33
B.	PUBLIC SHAREHOLDING				
1.	Institutions				
a.	Mutual Funds	-	-	-	-
b.	Banks / Financial Institutions	1,957	0.04	1,957	0.03
c.	Central Government	-	-	-	-
d.	State Government(s)	-	-	-	-
e.	Venture Capital Funds	-	-	-	-
f.	Insurance Companies	-	-	-	-
g.	FII's	-	-	-	-
h.	Foreign Venture Capital Funds	-	-	-	-
i.	Others	-	-	-	-
	Sub-Total (B)(1)	1,957	0.04	1,957	0.03
2.	Non-Institutions				
a.	Bodies Corporate (Indian)	173,291	3.81	173,291	2.92
b.	Individuals	1,709,706	37.57	1,709,706	28.78
c.	Others				
i.	Non-Resident Indians	13,840	0.31	13,840	0.23
ii.	Clearing Members	2,360	0.05	2,360	0.04
iii.	Trusts	50	0.00	50	0.00
iv.	NBFC	8,729	0.19	8,729	0.15
v.	Investor Education and Protection Fund	31,021	0.68	31,021	0.52
	Sub-Total (B)(2)	1,938,997	42.61	1,938,997	32.64
	Total PublicShareholding (B) = (B)(1) + (B)(2)	1,940,954	42.65	1,940,954	32.67
C.	SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs	-	-	-	-
	GRAND TOTAL (A+B+C)	4,551,120	100	59,41,120	100.00

- i) **The identity of the natural persons who are the ultimate beneficial owners of the equity shares proposed to be allotted and /or who ultimately control the proposed allottee and the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:**

Name of the Proposed Allottee	Category	Pre-Preferential Allotment shareholding		Post-Preferential Allotment shareholding		Ultimate Beneficial Owner
		No. of Shares	% holding	No. of Shares	% holding	
Multi-Act Industrial Enterprises Limited, Mauritius ("MAIEL") (PAN:AAHCM4554D)	Promoter	2,610,066	57.35	4,000,066	*67.33	*Mr. Prashant K. Trivedi

* MAIEL is already in the Control of the Company as per the definition of 'Control' provided under Regulation 2(e) of the SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 and pursuant to the proposed preferential issue of equity shares, there will be no change in the Control or management of the Company. However, consequent to the proposed Preferential Allotment, the shareholding and voting rights of MAIEL will increase. The aforesaid increase in the shareholding and voting rights of MAIEL post proposed Preferential Allotment is in compliance with Regulation 3 (2) of the Takeover Regulations read alongwith SEBI Notification No. SEBI/LAD-NRO/GN/2020/14 dated June 16, 2020.

** Details of Ultimate Beneficial Owner:

Name of the Ultimate Beneficial Owner (Given name and last Name)	Prashant Kunjbihari Trivedi
Address	LOT 19, Haute Rive Coralais 20, Azuri Village Roches Noires 31204, Mauritius
Date of Birth/Age	4 June 1960 / 60 Yrs
Father's Name	Kunjbihari Kantilal Trivedi
PAN	AACPT2070P
Occupation	Investment Management / Director
Nationality	British
Direct holding in the issuer Company	Nil

- j) **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

NIL

- k) **Lock-in Requirements:**

The pre-preferential allotment shareholding of the proposed allottee and the equity shares to be allotted on preferential basis to the proposed allottee shall be subject to 'lock-in' in accordance with the provisions of Regulation 167 of the SEBI ICDR Regulations, 2018.

- l) **Auditor's Certificate:**

Statutory Auditors of the Company, M/s. P.G. Bhagwat, Chartered Accountants, Pune have issued a certificate confirming that the issue of the equity shares is being made in accordance with the requirements of the SEBI ICDR Regulations.

A copy of the certificate is available for inspection by the members on the website of the Company at www.cardindia.com and upon Log-in to Kfintech e-Voting system at <https://evoting.kfintech.com>.

m) Undertakings:

The Company hereby undertakes that:

- i) neither the Company nor any of its Promoters or Directors is a willful defaulter or a fugitive economic offender.
- ii) the Company shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so and that if the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

In terms of Sections 42 and 62(1)(c) of the Companies Act, 2013, approval of the members by way of a Special Resolution is required for issuing the equity shares on preferential basis. Hence, the Board recommends the resolution proposed at Item No. 6, for your approval by way of a Special Resolution.

Mr. Prashant Trivedi and Mr. Mehul Trivedi, Directors of the Company are concerned / interested in the said resolution. None of the other Directors and Key Managerial Personnel of the Company are concerned or interested in the resolution. MAIEL being the proposed allottee is interested in this resolution.

By Order of the Board of Directors
For The Indian Card Clothing Company Limited

Place : Pune
Date : August 17, 2020

Amogh Barve
Company Secretary and Head Legal & Corporate Affairs
(Membership No. : A33080)

ATTACHMENT – I TO THE AGM NOTICE

ADDITIONAL INFORMATION PURSUANT TO REGULATIONS 26 (4) AND 36 (3) OF THE LISTING REGULATIONS AND SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA IN RESPECT OF DIRECTOR SEEKING RE-APPOINTMENT

Name of the Director	Mr. Prashant Kunjbihari Trivedi
Director Identification Number (DIN)	00167782
Date of Birth/Age	June 6, 1960 – 60 Years
Date of first Appointment	28 th December, 1990
Qualifications	Graduated BSc. (Econ.) from The Wharton School, University of Pennsylvania, CFA Charterholder
Brief Resume	Mr. Prashant Kunjbihari Trivedi, a U.K. National, graduated in B.Sc. (Econ.) from the Wharton School, University of Pennsylvania. Prior to joining the Company, Mr. Trivedi worked in the fixed securities department of S.G. Warburg, a merchant bank from 1983 to 1985 and 1988 to 1991. Mr. Prashant Trivedi is a Chartered Financial Analyst (CFA) by profession. Mr. Prashant Trivedi has been the director of the Company since December, 1990.
Expertise in specific functional area	Global currencies, global fixed income, global equities, real estate and private equity.
Directorships in other public limited Companies as on the date of appointment	Nil
Chairperson/Member of the Committees of Director of the Company	Member of the CSR Committee of the Company
Chairman/Member of the Committees of other public limited Companies as on the date of appointment	NIL
Shareholding in the Company as on the date of appointment as required under Regulation 36 (3) (e)	NIL

ATTACHMENT – II TO THE AGM NOTICE

Instructions for the members for attending the e-AGM through VC/OAVM

- 1) Member will be provided with a facility to attend the e-AGM through video conferencing platform provided by M/s KFin Technologies Private Limited. Members may access the same at <https://evoting.kfintech.com> under shareholders/members login by using the remote e-voting credentials. The link for e-AGM will be available in shareholder/ members login where the EVENT and the name of the company can be selected. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice.
- 2) Members will be able to attend the AGM through VC/OAVM at <https://emeetings.kfintech.com> by using their e-voting login credentials.
- 3) Members may join the AGM through VC/OAVM facility by following the procedure as mentioned below which shall be kept open for the Members from 10:15 a.m. (IST) i.e. 15 minutes before the time scheduled to start the AGM and shall be kept open throughout the proceedings of the AGM.
- 4) Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.
- 5) Further Members will be required to allow Camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
- 6) Members may 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 who would like to express their views or ask questions during the AGM may register themselves by logging in to <https://emeetings.kfintech.com> and clicking on the 'Speaker Registration' option available on the screen after log in or by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at investor@cardindia.com from September 19, 2020 (9:00 a.m. IST) to September 22, 2020 (5:00 p.m. IST). **Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.**
- 8) The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- 9) Due to limitations of transmission and coordination during the Q&A session, the company may dispense with the speaker registration during the e-AGM conference.

ATTACHMENT – III TO THE AGM NOTICE

INSTRUCTIONS FOR REMOTE ELECTRONIC VOTING

The Companies Act, 2013, has prescribed the provisions of voting through electronic means. In compliance with the provisions of Section 108 of the Companies Act, 2013 and rules thereof and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the members, facility of electronic voting system to exercise their right to vote on business to be transacted at the 66th Annual General Meeting (AGM) of the Company by electronic means through KFin Technologies Private Limited [previously known as Karvy Fintech Private Limited] ("Kfintech").

The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ("remote e-voting"). Only those Members/ shareholders, who will be present in the e-AGM through Video Conference facility and have not casted their vote through remote e-Voting are eligible to vote through e-Voting in the e-AGM. Facility of voting through insta poll shall also be made available at the meeting.

1) The remote e-voting facility will be available during the following period:

a) Day, date and time of commencement of remote e-voting : Monday, September 21, 2020, at 09:00 a.m. IST

b) Day, date and time of end of remote e-voting : Wednesday, September 23, 2020, at 05:00 p.m. IST

2) The voting rights of the members holding shares in physical form or in dematerialized form, in respect of e-voting shall be reckoned in proportion to their share in the paid-up equity share capital as on the cut-off date being Thursday, September 17, 2020.

3) Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of the AGM Notice and holds shares as on the cut-off date, i.e., Thursday, September 17, 2020, may obtain the User ID and password in the manner as mentioned below:

a) If the mobile number of the member is registered against Folio No. / DP ID & Client ID, the member may send SMS:

MYEPWD<space> E-Voting Event Number +Folio number or DP ID & Client ID to +91-9212993399

Example for NSDL:

MYEPWD<SPACE>IN12345612345678

Example for CDSL:

MYEPWD<SPACE>1402345612345678

Example for Physical:

MYEPWD<SPACE> XXXX1234567890

b) If e-mail address or mobile number of the member is registered against Folio No. / DP ID & Client ID, then on the home page of, <https://evoting.kfintech.com> the member may click "Forgot Password" and enter Folio No. or DP ID & Client ID and PAN to generate a password.

c) Member may call Kfintech'S Toll free number 1-800-3454-001.

d) Member may send an e-mail request to <https://evoting.kfintech.com>.

4) The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Kfintech upon expiry of aforesaid period.

5) **Voting at the AGM:** Members who could not vote through remote e-voting may avail the e-voting facility ("Insta Poll") provided at the venue by KFinTech.

URL for "Instapoll" at the AGM: <https://evoting.kfintech.com/instapoll>

- 6) Facility to cast vote through Insta Poll will be made available on the Video Conferencing screen and will be activated once the Insta Poll is announced at the Meeting.

A Member can opt for only single mode of voting per EVENT, i.e., through remote e-voting or voting at the Meeting (Insta Poll). If a Member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

- 7) Details of website: <https://evoting.kfintech.com>.

- 8) Details of persons to be contacted for issues relating to e-voting:

Kind Attention: - Mr. Anil Dalvi
KFin Technologies Private Limited
(Previously Karvy Fintech Private Limited)
Unit : The Indian Card Clothing Company Limited
Selenium, Tower B, Plot No. 31 & 32,
Gachibowli, Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500032.
Tel. No.: +91-40-67162222
Toll Free No.: 1-800-3454-001
Fax No.: +91-40-23001153;
E-mail: einward.ris@kfintech.com

- 9) Details of Scrutinizer: Mr. Devendra Deshpande, Proprietor of DVD & Associates, Practicing Company Secretary (Membership No. F6099 / CP. No. 6515), has been appointed as the Scrutinizer to scrutinize the e-voting and poll process in a fair and transparent manner.

- 10) The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, i.e., Thursday, September 17, 2020. A person who is not a member as on the cut-off date should treat Notice of this meeting for information purposes only.

11) The procedure and instructions for remote e-voting facility are as follows:

A. In case of members receiving email from Kfintech:

- i. Open your web browser during the voting period and navigate to <https://evoting.kfintech.com>
- ii. Enter the login credentials (i.e. User ID and password mentioned in the email). Your Folio No. / DP ID – Client ID will be your User ID. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
You will now reach password change menu wherein they are required to mandatorily change your login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (like *, #, @, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc., on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- iv. You need to login again with the new credentials.
- v. On successful login, the system will prompt you to select the E-Voting Event Number for The Indian Card Clothing Limited.
- vi. If you are holding shares in Demat form and had logged on to <https://evoting.kfintech.com> and had cast your vote earlier for any other Company, then your existing login ID and password are to be used.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date, i.e., Thursday, September 17, 2020, under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date.

- viii. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
 - ix. Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
 - x. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
 - xi. You may then cast your vote by selecting an appropriate option and click on "Submit". A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote.
 - xii. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).
 - xiii. Corporate / Institutional members (i.e. other than Individuals, HUF, NRIs, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID: devendracs@gmail.com with a copy to <https://evoting.kfintech.com>. They may also upload the same in the e-voting module in their login. The scanned image of the above-mentioned documents should be in the naming format "Corporate Name_EVENT NO."
- B.** In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <https://evoting.kfintech.com> or contact - Mr. Anil Dalvi of KFin Technologies Private Limited (Previously Karvy Fintech Private Limited) at +91-40-67161631 or at 1800-3454-001 (toll free).
- C.** The Scrutinizer's decision on the validity of the vote shall be final.
- D.** Once the vote on resolution stated in this notice is cast by Member through remote e-voting, the member shall not be allowed to change it subsequently and such e-vote shall be treated as final. The Members who have cast their vote by remote e-voting may also attend the Meeting, however such Member shall not be allowed to vote again.
- E.** The Scrutinizer after scrutinizing the votes cast at the Meeting (through Insta poll) and vote cast through remote e-voting, will make a consolidated Scrutinizer's Report and submit the same forthwith not later than 48 hours of conclusion of the Meeting to the Chairman / any other Director/ Company Secretary of the Company or a person authorized by him in writing, who shall countersign the same.
- F.** The Results declared along with the consolidated Scrutinizer's Report shall be hosted on the website of the Company i.e., www.cardindia.com and on the website of Kfintech i.e., <https://evoting.kfintech.com>. The results shall be simultaneously communicated to BSE Limited and National Stock Exchange of India Limited.
- G.** Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of AGM i.e., Thursday, September 24, 2020.

BOARD'S REPORT

To
The Members of
The Indian Card Clothing Company Limited

Your Directors presents their Sixty Sixth Annual Report on the business and operations of the Company, together with the Audited Financial Statements for the year ended March 31, 2020.

Directors have tried to maintain coherence in disclosures and flow of the information by clubbing required information topic-wise and thus certain information which is required in Directors' Report is clubbed elsewhere and has to be read as a part of Directors' Report.

1) FINANCIAL RESULTS:

(Rs. in Lakh)

Particulars	Financial year	
	2019-20	2018-19
Revenue from operations	5,128.04	4,626.56
Other Income	157.46	311.77
Total income	5,285.50	4,938.33
Finance cost	278.26	260.38
Depreciation	395.34	404.13
Profit / (Loss) before exceptional items	(640.58)	(1,884.38)
Exceptional items	324.28	0.42
Profit / (Loss) Before Tax	(316.30)	(1,883.96)
Provision for Tax (including deferred tax)	101.40	83.36
Profit / (Loss) After Tax	(417.71)	(1,967.32)
Other Comprehensive Income	(11.23)	(20.24)
Total Comprehensive Income for the year	(428.94)	(1,987.56)

2) PERFORMANCE REVIEW:

During the year under review, the Company earned a total revenue of **Rs. 5,285.50** Lakh as against Rs. 4,938.33 Lakh in the previous year. The loss incurred by the Company for the financial year 2019-20 has been **Rs. 428.94** Lakh against loss of Rs. 1,987.56 Lakh for the financial year 2018-19.

Highlights:

- After completing the shifting of the operations from Company's Pimpri Plant to Nalagarh plant, from the beginning of the financial year 2019-20, the Nalagarh plant was fully equipped and operational to address market requirements.
- In its continuous efforts to improve the operational efficiency, principles of LEAN manufacturing for managing the operations were adopted. Efforts were also taken to ensure that the uptime of the machines in the plant were improved.
- "On-time in full" (OTIF) target of 90% achieved by making timely supplies to the customers.
- Strict control was exercised to control costs.
- Corporate Office and machine assembly operations of the Company were shifted at Bhosari MIDC, PCMC, Pune in the month of July, 2019.
- During the period of the lockdown declared by the Government of India due to impact of CoVID-19 pandemic, efforts were made to engage with all the employees, in order to enhance their skills and knowledge, ensure their wellbeing by educating them about social distancing and hygiene.
- The commercial building at Powai, Mumbai, was fully occupied during the financial year 2019-20.

3) SHARE CAPITAL:

The paid-up share capital of the Company as on March 31, 2020, was Rs. 455.11 Lakh. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock option or sweat equity. As on March 31, 2020, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

4) STATE OF THE COMPANY'S AFFAIRS:

During the financial year ended March 31, 2020 substantial efforts were taken for controlling the costs and for bringing the operations of the Company near to break even.

The detailed information about the Company's affairs is provided under the Management Discussion and Analysis Report in accordance with the requirements under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called and referred to as "the Listing Regulations"), which forms a part of this Report.

5) DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a) Meetings of the Board of Directors held during the year 2019-20:

During the year under review, seven (7) meetings of the Board of Directors took place, details of which have been provided in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between the two (2) meetings did not exceed 120 days in accordance with the provisions of the Companies Act, 2013.

b) Declaration by Independent Directors:

The Company has received necessary declaration from all the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

The Independent Directors are not liable to retire by rotation as per Section 152 of the Companies Act, 2013.

c) Changes in the Board of Directors during the year 2019-20:

- At the 65th Annual General Meeting of the Company held on July 29, 2019, members of the Company approved the following by passing special resolutions:
 - appointment of Mr. Sudhir Merchant (DIN: 00033406) as an Independent Director of the Company for a further term of five years commencing from July 31, 2019.
 - appointment of Dr. Sangeeta Pandit (DIN: 06748608) as an Independent Director of the Company for a further term of five years commencing from November 12, 2019.
 - Mr. Prashant Trivedi (DIN: 00167782), Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The brief profile of Mr. Prashant Trivedi seeking re-appointment at the ensuing Annual General Meeting, as a Director liable to retire by rotation has been included in the Notice convening the AGM.

Thus, there was no change in the constitution of the Board of Directors of the Company.

d) Changes in Key Managerial Personnel during the year 2019-20:

Mr. Kishor Makwana, Chief Financial Officer resigned and was relieved from the services of the Company at the close of working hours on March 31, 2020.

6) DIVIDEND:

Your Directors do not recommend any dividend for the year under review.

7) SUBSIDIARY COMPANIES AND THEIR PERFORMANCE / FINANCIAL POSITION:

In accordance with Section 129(3) of the Companies Act, 2013 and Indian Accounting Standard (Ind-AS) 110, the Company has prepared the Consolidated Financial Statements of the Company and all its subsidiaries, which forms part of this Annual Report.

The Company does not have any material subsidiary whose net worth exceeds 10% of the consolidated net worth of the holding company in the immediately preceding accounting year or has generated 10% of the consolidated income of the Company and its subsidiaries during the previous financial year. However, the Company has prepared a policy for determining material subsidiaries which is uploaded on the Company's website and can be accessed vide weblink: <http://cardindia.com/wp-content/uploads/2018/01/ICC-Policy-on-Material-Subsidiaries.pdf>.

The Statement in Form AOC-I containing salient features of the financial statements of Company's Subsidiaries is attached to the financial statements of the Company.

The brief details about the performance and financial position of the subsidiaries of the Company are given below:

a) ICC International Agencies Limited:

ICC International Agencies Limited (ICCIAL) recorded a sharp decrease of approximately 54% in its revenue from Rs. 262.01 Lakh in the previous year to Rs. 120.45 Lakh in the financial year 2019-20. Further, ICCIAL recorded loss after tax of Rs. 81.60 Lakh in the current year against previous year's loss after tax of Rs. 94.19 Lakh. The reduced revenue and the after-tax loss incurred was due to the difficult trading conditions in the textile industry within India leading to many customers postponing or cancelling capital equipment purchases. The global slowdown in the textile industry also contributed to reduced revenue.

b) Garnett Wire Limited, U.K.:

Garnett Wire Limited, a U.K. Company, in which your Company holds 60% of the issued share capital, recorded marginal decrease of approximately 2% in its revenue from £1,039,928 (equivalent to Rs. 943.94 Lakh) to £1,016,754 (equivalent to Rs. 938.21 Lakh). The after-tax loss is £10,842 (equivalent to Rs. 10.00 Lakh) as against previous year's profit of £13,432 (equivalent to Rs. 12.19 Lakh).

c) Shivraj Sugar and Allied Products Private Limited:

Shivraj Sugar and Allied Products Private Limited is yet to commence operations.

8) AUDIT COMMITTEE:

The Company has constituted an Audit Committee pursuant to the provisions of Section 177(8) of the Companies Act, 2013, read with Rules 6 and 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time. The Audit Committee consists of the following members:

Sr. No.	Name	Designation
1)	Mr. Jyoteendra Kothary	Chairman (Independent Director)
2)	Mr. Sudhir Merchant	Member (Independent Director)
3)	Dr. Sangeeta Pandit	Member (Independent Director)

The above composition of the Audit Committee consists of Independent Directors only.

All the recommendations of the Audit Committee during the year were accepted by the Board of Directors of the Company.

9) VIGIL MECHANISM:

The Company has established a "Vigil Mechanism Policy" as per Regulation 22 of the Listing Regulations. The Company has also amended this policy from time to time as per the amendments made to the Listing Regulations and SEBI (Prohibition of Insider Trading) Regulations, 2015. The details of this Vigil Mechanism

have been provided in the Corporate Governance Report and also posted on the website of the Company at: <http://cardindia.com/wp-content/uploads/2019/03/Policy-on-Vigil-Mechanism-Revised-w.e.f.-01.04.2019.pdf>

10) STATUTORY AUDITORS:

M/s. P. G. Bhagwat, Chartered Accountants (Firm Registration No. 101118W), have been acting as auditors of the Company since conclusion of the 63rd Annual General Meeting (AGM) of the Company held on August 11, 2017. They were appointed for a period of five (5) consecutive years commencing from the conclusion of 63rd AGM till the conclusion of the 68th AGM of the Company.

11) AUDITOR'S REPORT:

There are no adverse remarks nor any disclaimer, qualifications or reservations in the Auditors' Report.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

12) SECRETARIAL AUDIT REPORT:

Mr. Devendra V. Deshpande (Membership No. F6099 / CP. No. 6515), Proprietor of DVD & Associates, Company Secretaries, Pune was appointed as the Secretarial Auditor to conduct the Secretarial Audit of the Company for the financial year 2019-20, as required under Section 204 of the Companies Act, 2013 and the rules made thereunder.

The Secretarial Audit Report for the financial year 2019-20 is annexed as **Annexure - A** to this Report.

There are no adverse remarks nor any disclaimer, qualifications or reservations in the Secretarial Audit Report.

13) DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of Sections 134(3)(c) and 134(5) of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year ended March 31, 2020;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls, which are to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

14) CORPORATE GOVERNANCE:

As per Regulation 34(3) read with Schedule V of the Listing Regulations, a separate section on Corporate Governance practices followed by the Company, together with a certificate from DVD & Associates, Pune confirming compliance, is set out separately under Corporate Governance Report.

15) POLICY FOR SELECTION, APPOINTMENT AND REMUNERATION OF DIRECTORS INCLUDING CRITERIA FOR THEIR PERFORMANCE EVALUATION:

The Company has prepared and adopted a policy titled as "Nomination & Remuneration Policy" pursuant to the requirements of Listing Regulations which interalia includes the Company's policy on Board diversity, selection, appointment and remuneration of Directors, criteria for determining qualifications, positive attributes, independence of a Director and criteria for performance evaluation of the Directors. The Company has also amended this policy from time to time as per the amendments made to the Listing Regulations. The Nomination & Remuneration Policy as approved by the Board is annexed to this Report as **Annexure – B** and is also uploaded on the Company's website at: <http://cardindia.com/wp-content/uploads/2018/01/ICC-Nomination-RemunerationPolicy.pdf>.

16) PERFORMANCE EVALUATION:

Regulation 4(2)(f)(ii)(9) read with Regulation 17(10) of the Listing Regulations, mandates that the Board shall monitor and review the Board evaluation framework and shall carry out performance evaluation of the Independent Directors. The Companies Act, 2013, states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013, states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The performance evaluation of the Directors, the Board and its Committees was accordingly carried out based on the criteria laid down under the SEBI Circular dated January 5, 2017, for Performance Evaluation in the Nomination & Remuneration Policy and approved by the Board of Directors. Further details in respect of the criteria of evaluation has been provided in the Corporate Governance Report.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also assessed the quality, quantity and timelines of flow of information between the Company management and the Board. Your Directors express their satisfaction with the evaluation process.

17) PARTICULARS OF EMPLOYEES AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

During the year under review, none of the employees have drawn remuneration more than the limit prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and none of the employees hold (by himself or along with his spouse and dependent children) more than 2% of the equity shares of the Company. Hence, the requirement of disclosure under Section 197(12) of the Companies Act, 2013, is not applicable.

The details of Top 10 employees together with the remuneration drawn by them is annexed as **Annexure – C** to this Report.

18) PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197(12) AND THE RELEVANT RULES:

a) *The ratio of the remuneration of each Director to the median employee's remuneration for the financial year and such other details as prescribed is as given below:*

The Company did not have any Executive Director on its roll during the financial year 2019-20. Therefore, the ratio required above is not applicable.

b) *The percentage increase in remuneration of each Director, Manager, Chief Executive Officer, Chief Financial Officer or Company Secretary, if any, in the financial year:*

Name	% increase
Mr. Alok Misra Manager under the Companies Act, 2013 designated as Chief Executive Officer	Joined the services of the Company with effect from May 7, 2019. Hence, there was no increase in his remuneration during the year.
Mr. Kishor Makwana Chief Financial Officer	There was no increase in his remuneration of during the year. Further, Mr. Kishor Makwana resigned and was relieved from the services of the Company at the close of working hours on March 31, 2020.
Mr. Amogh Barve Company Secretary	Appointed as Company Secretary of the Company w.e.f. April 4, 2019. Hence, there was no increase in the remuneration during the year.

- c) *The percentage increase in the median remuneration of employees in the financial year:*

There was an increase of approximately 5.02% in the median remuneration of employees in the financial year.

- d) *The number of permanent employees on the rolls of the Company as on March 31, 2020: 242*

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

There was no increase in the average percentile in the salaries of employees other than managerial personnel due to reduction in headcount from 254 to 242.

However, during the year under review, there has been an increase of approximately 48.56% in the managerial remuneration consequent upon joining of Mr. Alok Misra as Chief Executive Officer (Whole-time Key Managerial Personnel) in place of Mr. Vinod Vazhapulli. Taking into the consideration the qualification, experience and expertise of Mr. Misra, the company found that Mr. Misra is the best suited for the responsibilities and challenges for the role of Chief Executive Officer of the company even at an overall increase in the managerial remuneration of approximately 48.56% as compared to previous financial year.

Therefore, increase in the managerial remuneration cannot be compared with the salaries of employees other than managerial personnel.

- f) The remuneration has been paid to all the employees of the Company in accordance with the Nomination & Remuneration Policy of the Company.

19) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013:

All the transactions with related parties are in the ordinary course of business and at arm's length basis; and therefore, disclosure in Form AOC-2 is not required.

Pursuant to the Amendment Regulations, the Company revised its "Policy on Related Party Transactions" wherein the threshold limit on Related Party Transactions was amended to 10% of the annual consolidated turnover of the Company.

The revised Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at: <http://cardindia.com/wp-content/uploads/2018/01/ICC-Policy-on-Related-Party-Transactions.pdf>

20) DEPOSITS:

During the year 2019-20, the Company did not accept any deposit from public within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

21) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review, no loans or guarantees were given or investments were made pursuant to provisions of Section 186 of the Companies Act, 2013.

22) SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

23) ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company is giving due consideration to the conservation of energy and all efforts are being made to properly utilize the energy resources.

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

24) MAINTENANCE OF COST RECORDS AND APPLICABILITY OF COST AUDIT:

The Company has a costing system to help control costs and to take decisions on pricing. Pursuant to Notification No. G.S.R. 725 (E) dated July 31, 2018 whereby the Companies (Accounts) Amendment Rules, 2018 were notified, the Company is maintaining the Cost Records under sub-section (1) of Section 148 of the Companies Act, 2013.

25) ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

The Company operates in ERP environment and has implemented the Oracle System for the purpose of "Internal Financial Controls" within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013, read with Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014. The Company has laid down internal financial controls, which are adequate and were operating effectively and the Board of Directors has adopted necessary internal control policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Board of Directors is of the opinion that for the year ended March 31, 2020, the Company has sound internal financial controls commensurate with the nature and size of the business operations of the Company.

26) REPORTING OF FRAUDS:

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

27) RISK MANAGEMENT:

The Company has in place a Risk Management System which takes care of risk identification, assessment and mitigation. There are no risks which in the opinion of the Board threaten the existence of the Company. Risk factors and its mitigation are covered extensively in the Management Discussion and Analysis Report forming part of this Report.

28) EXTRACT OF ANNUAL RETURN:

The extract of the Annual Return pursuant to Section 92(3) of the Companies Act, 2013, prepared in Form **MGT-9** is annexed as **Annexure - E** to this Report.

29) CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company has constituted CSR Committee considering the requirements of the Companies Act, 2013. Details regarding constitution of the Committee and its meetings have been provided in the Corporate Governance Report.

Considering the threshold requirements specified under Section 135(1) of the Companies Act, 2013, the Company was not liable for CSR spending as specified under Section 135(5) of the Companies Act, 2013, for the financial year 2019-20 and hence, has not spent any amount on CSR activities during the financial year 2019-20.

30) POLICY ON PREVENTION OF SEXUAL HARASSMENT:

The Company has in place Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment and to conduct regular awareness programs. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

During the financial year 2019-20, no complaints were received regarding sexual harassment.

31) DISCLOSURE UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:

Except as stated above and disclosed elsewhere in this Report, no material changes and commitments have occurred between the end of the financial year of the Company and date of this Report which can affect the financial position of the Company.

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

The Company complies with the Secretarial Standards issued by ICSI, one of the premier professional bodies in India.

33) CHANGES IN THE NATURE OF BUSINESS:

There were no changes in the nature of business during the financial year under review.

34) APPRECIATION:

Your Directors place on record their sincere thanks and appreciation for the continued support extended by Central and State Governments, bankers, customers, suppliers and members. Your Board would like to record its sincere appreciation to the employees for the dedicated efforts and contribution in playing a significant part in the Company's operations.

For and on behalf of the Board of Directors

Place : Pune
Date : June 26, 2020

Prashant Trivedi
Chairman
(DIN : 00167782)

ANNEXURE – A

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To

The Members

The Indian Card Clothing Company Limited

Katariya Capital, A-19, Vidyut Nagar Society

Lane No. 5, Koregaon Park

Pune – 411001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s. The Indian Card Clothing Company Limited (hereinafter called “the Company”).

The Secretarial Audit was conducted for the period from 1st April 2019 to 31st March 2020, in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act and the laws specifically listed below.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020 according to the provisions of the following list of laws and regulations as amended from time to time. These documents were examined on computer using audio visual means because of the lockdown. The documents provided to us were treated as final for verification purposes as per the declaration given by the Management of the Company. The physical verification of certain documents was not possible due to lockdown condition in India during the Audit period. The following are our comments on the same:

(i) The Companies Act, 2013 (the Act) and the Rules made there under:

The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made there under and there are no discrepancies observed by us during the period under review.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under:

The Company has complied with the provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA').

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:

The Company is a listed public company the shares are in dematerialised form and the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

(iv) The Company has satisfactorily complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and there are no discrepancies observed by us during the period under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable for the period under review)**;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable for the period under review)**;
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable for the period under review)**; and
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable for the period under review)**;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2018 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not applicable for the period under review)**;

The Company is a listed Company and provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are duly complied by the Company.

I further report that, as per the opinion of the officers of the Company and information provided by them there are no specific applicable laws on the basis of activities of the Company.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India. The Company has duly complied with the Secretarial Standards for the period under review.
- ii) The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited, Mumbai in respect of Shares issued by the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:-

There are adequate systems and processes in the company commensurate with its size & operation to monitor and ensure compliance with applicable laws including general laws, labour laws, competition law and environmental laws. The Board of Directors of the Company is duly constituted with proper balance of executive and non-executive Directors and appointment of Independent Directors as required by Section 149 of the Companies Act, 2013.

Adequate notice is given to all directors about the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting. All decisions at Board and Committee Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors.

We further report that during the audit period the Company has passed a Special Resolution through Postal Ballot for approval of availing External Commercial Borrowings from Holding Company upto a sum not exceeding Rs. 25 crore (Rupees Twenty-Five Crore only) in equivalent US Dollars, i.e., approx. US\$ 3.5 Million other than this there are no major decisions, specific events/ actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**FOR DVD & ASSOCIATES
COMPANY SECRETARIES**

Devendra Deshpande
FCS No. 6099
CP No. 6515

Place : Pune
Date : 26th June 2020
UDIN : F006099B000385687

Annexure

To
The Members
The Indian Card Clothing Company Limited
Katariya Capital, A-19, Vidyut Nagar Society
Lane No. 5, Koregaon Park
Pune – 411001

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, 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 laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR DVD & ASSOCIATES
COMPANY SECRETARIES

Devendra Deshpande
FCS No. 6099
CP No. 6515

Place : Pune
Date : 26th June 2020

ANNEXURE – B

NOMINATION AND REMUNERATION POLICY

1) PREAMBLE

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013, read along with the applicable rules thereto and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations") as amended from time to time. The Indian Card Clothing Company Limited ("ICC" or "the Company") endeavors to attract, retain, motivate and develop personnel of high caliber and talent for the purpose of ensuring efficiency and high standard in the conduct of its affairs and achievement of its goals. In order to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013 and the Regulations with the stock exchanges, this policy on Nomination & Remuneration of Directors, Key Managerial Personnel (KMP), Senior Management Personnel and other employees has been formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company.

2) OBJECTIVE OF THE POLICY

The aims and objectives of this Policy can be summarized as follows:

- ❖ To lay down criteria and terms and conditions for identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- ❖ To lay down the criteria for performance evaluation of the performance of Directors and to carry out their evaluation.
- ❖ To provide the Directors, KMPs and Senior Management Personnel reward linked directly to their efforts, performance, dedication and achievements relating to the Company's operations.
- ❖ To retain, motivate and promote talent and to ensure long term sustainability of talented managerial personnel and to create competitive advantage.
- ❖ To ensure a transparent Board nomination process with the diversity of thoughts, experience, knowledge and perspective on the Board.

3) DEFINITIONS

- a) "Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- b) "Board" means Board of Directors of the Company.
- c) "Committee" means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.
- d) "Directors" mean Directors of the Company.
- e) "Key Managerial Personnel", in relation to a company, means:
 - i) the Chief Executive Officer or the Managing Director or the Manager;
 - ii) the Company Secretary;
 - iii) the Whole-time Director;
 - iv) the Chief Financial Officer; and
 - v) such other officer as may be prescribed;
- f) "Senior Management Personnel" means the personnel of the company who are members of its core management team excluding the Board of Directors. This normally comprises of all members of management and function heads one level below the Executive Directors.

4) BOARD DIVERSITY

The Company believes that the Board of Directors of the Company remain as a diverse body reflecting diversity regarding ethnic background, gender, country of citizenship and professional experience as such mix of viewpoints and ideas enhances Board's ability to function effectively. Different skills, qualification, professional experience, gender and industry knowledge of the members of the Board is necessary for achieving the sustainable and balance growth.

The Committee shall ensure that the potential nominees shall not be discriminated on the basis of race, religion, national origin, gender, disability, or any other basis prohibited by law.

The Board of directors of the Company shall have an optimum combination of executive and non-executive directors with at least one woman director on the Board and the composition of the Board shall be in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013, the Regulations and the statutory, regulatory and contractual obligations of the Company.

5) APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL**a) Appointment criteria and qualifications:**

- i) The Committee shall have due regard to the policy on Board Diversity as provided in Clause 4 of this Policy while considering potential nominees on the Board.
- ii) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- iii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- iv) The Committee shall also ensure that the person possesses:
 - High standards of integrity and professional conduct.
 - Demonstrated business acumen, experience and ability to use sound judgment.
 - Strong willingness contribute to the effective oversight of the business and financial affairs.
 - Right corporate tone and culture and ability to maintain good relationship between the Board and the Management.
 - Experience in strategic planning and managing multidisciplinary responsibilities.
 - A track record of communicating effectively in a global environment.
- v) The Company shall not appoint or continue the employment of any person as Managing Director / Whole-time Director / Manager who has attained the age of seventy years.

Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- vi) The term "appointment" also includes re-appointment. However, in case of Independent Directors, the extension or continuation of the term of appointment shall be made on the basis of report of performance evaluation made by the Board.

b) Term / Tenure:

- i) Managing Director / Whole-time Director / Manager:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director, Executive Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

ii) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years from the date of cessation of his office as an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- At the time of appointment of Independent Director, it should be ensured that aggregate number of Boards on which such Independent Director serves is restricted to seven listed companies. In case of a person serving as a Whole-time Director of a listed company, the aggregate number of listed companies on which such person can serve as an Independent Director is restricted to three listed companies.

c) Evaluation:

In accordance with Section 178 (2) and the Regulations, the Committee shall carry out Performance Evaluation of Directors. The criteria for evaluation of performance of every director shall be as follows:

- Qualifications, Experience, Knowledge and Competency of the director
- Understanding and fulfillment of the functions assigned by the Board and by the law
- Ability to function as a team and to take initiative with respect to various areas
- Attendance of the director at the meetings
- Adequate Commitment of director towards the Board and the entity
- Contributions made by the director at the Meetings of the Board and of the Committees.
- Performance Characteristics of the Director such as integrity and commitment to the Board and the Company, acting in good faith, exercising reasonable care, skill and diligence, Independent Judgment and avoiding conflict of interest situation.

In case of a chairperson, additional consideration should be given to:

- Effectiveness of leadership and ability to steer the meetings
- Impartiality in conducting discussions, seeking views and dealing with dissent
- Commitment and ability to keep shareholders' interests in mind during discussions and decisions.

d) Removal of Director:

Due to reasons for any disqualification mentioned in the Act or under any other applicable statute, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director subject to the provisions and compliance of the said Act, rules and regulations.

For KMPs or Senior Management Personnel the removal will be governed by Company's HR Policy and the subsequent approval of the Managing Director.

e) Retirement:

The Director, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

6) REMUNERATION TO THE DIRECTORS, KMPs, SENIOR MANAGEMENT PERSONNEL AND OTHER EMPLOYEES**a) Guiding Principles:**

The Committee shall follow the guiding principles prescribed under Section 178 (4) of the Act as summarized below:

- i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- iii) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

b) Remuneration to Managing Director / Whole-time Director / Executive Director / Manager:

The Committee shall take into consideration the following components while deciding the remuneration to Managing Director / Whole-time Director / Executive Director / Manager:

- i) The remuneration of the Managing Director / Whole-time Director / Executive Director / Manager is in line with the Industry standards.

- ii) Fixed Pay:

The Managing Director / Whole-time Director / Manager shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to Provident Fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and subsequently approved by the shareholders and Central Government, wherever required.

- iii) Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

- iv) Provisions for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sum in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sum to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

- v) Directors & Officers (D&O) Insurance:

The Company shall continue to have D&O liability insurance for indemnifying the Managing Director / Whole-time Director / Executive Director / Manager, KMPs and Senior Management personnel or any of them from any claims or liability which may arise from the decisions and actions taken within the scope of their regular duties. The premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

c) Remuneration to Non-executive / Independent Director:

i) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of Sitting Fees for attending meetings of Board or Committee as may be decided by the Board from time to time, subject to approval of the shareholders, if required.

Provided that the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

ii) Profit linked Commission:

Remuneration / profit linked commission may be paid to the Non-executive / Independent Directors within the monetary limits approved by the shareholders which in any case shall not be more than the statutory limits provided in the Act. The limits provided under the act are as follows:

- 1) In case the Company has a Managing Director or Whole-time Director or Manager, such remuneration or profit linked commission shall not exceed 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013 and
- 2) 3% of the net profits of the Company in any other case.

In determining the amount of such profit linked commission, the Remuneration Committee may consider various factors as it deems fit including but not limited to the number of board meetings and committee meetings attended by the director.

d) Remuneration to Directors in other Capacity:

The Remuneration payable to the Directors including Managing Director or Whole-time Director or Manager shall be inclusive of the remuneration payable for the services rendered by him in any other capacity except the following:

- i) The services rendered are of a professional nature.
- ii) In the opinion of the Committee, the director possesses the requisite qualification for practising the profession.

e) Remuneration to KMPs and Senior Management Personnel:

Among the KMPs, the remuneration of the Manager / CEO / the Managing Director and the Whole-time Director(s), shall be governed by Clause 5 (b) of this Policy dealing with Remuneration to Managing Director / Whole-time Director / Executive Director / Manger.

For all other KMPs such as the Company Secretary or any other officer that may be prescribed under the statute from time to time and the Senior Management Personnel of the Company, the Nomination and Remuneration Committee shall recommend to the Board, all remuneration, in whatever form, payable to them.

The remuneration determined for all the above said senior personnel and KMPs shall be in line with the Company's philosophy to provide fair compensation to key-executive officers based on their performance and contribution to the Company and to provide incentives that attract and retain key executives, instill a long-term commitment to the Company, and develop a pride and sense of Company ownership, all in a manner consistent with shareholder interests.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided by the Company's HR department.

Decisions on Annual Increments of the Senior Personnel shall be decided by the Human Resources Department in consultation with the Managing Director and/or the Whole-time Director of the Company.

f) Remuneration to other employees:

Apart from the Directors, KMPs and Senior Management, the remuneration for rest of the employees is determined by the HR Department of the Company on the basis of the role and position of the individual employee, including professional experience, responsibility, job complexity and local market conditions.

The Company considers it essential to incentivize the workforce to ensure adequate and reasonable compensation to the staff. The HR Department shall ensure that the level of remuneration motivates and rewards high performers who perform according to set expectations for the individual in question.

The various remuneration components, basic salary, allowances, perquisites etc. may be combined to ensure an appropriate and balanced remuneration package.

The annual increments to the remuneration paid to the employees shall be determined based on the annual appraisal carried out by respective Heads of Departments (HODs).

Decision on Annual Increments shall be made on the basis of this annual appraisal.

7) AMENDMENTS TO THE POLICY

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed necessary.

In case it is observed that this Policy is not consistent with any subsequent amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities issued by the appropriate government authorities, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc. The Committee shall, as soon as possible, amend this Policy to make it consistent with such amendment(s), clarification(s), circular(s) etc.

8) DISCLOSURE

This Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report.

ANNEXURE - C

DETAILS OF TOP TEN EMPLOYEES AS ON MARCH 31, 2020, AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Sr. No.	Employee Name	Designation	Remuneration Received (Rs. in Lakh)	Nature of Employment	Qualifications	Experience (in years)	Date of Commencement of Employment	Age of the Employee (in years)	Last Employment before joining the Company
1	Alok Misra	Chief Executive Officer	76.34	Permanent Employee	B Tech. (Chem)	31	May 7, 2019	55	Polycab India Limited
2	Prasad Mahale	Vice President	33.81	Permanent Employee	BE (Computers), MBA	24	November 07, 2011	43	Honeywell International
3	Kishor Makwana	Chief Financial Officer	30.58	Permanent Employee	B.Com., FCA	15	July 27, 2018	39	Spring Air Bedding Company (India) Limited
4	Nitin Sharad Latkar	Vice President	24.37	Permanent Employee	BE (Mech)	28	July 1, 2019	51	Upscale Solutions
5	Vishal Upadhye	Head - HR & Administration	22.28	Permanent Employee	MBA (HR)	17	January 3, 2019	36	Gemological Institute of America (GIA) India Pvt. Ltd.
6	Amogh Barve	Company Secretary	22.12	Permanent Employee	B. Com, LLB, CS	20	March 1, 2019	40	Mohammed Enterprises (Tanzani a) Limited
7	Ashok Kumar Pal	Vice President	18.59	Permanent Employee	B.Sc. Tech (Textile Technology)	38	November 21, 1988	61	MMC Limited, Kolkata
8	Vivek Shirbhate	Manager	15.30	Permanent Employee	MSC (Com p)	16	May 10, 2017	47	Uniken India Pvt. Ltd.
9	Rajhu Vitha Irao Jumade	Deputy General Manager	14.58	Permanent Employee	B. Com, MSW	36	October 18, 2004	59	Soma Textile & Industries Ltd.
10	Deviakumar S	Regional Head and Head Export	14.37	Permanent Employee	Dip. (Text), BBA	33	January 22, 1999	51	G.D. Textiles Pvt. Ltd.

ANNEXURE – D

INFORMATION IN RESPECT OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information as per Section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 ("Rules") for the year ended March 31, 2020 is as follows:

A) CONSERVATION OF ENERGY:i) Steps taken or impact on conservation of energy:

Steps taken during the year 2019-20 towards conservation of energy are given below:

- Efficient monitoring of power factor and upkeep of the capacitor bank to get the power factor min. to 0.98 at any given time.
- Upgradation of technology for conversion of DC Power resources to AC power resources which resulted into improvement in operational efficiency and energy saving.
- All the street lights and shop floor lights replaced with energy saving LED lights.
- Efficient maintenance of Power Generator.
- Optimum utilization of air conditioning, dust extraction plant and compressed air.

The lower consumption of power and steps taken towards the conservation of energy as mentioned above has resulted into overall savings of approximately Rs. 30.55 Lakh in the power cost during the year 2019-20.

ii) Steps taken by the Company for utilising alternate sources of energy:

The Company continuously uses its best endeavor for identifying and utilizing alternate sources of energy. In this regard, the Company has started using the waste water coming out of RO Plant in the toilets and gardening area. Further, steps have been taken to ensure zero discharge of water outside the plant area. During the year, the Company also controlled its diesel consumption and water consumption.

iii) Capital Investment on energy conservation equipment:

No capital investment was made during the year on energy conservation equipments.

B) TECHNOLOGY ABSORPTION:i) The efforts made towards Technology Absorption:

Your Company continues to take consistent efforts towards Technology Absorption. The major steps taken during the year 2019-20 on Technology Absorption are as follows:

- Developed new heat treatment process to improve surface finish of metallic wires.
- Developed new surface cleaning process to manufacture burr free wires for Nonwoven Card.
- Developed new design Cylinder wires & Doffer wires for latest generation of high production cards processing Coarse and recycled fibre mixings.
- Developed micro-alloy steel wires of different chemical composition, with special treatment for improved life and consistent working performance.
- Developed and launched stationery flat with improved surface finish and wire tip hardness.
- Developed service machinery for Nonwoven cards to improve working performance of nonwoven cards.

- Developed new range of Interlocking wire for different Nonwoven application.

ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- Modified Surroundings during heat treatment process resulted in substantial improvement of the surface finish Ra value of metallic wires as compared to normal atmosphere. This would result in low fibre rolling, leading to less fibre rupture and static charge generation during working. This would improve both the quality of output and working performance of card.
- The wire surface cleaning process which will remove burr and other micro roughness on the wire edges resulting into smooth working of card clothing. This will be useful specially for Nonwoven cards using various type of synthetic fibre mixture.
- New design cylinder wire and doffer wire for high production cards, processing coarse and recycled fibre will help in improving working performance of the card clothing. This will also reduce the frequency of card stoppage and will lead to minimum maintenance activity. This would also improve the consistency in the card output quality.
- Micro alloy steel of different chemical composition, treated with special treatment processes has resulted in refinement of microstructure. The improved microstructure enables the enhanced life and consistent performance of card clothing on high production cards. Improvements observed are quite significant with micro alloy steel of different chemical composition and has led to the possibility of saving in raw material cost.
- Improvement of wire tip surface hardness of stationery flats resulted in improving the working life of stationery flats in specially pre-carding segment of the card, where the working condition is very demanding. Use of latest technology of processing helped in achieving a corrosion resistant smoother surface. This will result in low friction of fibres leading to lower fibre rupture and cooler working at very high production rate.
- Development of service machines for Nonwoven cards resulted in improving efficiency of the Nonwoven cards. During working the card clothing in Nonwoven cards get choked with fibre fragments, dirt dust etc., which hampers proper opening and carding of the fibers. The service machine developed is intended to quickly clean working organs most effectively and with minimum use of manpower.
- New ranges of Interlocking wires were developed to cater to various segment of Nonwoven Industry. These are mainly Mobiltech, Geotextiles, Meditech, Hometech and to process fibres like Jute, Flax etc. Ever increasing demand of Nonwoven industries in India, Turkey, Taiwan, Indonesia, Bangladesh, Vietnam & Egypt have been successfully addressed.

Your Company plans to continue to carry out improvements in its manufacturing processes.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

No technology was imported during the year or any time during the last three financial years.

iv) The expenditure incurred on Research and Development (R&D) during the financial year 2019-20: Rs. 18.07 Lakh.

C) FOREIGN EXCHANGE USED AND EARNED:

The details of Foreign Exchange used and earned during the year are as follows:

(Rs. in Lakh)

Used	625.84
Earned	1,455.78

ANNEXURE – E

FORM NO. MGT – 9

EXTRACT OF ANNUAL RETURN

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	: L29261PN1955PLC009579
ii)	Registration Date	: June 24, 1955
iii)	Name of the Company	: The Indian Card Clothing Company Limited
iv)	Category / Sub-Category of the Company	: Company Limited by Shares / Indian Non-Government Company
v)	Address of the Registered office and contact details	: "Katariya Capital, A-19, Vidyut Nagar Society, Lane No. 5, Koregaon Park Pune – 411001. Tel.: +91-20-67436700
vi)	Whether listed company	: Yes
vii)	Name, Address and Contact details of Registrar & Share Transfer Agent	: KFin Technologies Private Limited (Karvy Fintech Private Limited Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad - 500032. Tel. : +91-40-67162222 Fax : +91-40-23420814 E-mail : einward.ris@kfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company:

Sr. No.	Name and description of main products / services	NIC Code of the product / service (as per NIC Code List 2008)	Percent to total turnover of the Company
1)	Card Clothing	28261	85%
2)	Realty	68100	15%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and address of the company	CIN / GLN	Holding / Subsidiary / Associate	Percent of shares held	Applicable Section
1)	Multi-Act Industrial Enterprises Limited, Mauritius	-	Holding	57.35	2(46)
2)	ICC International Agencies Ltd.	U99999MH1995PLC095231	Subsidiary	100.00	2(87)
3)	Garnett Wire Limited, U.K.	-	Subsidiary	60.00	2(87)
4)	Shivraj Sugar and Allied Products Private Limited	U15429PN2006PTC022160	Subsidiary	94.00	2(87)

THE INDIAN CARD CLOTHING COMPANY LIMITED

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY):

i) Category-wise shareholding

Sr. No.	Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	PROMOTERS									
1)	INDIAN									
a	Individual / HUF	-	-	-	-	-	-	-	-	-
b	Central Government	-	-	-	-	-	-	-	-	-
c	State Government(s)	-	-	-	-	-	-	-	-	-
d	Bodies Corporate	100	-	100	0.00	100	-	100	0.00	-
e	Banks / FI	-	-	-	-	-	-	-	-	-
f	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	100	-	100	0.00	100	0	100	0.00	-
2)	FOREIGN									
a	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b	Other – Individuals	-	-	-	-	-	-	-	-	-
c	Bodies Corporate	2,610,066	-	2,610,066	57.35	2,610,066	-	2,610,066	57.35	-
d	Banks / FI	-	-	-	-	-	-	-	-	-
e	Any Other	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	2,610,066	0	2,610,066	57.35	2,610,066	0	2,610,066	57.35	-
	TOTAL SHAREHOLDING OF PROMOTERS (A) = (A)(1) + (A)(2)	2,610,166	0	2,610,166	57.35	2,610,166	0	2,610,166	57.35	-
B	PUBLIC SHAREHOLDING									
1)	Institutions									
a	Mutual Funds	-	-	-	-	-	-	-	-	-
b	Banks / FI	207	1,750	1,957	0.04	207	1,750	1,957	0.04	(0.00)
c	Central Government	-	-	-	-	-	-	-	-	-
d	State Government(s)	-	-	-	-	-	-	-	-	-
e	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f	Insurance Companies	-	-	-	-	-	-	-	-	-
g	FIs	-	-	-	-	-	-	-	-	-
h	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i	Others	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	207	1,750	1,957	0.04	207	1,750	1,957	0.04	(0.00)
2)	Non-Institutions									
a	Bodies Corporate									
i	Indian	182,506	150	182,656	4.01	160,824	150	160,974	3.54	(0.48)
ii	Overseas	-	-	-	-	-	-	-	-	-
b	Individuals									
i	Individual shareholders holding nominal share capital up to Rs. 1 lakh	1,277,483	112,398	1,389,881	30.54	1,283,037	101,097	1,384,134	30.41	(0.13)
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	326,037	-	326,037	7.16	340,276	-	340,276	7.48	0.32
c	Others									
i	Non-Resident Indians	11,300	75	11,375	0.25	14,145	75	14,220	0.31	0.06
ii	Clearing Members	1,623	-	1,623	0.04	1,635	-	1,635	0.04	0.00
iii	Trusts	50	-	50	0.00	50	-	50	0.00	0.00
iv	NBFC	-	-	-	-	6,637	-	6,637	0.15	0.15
v	Investor Education and Protection Fund	27,375	-	27,375	0.60	31,021	0	31,021	0.68	0.08
	Sub-Total (B)(2)	1,826,374	112,623	1,938,997	42.60	1,837,675	101,322	1,938,997	42.60	0.00
	Total Public Shareholding (B) = (B)(1) + (B)(2)	1,826,581	114,373	1,940,954	42.65	1,837,882	103,072	1,940,954	42.65	0.00
C	SHARES HELD BY CUSTODIAN FOR GDRs AND ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A+B+C)	4,436,747	114,373	4,551,120	100	4,448,048	103,072	4,551,120	100.00	-

ii) Shareholding of Promoters

Sr. No.	Shareholder Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the Company	% of shares pledged / encumbered to total shares	
1	Multi-Act Industrial Enterprises Limited, Mauritius	2,610,066	57.35	-	2,610,066	57.35	-	-
2	Multi-Act Trade and Investments Private Limited	100	0.00	-	100	0.00	-	-
Total		2,610,166	57.35	-	2,610,166	57.35	-	-

ii) Change in Promoters' shareholding

There is no change in the Promoters' shareholding during the year.

iii) Shareholding pattern of Top 10 shareholders (other than Directors, Promoters and holders of GDRs and ADRs)

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Ashok Kumar Jain				
	At the beginning of the year	1,13,597	2.50	1,13,597	2.50
	Increase / Decrease during the year				
	Purchase on April 5, 2019	270	0.005	1,13,867	2.501
	Purchase on April 12, 2019	1,442	0.031	1,15,309	2.533
	Purchase on May 24, 2019	2,518	0.055	1,17,827	2.588
	Purchase on May 31, 2019	1,800	0.039	1,19,627	2.628
	Purchase on July 12, 2019	134	0.002	1,19,761	2.631
	Purchase on August 30, 2019	3,838	0.084	1,23,599	2.971
	Purchase on September 6, 2019	11,642	0.255	1,35,241	2.679
	Purchase on February 7, 2020	2,200	0.048	1,37,441	3.019
	At the end of the year			1,37,441	3.019
2	Ajinkya Electromelt Pvt. Ltd.				
	At the beginning of the year	70,379	1.546	70,379	1.546
	Increase / Decrease during the year				
	At the end of the year			70,379	1.546
3	Alka Jain				
	At the beginning of the year	43,801	0.962	43,801	0.962
	Increase / Decrease during the year				

THE INDIAN CARD CLOTHING COMPANY LIMITED

	Purchased on May 24, 2019	91	0.000	43,892	0.964
	Purchased on September 6, 2019	3,548	0.077	47,440	1.042
	Purchased on September 13, 2019	3,650	0.080	51,090	1.122
	Purchased on September 20, 2019	1,260	0.027	52,350	1.150
	Sold on September 27, 2019	(1,895)	(0.041)	50,455	1.108
	Purchased on November 15, 2019	2,174	0.047	52,629	1.156
	Purchased on November 22, 2019	2,256	0.049	54,885	1.205
	Purchased on January 17, 2020	2,340	0.051	57,225	1.257
	Purchased on January 24, 2020	1,014	0.022	58,239	1.279
	Sold on January 31, 2020	(1,014)	(0.022)	57,225	1.257
	At the end of the year	57,225	1.257	57,225	1.257
4	Investor Education & Protection – Fund Authority				
	At the beginning of the year	27,375	0.602	27,375	0.602
	Increase / Decrease during the year				
	Transferred on April 19, 2019	1,718	0.037	29,093	0.639
	Transferred on April 26, 2019	5	0.000	29,098	0.639
	Transferred on October 18, 2019	1,923	0.042	31,021	0.681
	At the end of the year	31,021	0.681	31,021	0.681
5	Rajiv Malhotra				
	At the beginning of the year	27,200	0.597	27,200	0.597
	Increase / Decrease during the year	-	-	-	-
	At the end of the year	27,200	0.597	27,200	0.597
6	Pravin Mithalal Gandhi				
	At the beginning of the year	22,665	0.498	22,665	0.498
	Increase / Decrease during the year	-	-	-	-
	At the end of the year	22,665	0.498	22,665	0.498
7	G Shankar				
	At the beginning of the year	21,800	0.479	21,800	0.479
	Increase / Decrease during the year				
	Purchased on April 26, 2019	200	0.004	22,000	0.483
	At the end of the year	22,000	0.483	22,000	0.483
8	Subramanian P#				
	At the beginning of the year	20,590	0.452	20,590	0.452
	Increase / Decrease during the year	-	-	-	-
	Sold on November 8, 2019	(20,590)	(0.452)	0	0.00
	At the end of the year	-	-	0	0.00
9	Sangeetha S*				
	At the beginning of the year	-	-	-	-
	Increase / Decrease during the year				
	Purchased on November 8, 2019	20,590	0.452	20,590	0.452
	At the end of the year	20,590	0.452	20,590	0.452

10	CH Kiron				
	At the beginning of the year	20,000	0.439	20,000	0.439
	Increase / Decrease during the year	-	-	-	-
	At the end of the year	20,000	0.439	20,000	0.439
11	Muktilal Ganulal Paldiwal				
	At the beginning of the year	17,191	0.378	17,191	0.378
	Increase / Decrease during the year	-	-	-	-
	At the end of the year	17,191	0.378	17,191	0.378
12	Surabhakti Commodities (P) Ltd.				
	At the beginning of the year	15,998	0.352	15,998	0.352
	Increase / Decrease during the year	-	-	-	-
	At the end of the year	15,998	0.352	15,998	0.352
13	Nalinkant Chaturbhuj Asher				
	At the beginning of the year	14,105	0.310	14,105	0.310
	Increase / Decrease during the year	-	-	-	-
	At the end of the year	14,105	0.310	14,105	0.310
14	Rajiv Malhotra				
	At the beginning of the year	12,973	0.285	12,973	0.285
	Increase / Decrease during the year				
	Sold on August 30, 2019	(637)	0.013	12,336	0.271
	Sold on September 6, 2020	(2,000)	0.043	10,336	0.227
	Sold on March 13, 2020	(999)	0.021	9,337	0.205
	At the end of the year	9,337	0.205	9,337	0.205
15	Jyoti Shital Watile*	12,115	0.266	12,115	0.266
	Increase / Decrease during the year	-	-	-	-
	At the end of the year	12,115	0.266	12,115	0.266

Ceased to be in the list of Top 10 shareholders as on March 31, 2020. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2019.

* Not in the list of Top 10 shareholders as on April 1, 2019. The same has been reflected above since the shareholder was one of the Top 10 shareholder as on March 31, 2020.

V) Shareholding of Directors and Key Managerial Personnel

Shareholding of Directors:

None of the Directors hold shares of the Company.

Shareholding of Key Managerial Personnel:

None of the Key Managerial Personnel hold shares of the Company.

V. INDEBTEDNESS:

(Rs. in Lakh)

	Secured loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,262.35	-	-	1,262.35
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ ii + iii)	1,262.35	-	-	1,262.35
Change in Indebtedness during the financial year				
i) Addition	*770.19	-	-	770.19
ii) Reduction	(289.48)	-	-	(289.48)
Net Change	480.71	-	-	480.71
Indebtedness at the end of the financial year				
i) Principal Amount	1,743.06	-	-	1,743.06
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due	8.37	-	-	8.37
Total (i + ii + iii)	1,751.43	-	-	1,751.43

* During the year under review, the Company has executed Loan Facility Agreement with its overseas parent Company, i.e., Multi-Act Industrial Enterprises, Mauritius (MAIEL) for borrowing an amount of US\$ 2.5 million by way of External Commercial Borrowing (ECB). Out of this an amount of US\$ 1 million was received on January 28, 2020 from MAIEL under the first drawdown.

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(Rs. in Lakh)

Sr. No.	Particulars of Remuneration	Mr. Alok Misra (Manager)	Total Amount
1)	Gross Salary <ul style="list-style-type: none"> Salary as per provisions contained in 17(1) of the Income Tax Act, 1961 Value of Perquisites under Section 17(2) of the Income Tax Act, 1961 Profit in lieu of Salary under Section 17(3) of the Income Tax Act, 1961 	76.34 -	76.34 -
2)	Stock Option	-	-
3)	Sweat Equity	-	-
4)	Commission <ul style="list-style-type: none"> As percent of profit Others, Specify 	- -	- -
5)	Others, please specify	-	-
	Total (A)	76.34	76.34
	Ceiling as per the Act *	84 Lakh plus as may be approved by the Shareholders through Special Resolution.	

* Mr. Alok Misra was appointed by the Board of Directors as the Manager (Whole-Time Key Managerial Personnel) of the Company designated as 'Chief Executive Officer' [CEO], under the Companies Act, 2013, with effect from May 7, 2019. Further his appointment and remuneration were approved by the members by way of a special resolution in the 65th Annual General Meeting held on July 29, 2019. The remuneration paid to him for the financial year under is within the maximum limit approved by the members.

B. Remuneration to Other Directors

(Rs. in Lakh)

Particulars of Remuneration	Name of Directors							Total Amount
Independent Directors and other Non Executive Directors	Mr. Prashant Trivedi	Mr. J. M. Kothary	Mr. Sudhir Merchant	Dr. Sangeeta Pandit	Mr. Darshan Bhatia	Mr. Mehul Trivedi	Mr. S. Karkamkar	
• Fees for attending the Board Meetings	1.85	4.15	4.10	3.60	1.50	1.85	2.30	19.35
• Commission	-	-	-	-	-	-	-	-
• Others – Consultancy Fee	-	-	-	-	-	-	15.00	15.00
Total Managerial Remuneration	1.85	4.15	4.10	3.60	1.50	1.85	17.30	34.35
Ceiling as per the Act	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting

C. Remuneration of Key Managerial Personnel Other than MD / Manager / WTD

(Rs. in Lakh)

Sr. No.	Particulars of Remuneration	*Mr. Alok Misra (CEO)	**Mr. Kishor Makwana (CFO)	#Mr. Amogh Barve (Company Secretary)	Total Amount
1)	Gross Salary <ul style="list-style-type: none"> Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 Value of Perquisites under Section 17(2) of the Income Tax Act, 1961 Profit in lieu of Salary under Section 17(3) of the Income Tax Act, 1961 	76.34	30.58	22.12	129.04
2)	Stock Option		-		-
3)	Sweat Equity		-		-
4)	Commission <ul style="list-style-type: none"> As percent of profit Others, Specify 		-		-
5)	Others, please specify		-		-
	Total	76.34	30.58	22.12	129.04

* Mr. Alok Misra was appointed by the Board of Directors as the Manager (Whole-Time Key Managerial Personnel) of the Company designated as 'Chief Executive Officer' [CEO], under the Companies Act, 2013, with effect from May 7, 2019.

** Resigned with effect from March 31, 2020.

Mr. Amogh Barve was appointed as Company Secretary and Compliance officer w.e.f April 4, 2019.

V. Penalties / Punishment / Compounding of Offences: NIL

For and on behalf of the Board of Directors

Place : Pune
Date : June, 26 2020

Prashant Trivedi
Chairman
(DIN : 00167782)

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A) Industry Structure and Developments:

Card Clothing is a very important input for the spinning mills for producing quality yarn, which is then used by the textile industry for woven or knit fabrics. Carding is a mechanical process that disentangles and cleans fibres to produce a continuous web or sliver suitable for subsequent processing in a spinning mill. It breaks up locks and unorganised clumps of fibre and then aligns the individual fibers to be parallel with each other. This is achieved by passing the fibres between surfaces moving at different speeds covered with card clothing wires.

Card Clothing is initially supplied together with the new carding machines and subsequently in the secondary / replacement market once the carding machine is due for re-clothing. The demand for card clothing in the re-clothing market is entirely dependent on the current installed capacity of carding machines, the production rate of the carding machines installed by spinning mills and the consumption of fibre.

Cotton cultivation during the year plays a major role in the functioning of the spinning mills. The area of cotton cultivation during the financial year 2019-20 was approx. 127 Lakh hectares which is more than last financial year by approx. 1 lakh hectares. The Cotton production during the year 2019-20 was approx. 338 Lakh bales as against production of 323 Lakh bales during the previous financial year 2018-19 (*Source: www.texmin.nic.in*). The total spindlage of the spinning mills in India has marginally increased by approx. 5%, i.e., from 53 million spindles in 2017-2018 to 56 million spindles in 2018-2019. The increase in spindlage has been accompanied by a corollary increase in the population of new super production cards which has also replaced some of the very slow speed and medium speed cards. However, the marginal increase in spindlage of 5% mentioned above had no impact in the demand for re-clothing as the operational card base for super production cards also reduced by 4% due to slowdown in the textile industry. [*Source: Report of Textile Machinery Manufacturers Association (TMMMA)*].

The carding industry is transitioning from very slow and slow speed cards to high and very high-speed cards in India, as it has no longer become economical to operate slow production cards due to increasing cost of manpower and power. Though there is marginal increase in the spindlage as mentioned above, the operational card base of carding machines in India reduced by approx. 17% during the year 2019-20 which includes reduction in very slow speed cards by 26%, medium speed cards by 19% and super production cards by 4% (*Source: ICC's proprietary data and analysis April 2020*).

The major Indian manufacturers of carding machines are Lakshmi Machine Works (LMW) and Trutzschler India. Between the two major Indian carding machine manufacturers, LMW is well established and has the advantage of being able to provide a "bale to yarn" solution for new spinning mills. LMW carding machines are clothed with Lakshmi Card Clothing (LCC). Trutzschler India equips its carding machines with card clothing manufactured by Trutzschler in India or Germany. The Company, LCC and Groz Bekeart share the market for re-clothing of high production card segment manufactured by LMW and Trutzschler India and for some imported super production cards. These three Card Clothing manufacturers have been able to hold their share in this area by virtue of providing prompt service, quicker delivery and acceptable quality at reasonable prices.

In the European market, Rieter and Trutzschler are the major manufacturers of carding machines. Rieter, which owns Graf, supplies all its carding machines with Graf card clothing. Trutzschler cards are equipped with Trutzschler card clothing and are favoured by spinning mills processing coarse and medium counts. There are other myriad manufacturers of carding machines in China, although the international demand for those carding machines is limited due to their inability to match the technology of European and Indian manufacturers. Chinese suppliers are targeting the card clothing market of slow and medium speed cards by offering very low prices compared to the other competitors.

As far as the re-clothing market is concerned, Graf and Trutzschler are generally preferred for the first couple of re-clothing cycles by the spinning mills on Rieter and Trutzschler cards respectively. Cards in the super production segment are imported by the spinning mills directly from Rieter based in Switzerland or Trutzschler from Germany.

B) SWOT Analysis:

Strengths

- The Company through its institutional knowledge and vast experience has acquired a reputation of being able to provide solutions for many problems related to carding faced by spinning mills.

- Strong sales and service support in all major spinning centers in India as well as a wide distribution network. The Company has also established its own sales and service office in Turkey.
- The Company is perceived as a "value for money" brand in the market.
- Strong brand re-call due to its presence in the market for over 60 years.
- The Company's new products like ProLyf and ProLyf+ along with its focus in Non-Woven sector have demonstrated good results in the market and customers have accepted this combination for its consistent results and cost competitiveness.
- Focus on Research and Development to continuously improve the processes and develop of new products.
- Fully installed and operational capacity at Nalagarh are ready to meet the market demand with min possible lead time for supplies.

Weaknesses

- The Company does not have a close association with a leading carding machine manufacturer in and outside India.
- Chinese card clothing manufacturers have adopted a strategy of gaining market share by offering low cost solutions in some south east markets, which are the Company's stronghold.

Opportunities:

- Improved competitiveness of the Indian textile spinning industry relative to the Chinese textile industry.
- The potential of unit volume growth in high production card market segments in which the Company has a lower share both in the domestic and export markets.
- Opportunities arising out of development and high-quality new products.
- Expected growth in nonwoven and technical textile industry in India and overseas markets in which the Company has inherent product and application knowledge.
- Promotional policies of the Government for the textile sector.

Threats:

- Competition from Chinese card clothing manufacturers who have emerged as value for money provider placing pressure on margins.
- European manufacturers willing to reduce prices to capture market share in medium and high production card market.

C) Operations

i) Product-wise Operational performance:

The Product-wise performance of the Company is as given below:

- Metallic:

Increase in sales of the Metallic sector by approx. 7% in the financial year 2019-20 as compared to the previous financial year.

- Non-woven:

Increase in sales of the non-woven sector by approx. 62% in the financial year 2019-20 as compared to the previous financial year.

- Machines:

Increase in sales of Machines sector by approx. 29% in the financial year 2019-20 as compared to the previous financial year.

- Servicing:

Increase in revenue from Servicing by approx. 7% in the financial year 2019-20 as compared to the previous financial year.

ii) Measures taken for improving the operational efficiency:

After completing the shifting of its operations from Company's Pimpri Plant to Nalagarh plant, from the beginning of the financial year 2019-20, the Nalagarh plant was fully equipped and operational to address market requirements. The operations team at Nalagarh have taken considerable efforts to ensure that the uptime of the machines in the plant were improved. In its continuous efforts to improve its operational efficiency, principles of LEAN manufacturing for managing the operations were adopted. This helped the Company to achieve its "on-time in full" (OTIF) target of 90% by making timely supplies to its customers. During the year, strict control was exercised to control costs.

Even during the lockdown period declared by the Government due to impact of CoVID-19 Pandemic, the Company took required steps to ensure the safety and welfare of its employees. Necessary procedures and systems were prepared on the basis of guidelines received from the Central, State and Municipal authorities from time to time. All the efforts were taken in respect of continuous engagement with all employees, enhancement of their skills and knowledge, their wellbeing and awareness about social distancing. Upon re-starting of the operations, necessary guidelines related to health and safety of the employees were issued related to maintaining social distancing norms, hand hygiene and wearing of face covering. All employees and visitors were screened for their temperature and the installation of the "Arogya Setu" app was mandatory before entering any of the Company's premises. The Company's factory, corporate office and all other establishments are regularly sanitised.

The Board of Directors of the Company and the entire Management Team is confident that with the preparedness of its Nalagarh plant, the Company shall come out of this testing time faced due to severe impact of CoVID-19 Pandemic and the resultant lockdown.

D) Outlook:

The CoVID-19 Pandemic and the resultant lockdown has severely impacted the revenues of the Company. During the beginning of the current financial year almost all the domestic and export customers were closed on account of the lockdown and those who started functioning are working at a very low operating capacity. This is likely to result into revenue loss of approx. 75% in the coming months. Further, it is also expected that it would take approximately three quarters for the demand from the spinning industry to achieve normalcy.

India's overall textile exports during financial year 2018-19 stood at US\$ 39.2 billion and on account of the global slow down and pandemic during April to January of financial year 2019-20, the overall textile export reached to US\$ 32.4 billion. In light of the CoVID-19 pandemic, the textile industry may register negative growth in financial year 2020-21. However, to counter this situation, Indian government has introduced a number of export promotion policies for the textiles sector. It has also allowed 100 per cent Foreign Direct Investment in the Indian textiles sector under the automatic route. (Source : <http://dashboard.commerce.gov.in/>)

Huge Investments and stimulus packages are expected from the Government under various schemes to ensure the sustenance of the Indian textile industry which provides highest employment in the country. During the year financial year 2020-21, the growth in domestic consumption is expected to remain stable, however, the demand from overseas markets may increase on account of principal thrust towards alternate global sourcing destination.

In the financial year 2019-20, the textile industry witnessed a decline in demand of textile products up to 35% due to reduced offtake of textile garments and made ups from USA, Europe and China, in financial year 2019-20. In addition, Pakistan, which used to import significant amounts of textile products from India, stopped trade relations with India during the financial year 2019-20 exacerbating the difficulties in the entire textile value chain. All these factors have accumulated to create excess inventory of yarn with spinning mills and place huge pressure on the spinning industry resulting in a reduction in the number of carding machines operating in India by 17%. Consequently, in the financial year 2020-2021 spinning mills are expected to defer

their requirement of spares and consumables by running cards at suboptimal speed shrinking demand for card clothing in the domestic market. (Source: ICC's proprietary data and analysis April 2020).

To address these challenges, during the financial year 2020-21, the Company will further continue to focus on its efforts related to improvements in plant efficiency and productivity and develop new products for latest generation of carding machines.

E) Risks and Concerns:

Card Clothing manufacturing contributes around 85% of the total operating revenue of the Company. The demand for card clothing in the re-clothing market is entirely dependent on the current operational capacity of carding machines, their production rate and consumption of fibre. Any slowdown in demand in the textile spinning industry, particularly cotton, directly impacts the prospects of the Company.

The Spinning Mills in India have faced following challenges during the year 2019-20:

- Substantial decline in exports of cotton yarn on account of global slow down and Covid-19.
- Surplus production over domestic consumption of cotton yarn.
- Huge loss of revenue on account lockdown in India because of Covid-19.
- Loss of yarn export sale to Pakistan on account of trade barriers.
- Increase in price of raw cotton without a corresponding increase in yarn prices. This increased working capital requirements for the mills and decreased their margins.
- Manufacturing cost of cotton garments and made ups in India is comparatively higher than other countries like Bangladesh and Vietnam.

While tapping the growth opportunities, the major risks and areas of concern for the card clothing industry are, increasing input costs, high price of power and its inadequate supply and lack of infrastructure among companies in small & very small-scale sector.

In addition to the above, card clothing industry in India, which is a major supplier to the spinning mills virtually depend upon a limited number of suppliers for commodities like steel, cotton and rubber due to the criticality of raw material required for manufacturing card clothing. The card clothing manufacturers have very little control over such suppliers. Apart from the risk associated with the volatility in raw material prices the Company is also exposed to other general risks related to volatility in Foreign Exchange rates, change in taxation structures, changes in interest rates, natural / manmade disasters, and political risks.

F) Internal control systems and their adequacy:

The Company has a proper and well-established accounting and auditing system covering all areas of operations. ERP has been strengthened and more rigorous processes have been instituted and the same is being monitored on continuous basis. The Company functions with Oracle R12 ERP system thereby enabling seamless operations. The Company has taken all the necessary steps in preparing its ERP System as well as other internal systems for its smooth functioning in the Goods and Service Tax (GST) era.

The Company's manufacturing facility has ISO 9001 certification, which is renewed from time to time.

The Company has laid down internal financial controls, which are adequate and were operating effectively and the Board of Directors has adopted necessary internal control policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial information.

A firm of auditors manned by technically and commercially qualified personnel carries out internal audit, of Nalagarh plant, which is followed up by discussion with each department, the Chief Executive Officer and in the Audit Committee. Wherever risks have been identified in processes or systems, these have been addressed by implementing a more robust process. The Company has a costing system to help control costs and to take decisions on pricing.

The Company has a costing system to help control costs and to take decisions on pricing. Pursuant to Notification No. G.S.R. 725(E) dated July 31, 2018 whereby the Companies (Accounts) Amendment Rules, 2018 were notified, the Company is maintaining the Cost Records under sub-section (1) of section 148 of the Companies Act, 2013. A certificate of a Practising Cost Accountant has been obtained certifying that the Company has maintained the Cost Records as per the statutory requirements mentioned above.

G) Financial performance and operational performance:

• **Standalone Financial Performance**

During the year under review, the Company earned a total revenue of Rs. 5,285.50 Lakhs as against Rs. 4,938.33 Lakhs in the previous year. The loss incurred by the Company for the financial year 2019-20 has been Rs. 417.71 Lakhs against loss of Rs. 1,967.32 Lakhs for the financial year 2018-19.

• **Consolidated Financial Performance**

During the year under review, the Company along with its subsidiaries achieved a total consolidated revenue of Rs. 6,291.14 Lakhs for the year ended March 31, 2020, as against Rs. 6,076.60 Lakhs for the previous year ended March 31, 2019. The consolidated loss after tax for the year under review has been Rs. 510.24 Lakhs as against consolidated loss after tax of Rs. 2,049.43 Lakhs for the previous year.

H) Material developments in Human Resources / Industrial Relations:

During the financial year 2019-20, the Company issued and implemented a robust Employee Handbook containing all policies relating to entire employee life cycle to ensure that employees have clarity of organizational culture and corporate governance. The Company shifted its Corporate Office and machine assembly operations at Bhosari MIDC, PCMC, Pune in the month of July, 2019. Whereas, Company's registered office remains at Koregaon Park, Pune.

I) Key financial ratios, significant changes therein and its explanation:

Particulars	2019-20	2018-19	Remarks
Debtors Turnover Ratio	87 days	84 days	The Sales during the year have increased by 9.62% while the increase in debtors during the year is 13.23% as compared to last year. This has resulted increase in number of days of receivables.
Inventory (FG) Turnover Ratio	18 days	24 days	Better utilisation of finished goods inventory has helped in reduction in finished goods inventory Turnover.
Interest Coverage Ratio	(0.14) times	(6) times	The reduction is due to reduction in losses by Rs. 1,585.55 Lakhs.
Current Ratio	1.78 times	1.65 times	Increase in sales during the year by 9.62% and decrease in losses has improved the current ratio by 0.13 times.
Debt Equity Ratio	0.19 times	0.20 times	Improvement in ratio is due to reduction of loss by Rs. 1,585.55 Lakhs.
Operating Profit Margin(%)	47.61%	42.82%	Decrease in material cost by approximately 5% and reduction in operating overheads has resulted in increase in Operating Profit Margin.
Net Profit Margin (%)	-5.64 %	-38.15%	Increase in sales by 9.62%, decrease in material cost by approx. 5% and reduction in employee cost by approx. Rs. 269.72 Lakhs has resulted in improvement in Net Profit Margin.

J) Return on net worth, significant changes therein and its explanation:

Return on net worth for the financial year 2018-19 was - 31% as against - 7% for the financial year under review. Increase in sales, decrease in material cost and reduction in employee cost has resulted in improvement in the net worth of the Company.

K) Cautionary Statement:

Statements in the Management Discussions and Analysis Report describing the Company's projections, estimations, expectation and predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from the expressed or implied. Important factors that would make a difference to the Company's operations include demand and supply conditions, raw material prices, changes in government regulations, tax regimes, competition and economic developments within and outside the country including the uncertainties related to the CoVID-19 pandemic.

REPORT ON CORPORATE GOVERNANCE

Pursuant to the Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015

1) COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's Corporate Governance Policy aims at ensuring transparency, accountability and integrity in all its operations and in its relations with all the stakeholders (i.e. investors, customers, employees, suppliers and Government) with a view to increase value for all of them.

2) BOARD OF DIRECTORS:

a) Composition:

As on March 31, 2020, the strength of the Board of Directors is Seven (7) and all the Directors are Non-Executive Directors including a woman Director. Out of the total number of Directors, four (4) are Independent Directors who constitute more than one-half of the total strength of the Board. The Company is in compliance with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") in respect of Corporate Governance, taking into account the exemption given under Regulation 15(2) (a) of the Listing Regulations.

b) Meetings of the Board of Directors:

During the financial year 2019-20, seven (7) meetings of the Board of Directors of your Company were held. They were held on: April 4, 2019, May 6, 2019, May 24, 2019, July 29, 2019, November 8, 2019, February 6, 2020 and March 27, 2020.

c) Directors attendance record and other directorships held:

The composition, category of the Board of Directors, details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2019-20, along with the details in respect of Directorships and Committee positions of each director in other public limited companies where he is a member/chairman, are presented in the following table:

Name of the Director	Category of Directorship	Board Meetings attended	AGM attended	No. of Directorships in other Indian public limited Companies	Committee Memberships in other Indian public limited companies*	Chairmanship held out of the Committees shown in column no. **	Inter-se relationship between the Directors
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Mr. Prashant Trivedi (DIN: 00167782)	Chairman Non-Executive Non-Independent (Promoter Group)	6	Yes	-	-	-	Son of Mr. Kunjbihari Trivedi and Brother of Mr. Mehul Trivedi
Mr. Mehul Trivedi (DIN: 00030481)	Chairman Non-Executive Non-Independent (Promoter Group)	6	Yes	1	1	-	Son of Mr. Kunjbihari Trivedi and Brother of Mr. Prashant Trivedi
Mr. Sanjeevkumar Karkamkar (DIN: 00575970)	Chairman Non-Executive Non-Independent	6	Yes	1	1	0	-
Mr. Jyoteendra Kothary (DIN: 00015254)	Independent	7	Yes	3	5	2	-
Mr. Sudhir Merchant (DIN: 00033406)	Independent	7	Yes	2	4	2	-
Dr. Sangeeta Pandit (DIN: 06748608)	Independent	7	Yes	0	1	1	-
Mr. Darshan Bhatia (DIN: 08257246)	Independent	5	Yes	0	1	-	-

Note: - Seven (7) Board meetings were held during the tenure of each Director.

* includes only chairmanship/membership of Audit Committee and Stakeholders Relationship Committee.

None of the Directors on the Board is a member of more than ten (10) committees and Chairman of more than five (5) committees across all the public companies in which they are Directors.

d) Name of other listed entities where Directors of the company are Directors and the category of Directorship:

Sr. No.	Name of Director	Name of listed entity in which concerned Director is a Director	Category of Directorship
1	Mr. Prashant Kunjbihari Trivedi	-	-
2	Mr. Mehul Kunjbihari Trivedi	-	-
3	Mr. Jyoteendra Mansukhlal Kothary	Harrisons Malayalam Ltd.	Non -Executive Independent Director
4	Mr. Sudhir Ajitkumar Merchant	TCPL Packaging Limited	Non -Executive Independent Director
5	Dr. Sangeeta Sanjeev Pandit	-	-
6	Mr. Darshan Vijaysinh Bhatia	-	-
7	Mr. Sanjeevkumar Walchand Karkamkar	-	-

e) Code of Conduct:

Your Company's Board of Directors has prescribed a Code of Conduct for all Board Members and the Company's Senior Management. The Code of Conduct is available on your Company's website www.cardindia.com.

All the Board Members and the Senior Management personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended March 31, 2020. A declaration by the Director confirming that all the Board members and senior management personnel have affirmed compliance with the code of conduct of the Company and that they have not come across any instance of non-compliance of the Code during the year ended March 31, 2020, is included in the certificate issued by the Chief Executive Officer and the Finance Controller on the financial statements and other matters of the Company for the financial year ended March 31, 2020, which is enclosed as **Attachment – I** to this Report on Corporate Governance.

f) Skills/ Expertise/ Competence of the Board of Directors:

Skills/ Expertise/ Competence	Name of the Directors possessing such Skills/Expertise/Competence
Technical/ Professional skills and specialized knowledge in relation to Company's business (Card Clothing and Realty)	Mr. Prashant Trivedi Mr. Mehul Trivedi Mr. Sanjeevkumar Karkamkar
Knowledge of Company's business policies, culture (including the Mission, Vision and Values), major risks/ threats and potential business opportunities in the industry in which the Company operates	All directors
Financial and Management skills	All directors
Marketing Strategy, Competitive Analysis, Innovation and Research and Development	Mr. Prashant Trivedi Mr. Mehul Trivedi Mr. Sanjeevkumar Karkamkar
Corporate Governance, Human Resource Development, Administration.	All directors

Your Board of Directors hereby confirm that the independent directors fulfill the conditions specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

3) AUDIT COMMITTEE:

a) Brief Description and Terms of Reference:

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 of the Listing Regulations, read with Section 177 of the Companies Act, 2013.

The terms of reference of the Audit Committee as amended from time to time are stated below in brief:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and the fixation of audit fees and confirm their independence.
- Approval of payment to statutory auditors for any other services rendered, if authorised by the Board.
- Review with the management, the quarterly financial statements before submission to the Board for approval and secure certificate from CFO in terms of Regulation 17(8) of the Listing Regulations.
- Evaluate internal financial controls and risk management systems.
- Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
- reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the effective date of the Amendment Regulations.
- Any other terms of reference as may be included from time to time in the Listing Regulations.

b) Composition and attendance at the Audit Committee meetings:

The Audit Committee currently comprises of three (3) members and all of whom were Independent Directors.

During the year under review five (5) meetings of the Audit Committee were held, viz., April 4, 2019, May 24, 2019, July 29, 2019, November 8, 2019, February 6, 2020.

The composition of the Audit Committee as on March 31, 2020 and attendance of members in the meetings held during the financial year 2019-20 is as under:

Name of the Member	No. of meetings attended
Mr. Jyoteendra Kothary (Chairman)	5
Mr. Sudhir Merchant (Member)	5
Dr. Sangeeta Pandit (Member)	5

The Company Secretary is the Secretary of the Committee.

4) NOMINATION & REMUNERATION COMMITTEE:

a) Brief Description and Terms of Reference:

The Nomination & Remuneration Committee looks after the due diligence and recommendation process for appointment/re-appointment of Directors, evaluation of performance of Directors and remuneration to CEO and other Key Managerial Personnel of the Company and monitoring of the Nomination & Remuneration Policy of the Company. The terms of reference of the Nomination & Remuneration as amended from time to time are stated below in brief:

- formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of Independent Directors and the Board;
- devising a policy on Board diversity;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors; and
- recommend to the Board, all remuneration, in whatever form, payable to senior management.

b) Composition and attendance at the Nomination & Remuneration Committee meetings:

The Nomination & Remuneration Committee comprises three (3) members and all are Independent Directors.

During the year under review three (3) meetings of the Nomination & Remuneration Committee were held on April 4, 2019, May 6, 2019 and May 24, 2019.

The composition of the Nomination & Remuneration Committee as on March 31, 2020 and attendance of members in the meetings held during the financial year 2019-20 is as under:

Name of the Member	No. of meetings attended
Mr. Sudhir Merchant (Chairman)	3
Mr. Jyoteendra Kothary (Member)	3
Mr. Sanjeevkumar Karkamkar (Member)	3

The Company Secretary is the Secretary of the Committee.

c) Nomination & Remuneration Policy:

The Board of Directors of the Company has adopted a Nomination & Remuneration Policy in terms of the provisions of the Companies Act, 2013 and the Listing Regulations and in order to harmonize the aspirations of human resources consistent with the goals of the Company which interalia includes the Company's policy on Board Diversity, selection, appointment and remuneration of directors, criteria for determining qualifications, positive attributes, independence of a director and criteria for performance evaluation of the Directors.

During the year, the Board carried out an Annual Evaluation of its own performance and the performance of individual Directors, as well as evaluation of Committees of the Board in its meeting held on February 6, 2020.

The Nomination and Remuneration Committee (NRC) has defined the evaluation criteria, procedure and time schedule for the Performance Evaluation process for the Board, its Committees and Directors.

d) Remuneration to Directors:

The Company pays remuneration by way of salary, variable pay, perquisites and allowances to its Manager.

The remuneration paid to the Manager is in line with the provisions of the Companies Act, 2013 and Schedule V attached thereto.

All Non-Executive Directors of the Company receive sitting fees for each meeting of Board and Committee thereof attended by them. Pursuant to approval of the members accorded in the Annual General Meeting held on August 1, 2013, the net profits of the Company, not exceeding 1%, are distributable as

THE INDIAN CARD CLOTHING COMPANY LIMITED

commission, amongst the Non-Executive Directors considering the special services and efforts rendered by them and their attendance of the Board Meetings. Other than sitting fees, no other remuneration is paid to the Non-Executive Directors during the financial year.

The details of remuneration paid/payable to Directors of the Company during the financial year 2019-20 are as under:

(Rupees in Lakhs)

Particulars of Remuneration	Name of Directors							Total Amount
Independent Directors and other Non-Executive Directors	Mr. Prashant Trivedi	Mr. J. M. Kothary	Mr. Sudhir Merchant	Dr. Sangeeta Pandit	Mr. Darshan Bhatia	Mr. Mehul Trivedi	Mr. S. Karkamkar	
• Fees for attending the Board Meetings	1.85	4.15	4.10	3.60	1.50	1.85	2.30	19.35
• Commission	-	-	-	-	-	-	-	-
• Others – Consultancy Fee	-	-	-	-	-	-	15.00	15.00
Total Managerial Remuneration	1.85	4.15	4.10	3.60	1.50	1.85	17.30	34.35
Ceiling as per the Act	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting	1.00/ Meeting

None of the Directors has any pecuniary relationships or transactions with the Company except by way of sitting fees paid to Non-Executive Directors.

Your Company presently does not have performance linked incentives for its Directors. No severance fee is payable.

5) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

a) Brief Description and Terms of Reference:

The brief terms of reference of the Stakeholders' Relationship Committee as amended from time to time are as follows:

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

b) Composition and attendance at the Stakeholders' Relationship Committee meetings:

The Stakeholders' Relationship Committee comprises of three (3) members and two (2) of them are Independent Directors.

During the year under review one (1) meeting of the Stakeholders' Relationship Committee was held, on May 24, 2019.

The composition of the Committee as on March 31, 2020 and attendance of members in the meetings held during the financial year 2019-20 are as under:

Name of the Member	No. of meetings attended
Mr. Jyoteendra Kothary (Chairman)	1
Mr. Mehul Trivedi (Member)	1
Mr. Sanjeevkumar Karkamkar (Member)	1

Mr. Amogh Barve, Company Secretary and Head Legal & Corporate Affairs is also the Secretary of the Committee and Compliance Officer of the Company.

Details regarding shareholders' complaints received by the Company during the financial year 2019-20 together with the status on its disposal is given below:

Shareholders' complaints received during the quarter ended	No. of complaints received	No. of complaints disposed-off during the quarter	Balance complaints
June 30, 2019	0	0	0
September 30, 2019	0	0	0
December 31, 2019	0	0	0
March 31, 2020	0	0	0

There were no pending share transfers and complaints as on March 31, 2020.

6) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

a) Brief Description and Terms of Reference:

The roles and responsibilities of the Committee are briefly stated below:

- Formulate and recommend to the Board, a CSR policy;
- Recommend the amount of expenditure incurred on the activities as mentioned in Schedule VII of the Companies Act, 2013; and
- Monitor the CSR policy from time to time.

b) Composition and attendance at the CSR meeting:

The Board has constituted a CSR Committee consisting of the following members:

Name of the Member	Designation
Mr. Prashant Trivedi	Chairman (Non-Independent Non-Executive Director)
Mr. Mehul Trivedi	Member (Non-Independent Non-Executive Director)
Mr. Sudhir Merchant	Member (Independent Director)

The Company Secretary is the Secretary of the Committee.

The CSR Committee did not meet during the year.

Considering the threshold requirements specified under Section 135 of the Companies Act, 2013, the Company was not liable to spend for CSR activities for the financial year 2019-20 and hence, has not spent any amount thereof.

7) INVESTMENT COMMITTEE:

a) Brief Description and Terms of Reference:

The Investment Committee is authorized to investment of surplus funds of the Company in shares, debentures, bonds and other recognized securities of companies listed on the Stock Exchanges in India, in government securities, bonds issued by public sector companies / corporations or in units issued by recognized mutual funds for cash in one or more tranches upto an aggregate amount not exceeding Rs. 75 Crores in a single security or in multiple securities.

b) Composition and attendance at the Investment Committee meeting:

The Investment Committee comprises of three (3) members out of which two (2) are Independent Directors.

The composition of the Committee as on March 31, 2020 and attendance of members in the meeting held during the financial year 2019-20 are as under:

Sr. No.	Name of the Member
1	Mr. Jyoteendra Kothary (Chairman)
2	Mr. Sudhir Merchant (Member)
3	Mr. Prashant Trivedi (Member)

The Company Secretary is the Secretary of the Committee.

No meeting was held during the financial year 2019-2020.

8) MEETING OF THE INDEPENDENT DIRECTORS:

A separate meeting of the Independent Directors of the Company as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the Listing Regulations was held on February 6, 2020, without the attendance of Non-Independent Directors and the members of the management, interalia, to discuss the following:

- Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairman of the Company, taking into account the views of the Non-Executive Directors;
- Assess the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the independent Directors were present at the meeting.

9) PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, read with Regulation 4(2)(f)(ii)(9) and Regulation 17(10) of the Listing Regulations, the performance evaluation of the Directors, the Board and its Committees was carried out based on the criteria / manner approved by the Nomination & Remuneration Committee and approved by the Board of Directors.

The revised criteria / manner for evaluation as recommended by the Nomination & Remuneration Committee and approved by the Board in its meeting held on February 11, 2017, is as stated below:

A) Criteria / Manner of Performance Evaluation of the Board:

- Structure of the Board covering the following:
 - Competency of directors
 - Experience of directors
 - Mix of qualifications of directors

- Diversity in Board under various parameters
- Process of appointment to the Board.
- Meetings of the Board covering the following:
 - Regularity and frequency of meetings
 - Quality of agenda
 - Quality of discussions at the meeting
 - Recording of dissent of director at the meeting
 - Proper recording of minutes
- Key responsibilities and functions of the Board covering the following:
 - Roles and responsibilities of the Board as defined under the statute
 - Strategy and performance evaluation
 - Governance and compliance
 - Evaluation of Risks
 - Investor Grievance redressal
 - Conflict of interest
 - Stakeholder value and responsibility
 - Corporate culture and values
 - Review of Board evaluation
 - Facilitation of independent directors
- Board and Management:
 - Evaluation of performance of the management and feedback
 - Independence of the management from the Board
 - Access of the management to the Board and vice versa
 - Adequate Secretarial support for conducting Board Meetings
 - Availability of funds for the meetings, for seeking expert(s) opinion, etc.
 - Succession plan
- Professional development:
 - Adequacy of induction and professional development programs made available to new and old directors.
 - Training of continuing directors to ensure that the members of the Board are kept up to date.

B) Criteria / Manner of Performance Evaluation of the Committees:

- Mandate and composition of the Committee
- Effectiveness of the Committee
- Structure of the Committee and its meetings
- Independence of the Committee from the Board
- Contribution to decisions of the Board

C) Criteria / Manner of Performance Evaluation of Individual Directors:

- Qualifications, experience, knowledge and competency of the director
- Understanding and fulfillment of the functions assigned by the Board and by the law
- Ability to function as a team and to take initiative with respect to various areas
- Attendance of the director at the meetings
- Adequate Commitment of director towards the Board and the entity
- Contributions made by the director at the Meetings of the Board and of the Committees
- Performance characteristics of the Director such as integrity and commitment to the Board and the Company, acting in good faith, exercising reasonable care, skill and diligence, independent judgment and avoiding conflict of interest situation.

In case of a chairperson, additional consideration to be given to:

- Effectiveness of leadership and ability to steer the meetings
- Impartiality in conducting discussions, seeking views and dealing with dissent
- Commitment and ability to keep shareholders' interests in mind during discussions and decisions.

10) FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:

Pursuant to provisions of Regulation 25(7) of the Listing Regulations, during the year 2019-20, the Company prepared and pursued the Familiarization Programme for Independent Directors as hosted on Company's website at:

<http://cardindia.com/wp-content/uploads/2019/05/Details-of-Familiarisation-Programmes-imparted-to-the-Independent-Directors-during-the-year-2019-2020.pdf>

11) ADDITIONAL INFORMATION REQUIRED UNDER REGULATION 36 OF THE LISTING REGULATIONS:

Additional information as required under Regulation 36(3) of the Listing Regulations in respect of Director seeking appointment / re-appointment is provided as **Attachment – I** to the Notice convening 66th Annual General Meeting.

12) DISCLOSURES:

a) Materially Significant Related Party Transactions (“RPT”):

All related party transactions form part of the Notes to the Financial Statements.

The above materially significant related party transaction does not have any potential conflict with the interest of the Company.

The Register of Contracts containing transactions, in which Directors are interested, is placed before the Board regularly.

Pursuant to the Amendment Regulations, the Company revised its “Policy on Related Party Transactions” wherein the threshold limit on Related Party Transactions was amended to 10% of the annual consolidated turnover of the Company. The RPT Policy is placed on the Company's website at <http://cardindia.com/wp-content/uploads/2018/01/ICC-Policy-on-Related-Party-Transactions.pdf>

b) Accounting Treatment:

No treatment different from that prescribed in the Accounting Standards has been followed by the Company.

c) Non-compliance of any requirement of Report on Corporate Governance of sub-para (2) to (10) of Para C to Schedule V of the Listing Regulations:

The Company has complied with all the requirements in this regard, to the extent applicable.

d) Policy for determining material subsidiaries:

The Company has disclosed the policy for determining material subsidiaries as per the requirement of Regulation 46(2)(h) of the Listing Regulations on its website:

<http://cardindia.com/wpcontent/uploads/2018/01/ICC-Policy-on-Material-Subsidiaries.pdf>

e) Commodity Price Risk or Foreign Exchange Risk and Commodity Hedging Activities:

Disclosure with respect to Commodity Price Risk or Foreign Exchange Risk and Commodity Hedging Activities is not applicable.

f) Statutory Compliance, Strictures and Penalties:

The Company has complied with rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India (“SEBI”) and any other statutory authority relating to capital market.

No penalties and/or strictures have been imposed on the Company by any Stock Exchange or SEBI or any statutory authority during the last three years.

Your Company has complied with all the mandatory requirements of the Listing Regulations specified under Regulations 17 to 27 to the extent applicable and clauses (b) to (i) of the sub-regulation (2) of Regulation 46 of the Listing Regulations.

g) Reconciliation of Share Capital:

Pursuant to Regulation 55(A) of the SEBI (Depositories and Participants) Regulations, 1996, Mr. S Anand S S Rao, Company Secretary in Practice carried out a Reconciliation of Share Capital Audit for the financial year 2019-20 to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("the Depositories") and the total issued and listed capital. The audit confirms that the total issued / paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares held with the Depositories in dematerialized form.

h) Vigil Mechanism:

The Company has established a vigil mechanism as per Regulation 22 of the Listing Regulations and oversees through the committee the genuine concerns expressed by the employees and other Directors. The Company has provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided the complainant direct access to the Chairman of the Audit Committee. The "Vigil Mechanism Policy", of the Company as amended from time to time is placed on the website of the Company at: <http://cardindia.com/wp-content/uploads/2019/03/Policy-on-Vigil-Mechanism-Revised-w.e.f.-01.04.2019.pdf>

i) Compliance Certificate under Regulation 17(8) of the Listing Regulations:

A compliance certificate from the Chief Executive Officer and the Financial Controller of the Company, on the Financial Statements and other matters of the Company for the financial year ended March 31, 2020, is provided as **Attachment – I** to this Report on Corporate Governance.

13) MEANS OF COMMUNICATION:

The Company's corporate website www.cardindia.com consists of Investor Relations section, which provides comprehensive information to the Shareholders.

Quarterly and annual financial results are published in one of the renowned English and Marathi dailies, viz. Indian Express and Loksatta respectively. The said results are also made available on the Company's website, www.cardindia.com. There is hardly any official news required to be released on website or even in Press.

The Company's Shareholding Pattern is filed on a quarterly basis with the Stock Exchanges and also displayed on the Company's website www.cardindia.com

14) DISCRETIONARY REQUIREMENTS:

Pursuant to the Regulation 27(1) of the Listing Regulations, the Company is complying with following discretionary requirements:

- a) The Company's financial statement for the financial year 2019-20 does not contain any modified audit opinion.
- b) The Company has appointed separate person to the post of Chairperson and Chief Executive Officer.
- c) The Internal Auditor of the Company directly reports to the Audit Committee.

15) GENERAL SHAREHOLDER INFORMATION:**a) Details of the Annual General Meetings:**

The details of previous three (3) Annual General Meetings of the Company are as follows:

THE INDIAN CARD CLOTHING COMPANY LIMITED

Financial Year	Date and Time	Venue	Special Resolutions passed
2016 - 17	August 11, 2017, at 12:00 noon	Registered office of the Company	Appointment of Mr. Vinod Vazhapulli as "Manager" of the Company, designated as the "Chief Executive Officer" for a period of three (3) years, with effect from January 16, 2017.
2017 - 18	July 26, 2018, at 12:00 noon	Registered office of the Company	No Special Resolution was passed in the Annual General Meeting.
2018 - 19	July 29, 2019, at 12:00 noon	Sumant Moolgaonkar Auditorium, Ground Floor, A Wing, MCCIA Trade Tower, Senapati Bapat Road, Pune - 411 016.	<ul style="list-style-type: none"> Re-appointment as an Independent Director of Dr. Sangita Pandit for a second term of 5 (five) consecutive years. Re-appointment as an Independent Director of Mr. Sudhir Merchant for a second term of 5 (five) consecutive years. Appointment of Mr. Alok Misra as "Manager" of the Company designated as "Chief Executive Officer" for a period of 3 (three) years.

b) Special Resolution passed through Postal Ballot:

During the year under review, following resolutions were passed through Postal Ballot:

Resolution -1:	To approve the External Commercial Borrowings from Holding Company upto a sum not exceeding Rs. 25 crore (Rupees Twenty-Five Crore only) in equivalent US Dollars, i.e., approx. US\$ 3.5 Million.
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The Voting Pattern of Postal Ballot held during the year is given below:

Particulars	Resolution -1
Votes in favour of the resolution	1,87,846
Votes against the resolution	856
% to total votes cast in favour	99.55
% to total votes cast against	0.45

c) Person who conducted the Postal Ballot Exercise:

Mr. Devendra Deshpande
Proprietor
DVD & Associates
Company Secretaries

ICSI Membership Number: 6099
Certificate of Practice: 6515

d) Whether any special resolution is proposed to be conducted through postal ballot – NIL

e) Procedure for postal ballot:

Pursuant to the provisions of Section 110 and applicable provisions, if any of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (the Rules) and Clause 35B of the Listing Agreement, Shareholders have passed Ordinary resolution through Postal Ballot and e-voting approving the Ordinary Resolution as mentioned in Clause (b) above.

Mr. Devendra Deshpande, Proprietor, DVD & Associates, Company Secretaries (ACS: 6099 CP: 6515), the Scrutinizer for this purpose conducted the postal ballot and e-voting process. The procedure of the postal ballot and details of voting results were submitted to the stock exchanges and posted on the website of the Company www.cardindia.com

f) AGM Information and Financial Year:

Day, Date and Time of AGM	: Thursday, September 24, 2020, at 10.30a.m.
Venue	: Registered office of the Company at "Katariya Capital", A-19, Vidyut Nagar Society, Lane No. 5, Koregaon Park, Pune – 411001, Maharashtra, India through two-way video conferencing (VC) / Other Audio Visual Means (OAVM).
Financial Year	: April 1, 2019 to March 31, 2020
Date of Book Closure	: September 18, 2020 to September 24, 2020 (Both days inclusive)

g) Listing on Stock Exchanges and Scrip Code:

The Company's shares have been listed on the following exchanges:

- i. Name : National Stock Exchange of India Limited ("NSE"),
Address : Exchange Plaza, C-1, Block – G,
Bandra-Kurla Complex, Bandra (East),
Mumbai – 400051.
Symbol : INDIANCARD
Series : EQ
- ii. Name : BSE Limited ("BSE"),
Address : P. J. Towers, Dalal Street, Mumbai – 400001.
Security ID : INDIANCARD
Security Code : 509692

The Company confirms that the Annual listing fees for each of the Stock Exchanges where shares of the Company are listed have been paid.

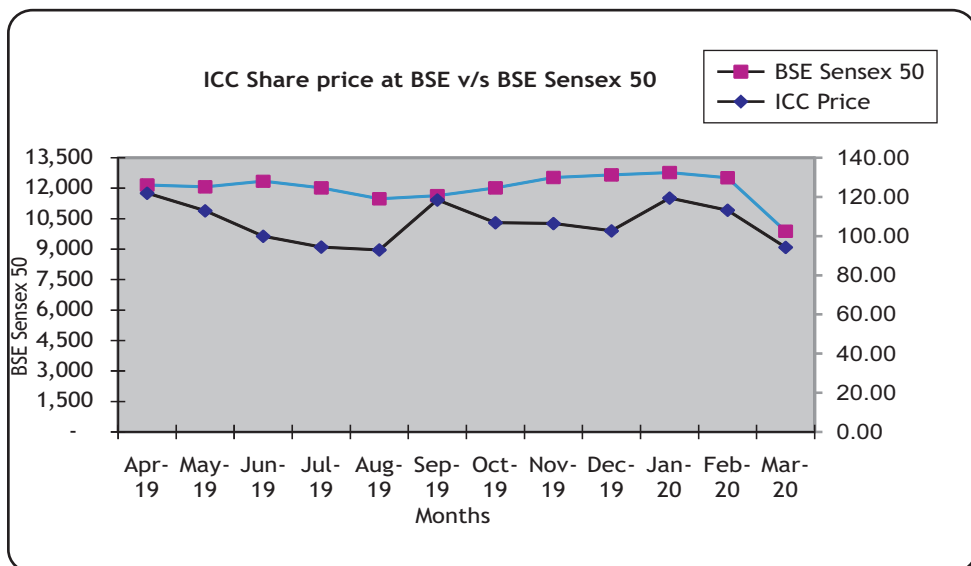
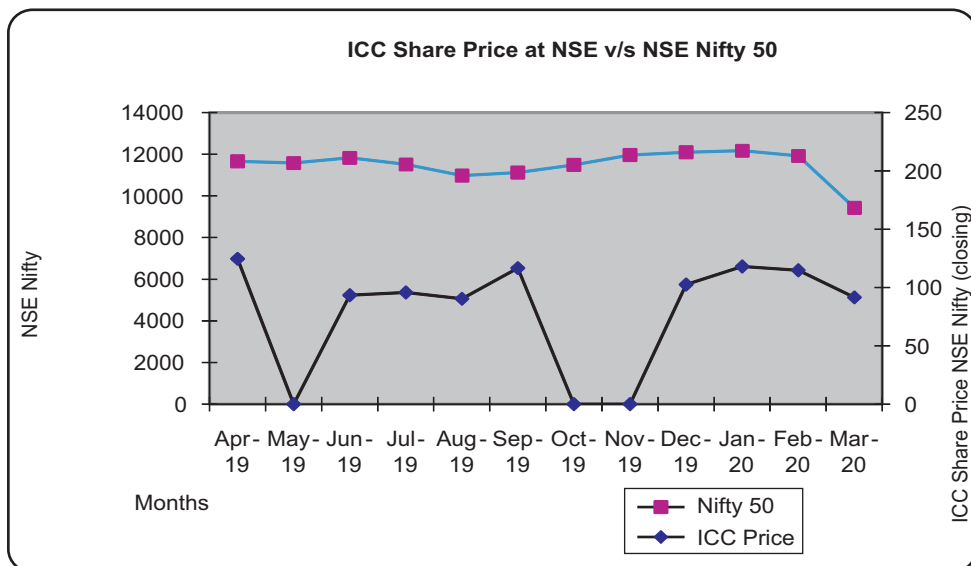
h) Market Price Data:

The monthly high and low quotations and volume of shares traded on BSE and NSE from April 1, 2019 upto March 31, 2020, is as follows:

Month	BSE		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April 2019	129.95	113.60	132.00	120.05
May 2019	123.90	103.20	-	-
June 2019	106.80	88.10	99.25	89.25
July 2019	103.55	86.00	104.70	84.50
August 2019	112.40	82.10	112.65	81.00
September 2019	126.95	108.00	125.00	108.50
October 2019	119.85	94.00	-	-
November 2019	118.00	98.10	-	-
December 2019	108.95	93.65	108.85	92.70
January 2020	129.85	104.70	136.30	102.75
February 2020	127.00	101.25	125.90	102.00
March 2020	103.40	84.00	107.60	80.25

i) **Share performance:**

Share performance in comparison to BSE Sensex and NSE Nifty are graphically presented as given below:



j) Registrar & Transfer Agent:

Share transfer and transmission are processed by the Registrar & Transfer Agent of the Company ("RTA") i.e. KFin Technologies Private Limited (Previously Karvy Fintech Private Limited) on fortnightly basis. The address of the RTA is as follows:

KFin Technologies Private Limited
(Previously Karvy Fintech Private Limited)
Selenium, Tower B,
Plot No.31 & 32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally,
Hyderabad - 500032.
Tel.: +91-40-67162222
Fax. : +91-40-23420814
E-mail : einward.ris@kfintech.com

k) Share Transfer System:

The share transfer activities are carried out by our Registrar & Transfer Agent, the details of which are given above. Transfer in physical form has to be lodged with Registrar & Transfer Agent. The transfers are processed, if technically found to be in order and complete in all respects. As per directives issued by SEBI, it is compulsory to trade in the Company's equity shares in dematerialized form.

Effective April 1, 2019, transfer of shares in physical form has ceased. Shareholders who had lodged their request for transfer prior to March 31, 2019 and, have received the same under objection can re-lodge the transfer request after rectification of the documents. Request for transmission of shares and dematerialization of shares will continue to be accepted.

The share transfer activities are carried out by our Registrar & Transfer Agent, the details of which are given above. Transfer in physical form has to be lodged with Registrar & Transfer Agent.

Pursuant to the SEBI circular no. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and SEBI Notification SEBI/LAD-NRO /GN/ 2018/49 dated November 30, 2018, amendment to Regulation 40 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 was made effective from April 1, 2019.

As per the said Amendment, the shareholders of any listed entity who are holding securities in physical form, shall have to get their securities dematerialized in case they wish to transfer them. This amendment is not applicable to transmission and transposition of securities.

Hence, the shareholders of the Company are requested to get their securities dematerialized in order to receive the benefits linked to dematerialized securities.

All shares received for transfer were registered and dispatched within thirty days of receipts, if the documents were correct and valid in all respects. The time taken to process dematerialization of shares is ten days upon receipt of documents from Depository Participant.

l) Shareholding pattern as on March 31, 2020:

Category	Number of shares	Percentage %
Promoter and Promoter Group	26,10,166	57.35
Resident Individuals	16,41,589	36.07
Bodies Corporates	1,60,974	3.54
HUF	82,871	1.82
Non-Resident Indians	4,569	0.10
Clearing Members	1,635	0.04
Non-Resident Indian Non-Repatriable	9,651	0.21
NBFC	6,637	0.15
Financial Institutions	1,782	0.04
Trusts	50	0.00
Banks	175	0.00
IEPF	31,021	0.68
TOTAL	45,51,12	100.00

m) Distribution of shareholding as on March 31, 2020:

Category (Amount in Rs.)	No. of shareholders	Total holding in shares	Percentage of total shares (%)	Percentage of total holders (%)
1 – 5,000	8,112	6,64,071	14.59	94.64
5,001 – 10,000	231	1,79,662	3.95	2.70
10,001 – 20,000	105	1,57,488	3.46	1.23
20,001 – 30,000	42	1,01,150	2.22	0.51
30,001 – 40,000	18	63,282	1.39	0.21
40,001 – 50,000	20	91,137	2.00	0.23
50,001 – 1,00,000	29	2,16,334	4.75	0.34
1,00,001 & above	14	30,77,996	67.63	0.16
TOTAL	8,571	45,51,120	100.00	100.00

n) Dematerialization of shares and liquidity:

The Company's equity shares are being dealt with in dematerialized form and the ISIN is INE061A01014.

44,48,048 (97.73%) number of shares are in the dematerialized form as on March 31, 2020.

o) Outstanding GDRs / ADRs/Warrants or convertible bonds, conservation dates and likely impact on liquidity:

The Company has not issued any GDRs/ ADRs/ Warrants or other instruments, which are pending for conversion.

p) Plant Location:

Nalagarh (HP) Works
 Village Manjholi,
 Nalagarh Roper Road,
 Tehsil Nalagarh,
 Dist. Solan – 174101,
 Himachal Pradesh, India.
 Tel. : +91-1795-660400

q) Financial calendar of the Company relating to future immediate reporting:

The current financial year covers the period from April 1, 2020 to March 31, 2021 and the calendar of the Company relating to future immediate reporting is given below:

Quarter ending June 30, 2020	Upto August 14, 2020
Half year ending September 30, 2020	Upto November 14, 2020
Quarter ending December 31, 2020	Upto February 14, 2021
Year ending March 31, 2021	Upto May 30, 2021
Annual General Meeting for the year ended March 31, 2021	Upto September 30, 2021

r) Details of unpaid or unclaimed dividend as on March 31, 2020:

Sr. No.	Year	Balance (Rs. Lakh)	Date of completion of 7 years*
1	For the financial year 2012-13	2.38	September 5, 2020
2	For the financial year 2013-14	2.35	September 3, 2021
3	For the financial year 2014-15	1.86	September 10, 2022
4	For the financial year 2015-16 (Interim)	8.64	June 23, 2023
5	For the financial year 2015-16 (Final)	1.91	September 15, 2023
6	For the financial year 2016-17 (Interim)	7.16	September 15, 2023
7	For the financial year 2016-17 (Final)	1.74	September 14, 2024

* Pursuant to the provisions of the Companies Act, 2013, ("the Act") dividend which remains unpaid or unclaimed for a period of seven (7) years from the date of its transfer to unpaid dividend account, is required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"), established by the Central Government under the provisions of the Act. Members are advised to claim their unpaid dividend lying in the unpaid dividend account of the Company before the due date.

As required under Section 124 of the Act, the Unclaimed Dividend amount aggregating to Rs. 2,34,623/- pertaining to the financial year ended on 31st March 2012, lying with the Company for a period of seven years were transferred during the financial year 2019-20, to the Investor Education and Protection Fund established by the Central Government.

Further, the Ministry of Corporate Affairs has notified new rules namely "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016" which have come into force from September 7, 2016. The said Rules, amongst other matters, contain provisions for transfer of all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years in the name of IEPF Suspense Account. The details of unpaid /unclaimed dividend and number of shares liable to be transferred are available on our website i.e. www.cardindia.com

Members are requested to note that no claim shall lie against the Company in respect of any dividend amount which was unpaid / unclaimed for a period of seven (7) years and transferred to the IEPF. However, members may claim from the IEPF authority, both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of the Act and Rules made thereunder.

According to the provisions of Section 124 of the Companies Act, 2013, 1,723 equity shares, in respect of which dividend had not been claimed by the members of the Company for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund (IEPF) during the financial year 2019-2020. Details of shares transferred have been uploaded on the website of IEPF as well as the Company.

The dividend for the financial year ended March 31, 2013 which remains unclaimed for a period of seven years, becomes due for transfer on September 5, 2020 to the IEPF. Members who have not claimed their dividends are requested to send their claim to the Registrar & Transfer Agent of the Company, at the earliest.

s) Disclosure with respect to demat suspense account / unclaimed suspense account:

The Company does not have any shares in demat suspense account / unclaimed suspense account.

t) Address for Correspondence:

Registered Office:

The Indian Card Clothing Company Limited
A – 19, "Katariya Capital", Vidyut Nagar Society,
Lane No. 5, Koregaon Park, Pune – 411001.

u) During the year under review, the Company did not issue any debt instruments or fixed deposits or had undertaken any scheme or proposal involving mobilization of funds in India or abroad. Hence, the requirement of disclosure of credit ratings in respect of such debt instruments or fixed deposits or scheme or proposal are not applicable.

v) All the Directors of the Company have submitted a declaration stating that they are not debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority from being appointed or continuing as Directors of Companies.

In this regard, Mr. Devendra Deshpande, Proprietor, DVD & Associates, Company Secretaries (ACS: 6099, CP: 6515) has certified this fact in his separate certificate issued to the Company pursuant to the requirements of Schedule V to the Listing Regulations, which is enclosed here with as **Attachment – II**.

w) Details of total fees for all services paid by the Company and its subsidiaries on a consolidated basis to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part are given below:

(In Rs.)

Name of the Company	Details of services	Fees
The Indian Card Clothing Co. Ltd.	Audit Fees and other services availed including tax audit	8,00,000
ICC International Agencies Ltd	Audit Fees and other services availed including tax audit	1,00,000
	TOTAL	9,00,000

x) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- 1) Number of complaints filed during the financial year : Nil
- 2) Number of complaints disposed off during the financial year : Nil
- 3) Number of complaints pending as on end of the financial year : Nil

Compliance Certificate regarding compliance of conditions of Corporate Governance issued Mr. Devendra Deshpande, DVD & Associates, Practicing Company Secretaries to the Company pursuant to the requirements of Schedule V to the Listing Regulations is enclosed herewith as **Attachment – III**.

ATTACHMENT – I TO THE REPORT ON CORPORATE GOVERNANCE

June 18, 2020

To,
The Board of Directors,
The Indian Card Clothing Company Limited,
Pune.

**SUB : Certificate under Regulation 17(8) of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Dear Madam/Sirs,

This is to certify that:

- A. We have reviewed the financial statements and the cash flow statement for the financial year ended March 31, 2020 and that to the best of our knowledge and belief:
- i) these statements do not contain any materially untrue statement of fact or omit to state any material fact or contain any statement that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct;
- C. We hereby declare that all the Board members and senior management personnel have affirmed compliance with the code of the Company and that they have not come across any instance of non-compliance of the Code during the financial year ended March 31, 2020.
- D. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies;
- E. We have indicated to the auditors and the Audit Committee –
- i) significant changes in internal controls over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For the Indian Card Clothing Company Limited

Chandrakant Patil
Finance Controller

Alok Misra
Chief Executive Officer

ATTACHMENT – II TO THE REPORT ON CORPORATE GOVERNANCE

Certificate pursuant to regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

To,
The Members
The Indian Card Clothing Company Limited
"Katariya Capital", A-19, Vidyut Nagar Society,
Lane No. 5, Koregaon Park, Pune 411001

We have examined the relevant books, papers, minutes books, forms and returns filed, Notices received from the Directors during the last financial Year, and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives of (The Indian Card Clothing Company Limited, CIN: L29261PN1955PLC009579) having its Registered office at "Katariya Capital", A-19, Vidyut Nagar Society, Lane No. 5, Koregaon Park, Pune 411001, for the purpose of issue of a 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) 2015 (LODR), as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated May 9, 2018 issued by SEBI.

In our opinion and to the best of our knowledge and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that None of the Directors as stated below who are on the Board of the Company as on 31st March 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by SEBI/Ministry of Corporate Affairs or any such other statutory authority.

Sr. No.	DIN	Name of the Director	Designation	Date of Appointment in the Company
1	00167782	Mr. Prashant Kunjbihari Trivedi	Director	28/12/1990
2	00030481	Mr. Mehul Trivedi Kunjbihari	Director	01/10/2011
3	00015254	Mr. Jyoteendra Mansukhlal Kothary	Director	20/02/1985
4	00033406	Mr. Sudhir Ajitkumar Merchant	Director	29/12/1980
5	06748608	Mrs. Sangeeta Sanjeev Pandit	Director	12/11/2014
6	08257246	Mr. Darshan Bhatia Vijaysinh	Director	30/10/2018
7	00575970	Mr. Sanjeevkumar Walchand Karkamkar	Director	29/07/2018

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

**FOR DVD & ASSOCIATES
COMPANY SECRETARIES**

DEVENDRA V. DESHPANDE
Proprietor
FCS 6099, CP 6515

Date : 26th June 2020
Place : Pune
UDIN : F006099B000385621

ATTACHMENT – III TO THE REPORT ON CORPORATE GOVERNANCE
COMPLIANCE CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE

To,
The Members,
The Indian Card Clothing Company Limited,
A – 19, “Katariya Capital”, Vidyut Nagar Society,
Lane No. 5, Koregaon Park,
Pune – 411001

We have examined the compliance of conditions of Corporate Governance by The Indian Card Clothing Company Limited (the Company) for the year ended on 31st March, 2020, as stipulated under Regulation 15 (2) read with Schedule V Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

FOR DVD& ASSOCIATES
COMPANY SECRETARIES

Devendra Deshpande
Proprietor
FCS No. 6099, CP No. 6515

Date : 26th June 2020
Place : Pune
UDIN : F006099B000385709

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE INDIAN CARD CLOTHING COMPANY LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the Standalone Financial Statements of **The Indian Card Clothing Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, 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 Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss and other comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

1) Valuation of investments

Description of Key Audit Matters

The company has total investments of Rs. 1,676.76 Lakhs which constitutes about 18% of total assets of the company. During the year fair valuation gain is Rs 54.16 Lakhs accounted for under other income in the statement of Profit and loss. In terms of Ind AS 109 "Financial Instruments" Investments, which are financial assets, are required to be fair valued. Improper fair valuation of investments would have adverse effect on profit/ loss for the year or other comprehensive income for the year. Considering the quantum of investment and fair valuation gain we have considered the same as Key Audit Matter.

Description of Auditor's Response

We have performed the following audit procedures in relation to the audit of investments and its fair valuation:

- a) Verification of Demat account and statement of account in respect of mutual funds for confirming existence of investments as on 31st March 2020.
- b) In respect of investments in bonds and mutual funds, which are fair valued through profit or loss, fair value for the same is verified from statement of NAV from mutual funds, market quotations and wherever the latest traded quotation not available, the fair value is obtained from CRISIL.
- c) Gain/loss is verified from the sale consideration and the fair value of investment as on the date of sale.

2) Trade Receivables

Description of Key Audit Matters

Trade Receivables, as on 31st March 2020, are Rs. 1,116.71 Lakhs and impairment provision against the same is Rs. 103.30 Lakhs.

Management's judgment is involved in identifying impairment in the value of the receivable as well as in formulating a policy for creating provisioning against impairment which has an adverse effect on the profits/ loss of the Company.

Description of Auditor's Response

We have performed the following audit procedures in relation to Management's Judgment in identification of impairment of value of Receivables and adequacy of impairment provision:

- a) We have verified age wise analysis of receivables.
- b) We have sought information and explanation from the management regarding status of receivables in respect of overdue receivables for the purpose of ensuring adequacy of provision.
- c) We have also tested subsequent collections made from the overdue receivables.

Our Audit process did not identify any material inadequate provisioning for impairment in the value of Receivables.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance Report included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone 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 Standalone 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the 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.

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

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

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

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

We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our 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, 2016 ("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), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
 - g) As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the Company to its directors is in accordance with the provisions of section 197 of the Act and remuneration paid to directors is not in excess of the limit laid down under this section.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 33.
 - (ii) The Company did not have any long-term contracts including derivative contracts as at 31st March, 2020 for which there were any material foreseeable losses for which provision was required.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For M/s P. G. Bhagwat

Chartered Accountants

Firm Registration Number: 101118W

Sandeep Rao

Partner

Membership Number : 47235

UDIN: 20047235AAAABR2734

Pune: 26th June 2020

Annexure A to the Independent Auditors' Report

Referred to in paragraph 1 under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets, which is under reconciliation though not having material differences.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) The title deeds of immovable properties, as disclosed in Note 2 on fixed assets to the financial statements, are held in the name of the Company.
- ii. According to the information and explanations given by the management, physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and the same have been appropriately dealt with in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii) (a), (iii) (b) and (iii) (c) of the said Order are not applicable to the Company.
- 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 Act, in respect of the loans and investments made, and guarantees and security provided by it, wherever applicable.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. According to information and explanation provided to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- vi. As informed to us, pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.

Based on certificate obtained by the company from the cost accountant, the prescribed accounts and records have been made and maintained. We have not, however, made an examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, Goods and Service Tax, cess and other material statutory dues, as applicable, with the appropriate authorities. According to the information and explanation provided to us, no undisputed amounts payable in respect of statutory dues were in arrears as at March 31, 2020, for a period more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of, sales-tax, service-tax, duty of customs, duty of excise, value added tax, Goods and Service Tax which have not been deposited on account of any dispute. The particulars of dues of income tax and entry tax as at 31st March 2020 which have not been deposited on account of a dispute are as follows:

Name of the statute	Nature of dues	Amount Rs. Lakhs	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	TDS disputes appearing on Income tax portal	1.72	Various Years	As per CPC.
Entry Tax	Octroi Audit due payable	0.18	FY 1996-97	Octroi Department

- viii. 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 borrowings to any financial institution or bank or Government. The company does not have debenture holders.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments). The company has raised an ECB during the year and the same was applied for the purpose for which it was raised.
- x. During the course of our 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 fraud by the Company or on the Company by its officers or employees nor have we been informed of any such case by the Management during the year.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any noncash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For M/s P.G.BHAGWAT
Chartered Accountants
Firm's Registration Number: 101118W

Sandeep Rao
Partner
Membership Number: 47235

UDIN:20047235AAAABR2734
Pune: 26th June 2020

Annexure B to the Independent Auditors' Report

Referred to in paragraph 2 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

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

We have audited the internal financial controls over financial statements of **The Indian Card Clothing Company Limited** ("the Company") as of 31st March, 2020 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial statements 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 statements and their operating effectiveness. Our audit of internal financial controls over financial statements included obtaining an understanding of internal financial controls over financial statements, 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 statements.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to

future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

Though the Company has maintained, in all material respects, internal financial controls system over financial statements and such internal financial controls over financial statements were operating effectively as of 31st March 2020, 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, we are of the opinion that formal documentation to substantiate controls needs to be strengthened.

We have considered the opinion expressed above in determining the nature, timing and extent of audit test applied in our audit of Ind AS financial statements of the company and the same does not affect our opinion on the Ind AS financial statements of the Company.

For **M/s P.G. Bhagwat**
Chartered Accountants
Firm's Registration Number: 101118W

Sandeep Rao
Partner
Membership Number: 47235

UDIN: 20047235AAAABR2734
Pune: 26th June 2020

THE INDIAN CARD CLOTHING COMPANY LIMITED

STANDALONE BALANCE SHEET

(Rs. in Lakh)

Particulars	Notes	As At 31 st March 2020	As At 31 st March 2019
ASSETS			
Non-Current Assets			
Property, plant and equipment	2(a)	3,073.84	3,268.47
Other intangible assets	2(a)	0.25	3.12
Right-Of-Use Assets	2(b)	34.25	-
Capital work-in-progress	3	61.04	39.25
Financial assets			
i. Investments	4	683.31	1,225.41
ii. Loans	5(a)	90.61	105.94
iii. Other Financial Assets	5(b)	-	0.96
Other Non current assets	6	823.17	662.44
Current Tax Assets (Net)		156.09	97.24
Deferred tax assets (net)	7	375.34	472.51
Total Non-Current Assets		5,297.90	5,875.34
Current assets			
Inventories	8	987.17	1,328.06
Financial assets			
i. Investments	9	993.44	1,642.97
ii. Trade receivables	10	1,013.41	895.00
iii. Cash and cash equivalents	11	510.72	120.10
iv. Bank Balances not included in (iii) above		166.45	161.69
v. Other financial assets	12	7.98	26.39
Other current assets	13	344.80	318.06
Total Current Assets		4,023.97	4,492.27
Total Assets		9,321.87	10,367.61

As per our report attached

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

Prashant Trivedi
Director
(DIN: 00167782)

SanjeevKumar Karkamkar
Director
(DIN: 00575970)

SANDEEP RAO
Partner
Membership No. : 047235

Alok Misra
Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

STANDALONE BALANCE SHEET

(Rs. in Lakh)

Particulars	Notes	As At 31 st March 2020	As At 31 st March 2019
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	455.11	455.11
Other equity			
Reserves and surplus	15	5,446.26	5,875.20
Total Equity		5,901.37	6,330.31
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
i. Borrowings	16 (a)	764.07	222.90
ii. Other financial liabilities	17	163.02	861.92
Provisions (Non - Current)	18	167.93	208.12
Other Liabilities	19	59.92	24.42
Total Non-Current Liabilities		1,154.94	1,317.36
Current liabilities			
Financial liabilities			
i. Borrowings	16 (b)	978.99	972.87
ii. Trade payables	20		
- Trade Payables - Total outstanding dues of micro enterprises and small enterprises.		126.56	43.44
- Trade Payables - Total outstanding dues of creditors other than micro enterprises and small enterprises.		719.19	933.32
iii. Other financial liabilities	17	142.46	237.25
Provisions (Current)	18	28.94	5.62
Other current liabilities	21	269.41	527.44
Total Current Liabilities		2,265.56	2,719.94
Total Liabilities		3,420.50	4,037.30
Total Equity and Liabilities		9,321.87	10,367.61
Summary of significant accounting policies	1		
The accompanying notes are integral part of the Financial Statements	1 - 41		

As per our report attached

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

Prashant Trivedi
Director
(DIN: 00167782)

SanjeevKumar Karkamkar
Director
(DIN: 00575970)

SANDEEP RAO
Partner
Membership No. : 047235

Alok Misra
Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

THE INDIAN CARD CLOTHING COMPANY LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED

(Rs. in Lakh)

Particulars	Notes	Year ended 31 st March 2020	Year ended 31 st March 2019
Continuing operations			
Revenue from operations	22	5,128.04	4,626.56
Other income	23	157.46	311.77
Total income		5,285.50	4,938.33
Expenses			
Cost of materials consumed		1,808.97	1,476.98
Purchases of stock-in-trade		35.40	84.39
Changes in inventories of work-in-progress, stock-in-trade and finished goods	24	(47.46)	313.17
Employee benefit expense	25	1,251.51	1,521.23
Depreciation and amortisation expense	26	395.34	404.13
Other expenses	27	2,204.06	2,762.43
Finance costs	28	278.26	260.38
Total expenses		5,926.08	6,822.71
Profit/(Loss) before exceptional items and Tax		(640.58)	(1,884.38)
Exceptional items		324.28	0.42
Profit on sale of Assets			
Profit/(Loss) before tax from continuing operations		(316.30)	(1,883.96)
Income tax expense			
- Current tax		0.29	-
- Deferred tax		101.12	83.36
Total tax expense		101.41	83.36
Profit/(Loss) from continuing operations		(417.71)	(1,967.32)
Discontinued operations			
Profit from discontinued operation before tax			
Tax expense of discontinued operations			
Profit/(Loss) from discontinued operation			
Profit/(Loss) for the year		(417.71)	(1,967.32)
	Notes	Year ended 31 st March 2020	Year ended 31 st March 2019
Other comprehensive income			
Items that may be reclassified to profit or loss			
Items that will not be reclassified to profit or loss			
Actuarial Gain / (Loss)		(15.18)	(27.35)
Income tax relating to these items		3.95	7.11
Total comprehensive income for the year		(428.94)	(1,987.56)
Earnings per equity share (Nominal Value per Share INR`10)			
Basic & Diluted		(9.18)	(43.23)

As per our report attached

M/S. P.G. BHAGWAT
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Membership No. : 047235

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Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

AUDITED STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2020

(Rs. in Lakh)

	Particulars	31 st March 2020	31 st March 2019
A.	Cash flow from operating activities		
	Net profit before tax	(316.30)	(1,883.96)
	Adjustments for:		
	Loss / (profit) on sale of property, plant and equipment	(324.28)	(0.42)
	Bad Debts / Provision for doubtful debts and advances	8.24	70.14
	Excess provision / creditors written back (including advances)	(5.72)	(9.92)
	Unrealised foreign exchange (gain) / loss (net)	43.09	15.37
	Loss from Sale of Investment	5.09	(40.80)
	Depreciation and amortisation	395.34	404.13
	Interest earned	(75.88)	(84.70)
	Unrealised (gain) / loss on mutual fund investments	(54.16)	(129.46)
	Dividend from mutual fund investments	(19.43)	(41.91)
	Interest charged	278.26	159.88
	Operating profit before working capital changes	(65.74)	(1,541.65)
	Changes in working capital		
	(Increase) / decrease in trade receivables	(121.88)	83.53
	(Increase)/decrease in inventories	340.89	178.39
	(Increase)/decrease in non-current loans	15.33	(25.28)
	(Increase)/decrease in other non-current assets	5.23	(6.07)
	(Increase)/decrease in non-current financial assets-others	0.96	(0.96)
	(Increase)/decrease in current financial assets-others	1.25	23.44
	(Increase)/decrease in other current assets	(33.25)	(187.80)
	Increase/(decrease) in other non current financial liabilities	(698.89)	3.51
	Increase/(decrease) in trade payables	(126.77)	(472.48)
	Increase/(decrease) in other current financial liabilities	(34.18)	(1,289.62)
	Increase/(decrease) in other non current liabilities	(1.36)	(82.13)
	Increase/(decrease) in other current liabilities	(258.03)	189.33
	Increase/(decrease) in long term provisions	(40.19)	(32.75)
	Increase/(decrease) in short term provisions	8.15	(341.42)
	Cash generated from operations	(1,008.48)	(3,501.97)
	Direct taxes paid (including taxes deducted at source), net of refunds	(59.14)	(35.89)
	NET CASH FROM OPERATING ACTIVITIES	(1,067.62)	(3,537.86)
B.	Cash flow from investing activities		
	Purchase of property, plant and equipment and intangible assets	(367.36)	(433.54)
	Net addition to investments	1,240.69	3,923.41
	Proceeds from sale of property, plant and equipment	335.41	0.42
	Interest received on investments	93.03	82.73
	Dividend received on investments	19.43	41.91
	NET CASH FROM / (USED) IN INVESTING ACTIVITIES	1,321.20	3,614.94
C.	Cash flow from financing activities		
	Increase / (Decrease) in Long term borrowings	424.72	187.34
	Increase / (Decrease) in borrowings	6.12	(126.38)
	Payment Against Right to use	(25.00)	-
	Interest on Lease Liability	(5.25)	-
	Dividend paid including dividend distribution tax	(2.40)	(7.80)
	Interest paid	(261.15)	(131.38)
	NET CASH FROM / (USED) IN FINANCING ACTIVITIES	137.04	(78.21)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	390.62	(1.13)
	Cash and cash equivalents at the beginning of the period (Refer Note 11)	120.10	121.23
	Cash and cash equivalents less cash credit at the end of the period (Refer Note 11)	510.72	120.10

Note:- The statement of Cashflow has been prepared under "Indirect Method" as set out in Ind-AS 7

As per our report attached

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

Prashant Trivedi
Director
(DIN: 00167782)

SanjeevKumar Karkamkar
Director
(DIN: 00575970)

SANDEEP RAO
Partner
Membership No. : 047235

Alok Misra
Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

THE INDIAN CARD CLOTHING COMPANY LIMITED

Statement of Changes in Equity for the year ended 31st March 2020

A. Equity Share Capital

(Rs. in Lakh)

Particulars	31 st March 2020	31 st March 2019
Balance at the beginning of the year	455.11	455.11
Changes in equity share capital during the year	-	-
Balance at the end of the year	455.11	455.11

B. Other Equity

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance at 1 st April 2018	910.22	1,644.49	5,392.44	(84.38)	7,862.77
Profit for the year	-	-	(1,967.33)	-	(1,967.33)
Dividends paid	-	-	-	-	-
Remeasurement of post-employment benefit obligations, net of tax	-	-	-	(20.24)	(20.24)
Total	910.22	1,644.49	3,425.11	(104.62)	5,875.20
Transactions with owners in their capacity as owners:					
Dividends paid	-	-	-	-	-
Balance at 31st March 2019	910.22	1,644.49	3,425.11	(104.62)	5,875.20
Profit for the year	-	-	(417.71)	-	(417.71)
Dividends paid	-	-	-	-	-
Other deductions / write backs/ adjustments	-	-	-	-	-
Remeasurement of post-employment benefit obligations, net of tax	-	-	-	(11.23)	(11.23)
Total	910.22	1,644.49	(417.71)	(11.23)	(428.94)
Transactions with owners in their capacity as owners:					
Issue of equity shares, net of transaction costs	-	-	-	-	-
Dividends paid	-	-	-	-	-
Balance at 31st March 2020	910.22	1,644.49	3,007.40	(115.85)	5,446.26

As per our report attached

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

Prashant Trivedi
Director
(DIN: 00167782)

SanjeevKumar Karkamkar
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Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020.**The Company and Nature of its Operations**

The Indian Card Clothing Company Limited having its corporate office in Pune, Maharashtra, India, carries out its business in the card clothing and real estate segments. The Company is a public limited company and is listed on the National Stock Exchange of India and the BSE Limited.

Note 1: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these standalone financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation**i. Compliance with Ind AS**

The standalone financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements of the company were authorised by the Board of Directors on 26th June 2020.

ii. Historical Cost Conversion

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities are measured at fair value;
- Defined benefit plans - plan assets measured at fair value.

iii. New and amended standards adopted by the Company

The company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 April 2019:

- Ind As 116, Leases (this is disclosed in note no 38)
- Ind AS 115, Revenue from contracts with customers.

iv. Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(b) Accounting estimates, assumptions & judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

Deferred Income Tax Assets and Liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Useful life of Property, Plant & Equipment (PPE)

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period.

The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Employee Benefit Obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Litigations

From time to time, the Company is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company are identified as the Chief operating decision maker. Refer note 39 for segment information presented.

(d) Foreign Currency

The financial statements are presented in Indian rupee (INR), which is Indian Card Clothing Limited functional and presentation currency. On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

(e) Revenue Recognition

(i) Sale of products & Services.

Under Ind AS 115, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control - at a point in time or over time - requires judgement. Revenue from the sale of goods is recognized when the performance obligation is satisfied by transfer of the promised goods to customer for a consideration which company expects to be entitled for these goods.

(ii) Interest income

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying amount on initial recognition.

(iii) Dividends

Dividends are recognized in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the company, and the amount of the dividend can be measured reliably.

(iv) Export Incentives

Export benefits in the form of Duty Draw Back are recognised on receipt basis in the statement of Profit and Loss. Revenue from export incentives in the form of Merchandise Export Incentive Scheme (MEIS) are accounted for on export of goods if the entitlements can be estimated with reasonable assurance and conditions precedent to claim are fulfilled.

(f) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a Qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

(g) Income Taxes

Current tax is provided on the basis of estimated tax liability, computed as per applicable provisions of the Income Tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognises MAT credit available as an asset only to the extent that 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. The company reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(h) Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

a. Company as a Lessee

A lessee is required to recognise assets and liabilities for all leases and to recognise depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss. The Company uses the practical expedient to apply the requirements of this standard to a portfolio of leases with similar characteristics if the effect on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, not to recognize a right-of-use asset and a lease liability. The Company applies both recognition exemptions. The lease payments associated with those leases are generally recognized as an expense on a straight-line basis over the lease term or another systematic basis if appropriate.

a.1 Right to use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

a.2 Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

b. Company as a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of profit and Loss on a straight-line basis over the term of the lease.

Critical accounting estimates and judgements

Critical judgements required in the application of Ind AS 116 may include, among others, the following:

- Identifying whether a contract (or part of a contract) includes a lease;
- Determining whether it is reasonably certain that an extension or termination option will be exercised;
- Classification of lease agreements (when the entity is a lessor);
- Determination of whether variable payments are in-substance fixed;
- Establishing whether there are multiple leases in an arrangement;
- Determining the stand-alone selling prices of lease and non-lease components.

Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following:

- Estimation of the lease term;
- Determination of the appropriate rate to discount the lease payments;
- Assessment of whether a right-of-use asset is impaired.

(i) Cash & Cash Equivalent

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

(j) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables for calculation of expected credit losses on trade receivables.

(k) Inventories - Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Investments**Classification**

The Company classifies its investments in the following measurement categories:

- i. Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or (loss) and those measured at amortised cost.
- ii. The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Measurement

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss when the Company's right to receive payments is established.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(m) Property, Plant & equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment's. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Depreciation on tangible assets is provided on the written down value (wdv) method over the useful lives of assets as prescribed in Schedule - II of the Companies Act, 2013. On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn.

(p) Provisions & Contingencies

Provisions for legal claims and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. A disclosure for a contingent liability is made where there is a possible obligation arising out of 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 arising out of a past event 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.

Contingent asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(q) Employee benefit obligations

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans

Contributions to superannuation fund, which are defined contribution schemes, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due.

Defined benefit plans

Gratuity - The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The company recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Provident fund - For employees, the Company contributes a part of the contributions to a trust. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at each balance sheet date, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Other long-term employee benefits - The liabilities for earned leave & sick leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation.

Re-measurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Termination benefits - Termination benefits are expensed at the earlier of when the company can no longer withdraw the offer of those benefits and when the company recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

(r) Cash dividend to equity holders

The company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(s) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Intangible assets

Recognition and measurement

Intangible assets are recognised when the asset is identifiable, is within the control of the company, it is probable that the future economic benefits that are attributable to the asset will flow to the company and cost of the asset can be reliably Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to and has sufficient resources to complete development and to use or sell the asset. Intangible assets acquired by the company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Asset	Useful Life
Software	5 Years

(u) Fair value measurement

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

In the principal market for the asset or liability, or

- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another.
- The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.
- For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
- For the purpose of fair value disclosures, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Standards issued but not effective

Exposure drafts on amendments to following standards have been issued by the Institute of Chartered Accountants of India:

1. Ind AS 40, "Investment Property"
2. Ind AS 1 "Presentation of Financial Statements" and Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"
3. Ind AS 103, "Business Combinations"
4. Ind AS 109, "Financial Instruments" and Ind AS 107, "Financial Instruments: Disclosure"

However, such exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from 1 April, 2020 as at the date of approval of these financial statements.

Note 2 (a) : Property, Plant & Equipment

Particulars	Freehold land	Freehold buildings	Plant and Equipment	Furniture and Fittings	Vehicles	Office Equipment and Computer	Electrical Installation	Total Tangible Assets	Computer Software	Total Tangible & Intangible Assets
Deemed cost as at 1 April 2018	807.97	3,876.45	5,185.79	145.93	210.94	412.97	581.87	11,221.92	37.61	11,259.53
Exchange differences	-	-	-	-	-	-	-	-	-	-
Additions	-	9.89	99.30	1.61	-	14.96	2.66	128.42	3.96	132.38
Disposals	-	-	-	-	(9.99)	-	-	(9.99)	-	(9.99)
Closing gross carrying amount at 31st March 2019	807.97	3,886.34	5,285.09	147.54	200.95	427.93	584.53	11,340.35	41.57	11,381.92
Accumulated Depreciation as at 1 April 2018	-	2,328.20	4,064.85	145.04	185.23	410.30	544.96	7,678.58	37.61	7,716.19
Depreciation charge during the year	-	127.41	253.38	1.57	8.66	3.74	8.53	403.29	0.84	404.13
Disposals	-	-	-	-	(9.99)	-	-	(9.99)	-	(9.99)
Closing accumulated depreciation at 31st March 2019	-	2,455.61	4,318.23	146.61	183.90	414.04	553.49	8,071.88	38.45	8,110.33
Net carrying amount at 31 March 2019	807.97	1,430.73	966.86	0.93	17.05	13.89	31.04	3,268.47	3.12	3,271.59
Opening gross carrying amount	807.97	3,886.34	5,285.09	147.54	200.95	427.93	584.53	11,340.35	41.57	11,381.92
Additions	-	-	56.37	31.56	-	89.12	2.56	179.61	-	179.61
Disposal/ Other Adjustment	(0.00)	-	(401.85)	(24.74)	(7.82)	(3.90)	(15.96)	(454.26)	-	(454.26)
Closing gross carrying amount at 31st March 2020	807.97	3,886.34	4,939.62	154.36	193.13	513.14	571.13	11,065.70	41.57	11,107.27
Opening accumulated depreciation	-	2,455.61	4,318.23	146.61	183.90	414.04	553.49	8,071.88	38.45	8,110.33
Depreciation charge during the year	-	124.26	197.13	5.94	5.70	21.95	8.14	363.12	2.87	365.99
Disposals	-	-	(392.04)	(24.74)	(6.78)	(3.88)	(15.69)	(443.13)	-	(443.13)
Closing accumulated depreciation at 31st March 2020	-	2,579.87	4,123.31	127.81	182.82	432.10	545.94	7,991.86	41.32	8,033.19
Net carrying amount at 31 Mar 2020	807.97	1,306.47	816.30	26.55	10.31	81.04	25.19	3,073.84	0.25	3,074.08

The company has elected to continue with the carrying value of Property, Plant and Equipment and Intangible assets as recognised in Financial statements as per previous GAAP and regarded those values as deemed cost on the date of transition.

The Company has carried forward the gross block and accumulated depreciation as above for disclosure purposes only.

Movable and Immovable property plant and equipment including plant and machinery at Nalagarh (Himachal pradesh location) are given as security for Foreign Currency Advance.[For details refer note no 16(a)]

Note 2 (b) : Right-Of-Use Assets

Particulars	Building
Balance as at April 1, 2019	-
Reclassified on account of adoption of Ind AS 116	-
Addition	63.60
Deletion	-
Depreciation	(29.35)
Balance as at March 31, 2020	34.25

Note 3: Capital Work in Progress

Particulars	31 st March 2020	31 st March 2019
Net carrying amount	61.04	39.25

Capital Work in Progress mainly comprises of plant & machinery, furniture & fittings, Office Equipments and other.

Note 4: Non - Current Investments

Particulars	31 st March 2020	31 st March 2019
Investment in equity oriented mutual Fund - FVPL		
Unquoted		
4,443 (31-Mar-2019 : 4,443) units of HDFC Venture Fund	0.11	23.59
Investment in subsidiaries - Amortised cost		
Unquoted		
2,10,000 (31 March 2019 : 2,10,000) shares of Garnett Wire Ltd (Face Value GBP 1 per share)- Partly Owned	136.39	136.39
5,00,000 (31 March 2019 : 5,00,000) shares of ICC International Agencies Ltd (Face Value Rs. 10 per share) Wholly Owned	31.28	31.28
940 (31 March 2019 : 940) shares of Shivraj Sugar & Allied Products Pvt Ltd (Face Value Rs. 100 per share) - Partly Owned	0.24	0.24
Total (equity instruments)	168.02	191.50
Investment in Fixed Maturity Plans and Bonds - FVPL		
Quoted		
50 (31 March 2019 : 50) units of NHAI Tax Free Bonds (Face Value Rs. 10,00,000)	515.29	501.66
Nil (31 March 2019 : 50,000) units of IRFC Tax Free Bonds - 7.34% (Face Value Rs. 1,000)	0.00	532.25
Total (fixed maturity plans and bonds)	515.29	1,033.91
Total non current investments	683.31	1,225.41
Aggregate amount of quoted investments and market value thereof	515.29	1,033.91
Aggregate amount of unquoted investments	168.02	191.50
Aggregate amount of impairment in the value of investments	-	-

Note 5 (a) : Non - Current Loans (Asset)

Particulars	31 st March 2020	31 st March 2019
Unsecured, Considered Good		
Security deposits	90.61	105.94
Total loans	90.61	105.94

Note 5 (b) : Other Financial Assets

Particulars	31 st March 2020	31 st March 2019
Bank deposits with maturity more than 12 months	-	0.96
Total Other Financial Assets	-	0.96

Note 6: Other Non current Assets

Particulars	31 st March 2020	31 st March 2019
Capital advances	820.17	654.21
Prepaid Expenses	3.00	8.23
Total other Non current assets	823.17	662.44

Note 7 : Deferred Tax Assets

Particulars	Property, plant and equipment (including investment property)	Allowance for doubtful debts – trade receivables	Revaluation of defined employee benefit plans and other employee benefit	Financial assets at fair value through profit or loss	Net effect of unwinding of security deposits and deferred income & expenses	Right to use /Lease Liability	Total
At 1st April 2018	146.62	15.16	437.63	(50.54)	(0.11)	-	548.76
(Charged)/credited:							
- to profit or loss	0.29	13.58	(135.50)	40.20	(1.93)		(83.36)
- to other comprehensive income			7.11				7.11
At 31st March 2019	146.91	28.74	309.24	(10.34)	(2.04)	-	472.51
(Charged)/credited:							
- to profit or loss	(31.05)	0.55	(73.19)	0.68	0.89	0.99	(101.12)
- to other comprehensive income			3.95				3.95
At 31st March 2020	115.86	29.29	240.00	(9.66)	(1.15)	0.99	375.34

Note 8: Inventories

Particulars	31 st March 2020	31 st March 2019
Raw materials	233.37	586.14
Work-in-progress	431.43	340.05
Finished goods	217.48	248.21
Traded goods	-	13.19
Stores and spares	104.89	140.47
Total Inventories	987.17	1,328.06

Amounts recognised in Profit or Loss

Reversal of provision for slow moving inventory amounted to Rs. 25.33 Lakhs which is on account of utilisation/disposal of slow moving inventory. These were recognised as income during the year and included in the consumption in the statement of profit or loss. (Write downs of inventories amounted Rs. 40.85 Lakhs for the year ended 31st March 2019. These were recognised as expenses during the year ended 31 March 2019 and included in the consumption in the statement of profit or loss.).

Note 9: Current Investments

Particulars	31 st March 2020	31 st March 2019
Investment in mutual funds - FVPL		
Unquoted		
15,445,214 (31 March 2019 : 78,929) units of HDFC Liquid Fund - Weekly Dividend	159.75	813.07
Nil (31 March 2019 : 766) units of ICICI Prudential Liquid Fund- Daily Dividend	0.00	0.77
Nil (31 March 2019 : 2,47,041) units of HDFC Short Term Plan	0.00	37.69
7,02,477 (31 March 2019 : 7,02,477) units of HDFC Income Fund - Direct Growth (Pledged with H.D.F.C. Bank against working capital limits)	325.97	296.11
495 (31 March 2019 : 495) units of Multi Act Private Equity Investment Fund (AIF)	507.72	495.00
Total (mutual funds)	993.44	1,642.97
Total current investments		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	993.44	1,642.97
Aggregate amount of impairment in the value of investments	-	-

Note 10: Trade Receivables

Particulars	31 st March 2020	31 st March 2019
Trade receivables	1,116.71	990.39
Less: Allowance for doubtful debts	103.30	95.39
Total Trade Receivables	1,013.41	895.00
Current	1,013.41	895.00
Non - Current		

Break-up of security details

Particulars	31 st March 2020	31 st March 2019
Secured, considered good		
Unsecured, considered good**	1,013.41	895.00
Unsecured, Doubtful	103.30	95.39
Total	1,116.71	990.39
Allowance for doubtful debts	103.30	95.39
Total trade receivables*	1,013.41	895.00
*Includes dues from companies where directors are interested	-	-
**Includes dues from subsidiaries	1.11	7.53

Note 11: Cash & Cash Equivalents

Particulars	31 st March 2020	31 st March 2019
Balances with banks		
- in current accounts	225.98	113.38
Deposits with maturity of less than three months	283.67	5.95
Cash on hand	1.07	0.77
Total cash and cash equivalents (A)	510.72	120.10

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Other Bank Balances

Particulars	31 st March 20	31 st March 19
Earmarked Balances		
i. Unpaid Dividend Account	26.02	28.42
ii. Bank Guarantee	131.25	70.00
Bank deposits with maturity more than 3 months but less than 12 months	9.18	63.27
Total cash and cash equivalents (B)	166.45	161.69
Total cash and cash equivalents (A+B)	677.17	281.79

Note 12: Other Current Financial Assets

Particulars	31 st March 20	31 st March 19
Accrued Interest	6.81	23.96
Advance to Employees	1.17	2.43
Total other current financial assets	7.98	26.39

Note 13: Other Current Assets

Particulars	31 st March 20	31 st March 19
Export benefits receivable	40.76	29.89
Licenses on Hand	2.80	2.36
Balances with revenue authorities	160.77	131.51
Prepaid expenses	23.27	29.66
Advance to Suppliers Considered Good	117.20	124.64
Advance to Suppliers Considered Doubtful	9.37	15.10
Less : Provision for Doubtful advances	(9.37)	(15.10)
Total other current assets	344.80	318.06

Note 14: Share Capital

Particulars	31 st March 20	31 st March 19
Authorised 50,00,000 equity shares of Rs. 10 each (31st March 2019 : 50,00,000 equity shares of Rs. 10 each)	500.00	500.00
Issued, subscribed & fully paid up share capital 45,51,120 equity shares of Rs. 10 each (31st March 2019 : 45,51,120 equity shares of Rs. 10 each)	455.11	455.11

(i) Movement in Equity Share Capital

Particulars	31 st March 2020		31 st March 2019	
	Number of shares	Equity share capital (par value)	Number of shares	Equity share capital (par value)
As at 1 April 2018	4,551,120	455.11	4,551,120	455.11
Additions/Deletions	-	-	-	-
As at 31 March 2019	4,551,120	455.11	4,551,120	455.11
Additions/Deletions	-	-	-	-
As at 31 March 2020	4,551,120	455.11	4,551,120	455.11

Terms and rights attached to equity shares

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote

No dividend is proposed.

(ii) Details of Equity Shareholders holding more than 5% shares in the company

Particulars	31 st March 2020		31 st March 2019	
	Number of shares	% Holding	Number of shares	% Holding
Holding Company				
Multi Act Industrial Enterprises Limited, Mauritius	2,610,066	57.35	2,610,066	57.35

(iii) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

Note 15: Other Equity - Reserves & Surplus

Particulars	31 st March 2020	31 st March 2019
Securities premium reserve	910.22	910.22
General Reserve	1,644.49	1,644.49
Retained Earnings	3,007.40	3,425.11
Other Comprehensive Income	(115.85)	(104.62)
Total reserves and surplus	5,446.26	5,875.20

(i) Securities Premium Reserve

Particulars	31 st March 2020	31 st March 2019
Opening Balance	910.22	910.22
Additions during the year	-	-
Closing Balance	910.22	910.22

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(ii) General Reserve

Particulars	31 st March 2020	31 st March 2019
Opening balance	1,644.49	1,644.49
Appropriations during the year	-	-
Closing balance	1,644.49	1,644.49

(iii) Retained earnings

Particulars	31 st March 2020	31 st March 2019
Opening balance	3,425.11	5,392.44
Net profit for the period	(417.71)	(1,967.33)
Dividends	-	-
Closing Balance	3,007.40	3,425.11

(iv) Other Comprehensive Income

Particulars	31 st March 2020	31 st March 2019
Opening Balance	(104.62)	(84.38)
Remeasurement of post-employment benefit obligations, net of tax	(11.23)	(20.24)
Closing Balance	(115.85)	(104.62)

Note 16 (a): Non - Current Borrowings

Particulars	Security	Terms of repayment	Coupon/ Interest rate	31-Mar-20	31-Mar-19
Secured Loan From - Bank Term Loan	Secured by charge on land, building and plant and machinery at Nalagarh	Repayable in 20 equal quarterly installments of Rs 20 Lakhs beginning from November 2017.	MCLR +1.6% p.a.	-	289.48
Foreign Currency Advance Loan From - Holding Company From Multi-Act Industrial Enterprises Limited	Movable and Immoveable property plant and equipment including plant and machinery at Nalagarh (Himachal Pradesh) location	It will commence after the Statutory Minimum Average Maturity Period of 5 years and shall be structured in 4 six monthly installments, which shall not be later than 31 December 2026.	Fixed interest rate of 6.25% p.a.	772.44	-
Total non-current borrowings				772.44	289.48
Less: Current maturities of long-term debt (included in note 17)				0.00	66.58
Less: Interest Accrued (included in note 17)				8.37	-
Non-current borrowings (as per balance sheet)				764.07	222.90

Note 16 (b): Current Borrowings

Particulars	31 st March 2020	31 st March 2019
Loans repayable on demand		
Secured		
Loan From - Bank		
Bank Overdraft	978.99	972.87
(Secured by hypothecation of inventory and book debts and pledge of mutual funds Refer note 9)		
Total current borrowings	978.99	972.87

Note 17: Other Financial Liabilities

Particulars	31 st March 2020	31 st March 2019
Non-current		
Security Deposits	163.02	861.92
Total other non-current financial liabilities	163.02	861.92
Current		
Current maturities of long-term debt	0.00	66.58
Payable to employees	34.63	45.48
Interest accrued	8.37	-
Unpaid Dividend	26.01	28.42
Security Deposits	73.45	96.77
Total other current financial liabilities	142.46	237.25

Note 18: Provisions (Current & Non Current)

Particulars	31 st March 2020			31 st March 2019		
	Current	Non - Current	Total	Current	Non - Current	Total
Employee Benefits						
Gratuity	18.72	62.28	81.00	-	52.78	52.78
Leave Encashment	10.22	50.47	60.69	5.62	89.17	94.79
Provident Fund		55.18	55.18		66.17	66.17
Total	28.94	167.93	196.87	5.62	208.12	213.74

Leave Obligations

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Rs. 60.69 lakhs is presented as current as well as non current. Though the Company does not have an unconditional right to defer settlement for any of these obligations, as based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The amounts that reflect leave that is not expected to be taken or paid within the next 12 months is shown under non current portion.

Defined Contribution Plan**Superannuation**

The Company provides retirement benefits in the form of contribution to superannuation fund at the rate of 15% of annual salary. Contribution made during the year Rs. 5.27 Lakhs (7.99 Lakhs).

Defined Benefit Plan

a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed portionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The cost of providing benefit under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuation being carried out balance sheet date. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

b) Provident Fund

The Company has a Provident Fund Plan, which is a defined benefit plan, which is managed through the Provident Fund Trust of the Company. The contributions are made to the Trust and shortfall in interest obligation, if any is met by the Company. The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the balance sheet date.

The amounts recognised in the balance sheet and the movement in the defined benefit obligations over the years are as follows:

Particulars	Gratuity		
	Present value of obligation	Fair value of plan asset	Net amount
1st April 2018	510.24	256.15	254.09
Current Service Cost	32.96		32.96
Interest expense / (income)	22.52	34.10	(11.58)
Loss/(gain) due to curtailment or settlement			
Total amount recognised in profit or loss	55.48	34.10	21.38
Components of actuarial gain/losses on obligations:			
Due to Change in financial assumptions	(0.27)		(0.27)
Due to experience adjustments	2.71		2.71
Return on plan assets (income) excluding amounts included above		(24.91)	24.91
Total amount recognised in other comprehensive income	2.44	(24.91)	27.35
Employer contributions		250.05	(250.05)
Benefits paid	(416.08)	(416.08)	-
Balance at 31st March 2019	152.09	99.31	52.78
Current Service Cost	18.22		18.22
Interest expense / (income)	8.05	13.18	(5.13)
Loss/(gain) due to curtailment or settlement			
Total amount recognised in profit or loss	26.27	13.18	13.08
Components of actuarial gain/losses on obligations:			
Due to Change in financial assumptions	15.50		15.50
Due to experience adjustments	(5.94)		(5.94)
Due to change in demographic assumption	(0.08)		(0.08)
Return on plan assets (income) excluding amounts included above		(5.70)	5.70
Total amount recognised in other comprehensive income	9.48	(5.70)	15.18
Employer contributions		0.04	(0.04)
Benefits paid	(50.97)	(50.97)	-
Balance at 31st March 2020	136.86	55.86	81.00

Sensitivity Analysis

The key assumptions of the defined benefit obligation to changes in the weighted principal assumption are:

a) Gratuity

Particulars	31 st March 2020	31 st March 2019
Discount rate	6.05%	7.60%
Salary growth rate	4.00%	4%
Normal retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2012-14) Table	Indian Assured Lives Mortality (2006-08) Ultimate
Employee turnover	10% at younger ages reducing to 2% at older ages	10% at younger ages reducing to 2% at older ages

Particulars	Impact on defined benefit obligation	
Assumption	31 st March 2020	31 st March 2019
Discount rate		
0.50% increase	Decrease by Rs.5.42 Lakhs	Decrease by Rs.2.62 Lakhs
0.50% decrease	Increase by Rs.5.87 Lakhs	Increase by Rs.2.82 Lakhs
Future salary growth rate		
0.50% increase	Increase by Rs.5.96 Lakhs	Increase by Rs.2.91 Lakhs
0.50% decrease	Decrease by Rs.5.54 Lakhs	Decrease by Rs.2.72 Lakhs
Withdrawal Rate		
10.00% increase	Increase by Rs.0.52 Lakhs	Increase by Rs.0.56 Lakhs
10.00% decrease	Decrease by Rs.0.56 Lakhs	Decrease by Rs.0.60 Lakhs

b) Leave Benefits

Particulars	31 st March 2020	31 st March 2019
Discount rate	6.05%	7.60%
Salary growth rate	4%	4%
Normal retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2012-14) Table	Indian Assured Lives Mortality (2006-08) Ultimate
Withdrawal rates	10% at younger ages reducing to 2% at older ages	10% at younger ages reducing to 2% at older ages

Particulars	Impact on defined benefit obligation	
Assumption	31 st March 2020	31 st March 2019
Discount rate		
0.50% increase	Decrease by Rs. 1.71 Lakhs	Decrease by Rs. 2.32 Lakhs
0.50% decrease	Increase by Rs. 1.83 Lakhs	Increase by Rs. 2.46 Lakhs
Salary growth rate		
0.50% increase	Increase by Rs. 1.84 Lakhs	Increase by Rs. 2.50 Lakhs
0.50% decrease	Decrease by Rs. 1.74 Lakhs	Decrease by Rs. 2.38 Lakhs
Withdrawal rate		
10.00% increase	Decrease by Rs. 0.32 Lakhs	Decrease by Rs. 0.35 Lakhs
10.00% decrease	Increase by Rs. 0.34 Lakhs	Increase by Rs. 0.36 Lakhs

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Note 19: Other Non Current Liabilities

Particulars	31 st March 2020	31 st March 2019
Deferred Income	23.06	24.42
Lease Liability	36.86	-
Total Other Non Current Liabilities	59.92	24.42

Note 20: Trade Payables

Particulars	31 st March 2020	31 st March 2019
Current		
Trade Payables		
i. MSME	126.56	43.44
ii. Others	708.10	926.04
iii. Related parties	11.09	7.28
Total Trade Payables	845.75	976.76

Note 21: Other Current Liabilities

Particulars	31 st March 2020	31 st March 2019
Payable to PF Trust	1.71	52.99
Statutory dues payable	27.93	96.47
Customer Advances	216.93	295.87
Deferred Income	22.84	82.11
Total Other Current Liabilities	269.41	527.44

Note 22: Revenue from Operations

Particulars	31 st March 2020	31 st March 2019
Sale of products	4,106.98	3,742.97
Sale of services	129.02	121.13
Subtotal (A)	4,236.00	3,864.10
Other operating revenue		
i. Rent and Amenities	694.27	671.15
ii. Others	197.77	91.31
Subtotal (B)	892.04	762.46
Total Revenue from Operations (A+B)	5,128.04	4,626.56

Note 23: Other income

Particulars	31 st March 2020	31 st March 2019
Dividend income from investments mandatorily measured at fair value through profit or loss	19.43	41.91
Interest income from financial assets mandatorily measured at fair value through profit or loss	74.87	84.70
Income from fair valuation of financial assets mandatorily measured at fair value through profit or loss	54.16	129.46
Net gain / (loss) on sale of investments	-	40.80
Excess Provision written back	-	9.92
Miscellaneous Income	8.00	4.31
Foreign exchange gain	-	-
Profit on sale of fixed assets	-	-
Interest income from security deposits	1.00	0.67
Total Other Income	157.46	311.77

Note 24: Changes in inventories of work-in-progress, stock-in-trade and finished goods

Particulars	31 st March 2020	31 st March 2019
Opening balance		
Work-in progress	340.05	533.33
Finished goods	248.21	365.86
Traded goods	13.19	15.43
Total opening balance	601.45	914.62
Closing balance		
Work-in progress	431.43	340.05
Finished goods	217.48	248.21
Traded goods	-	13.19
Total closing balance	648.91	601.45
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	(47.46)	313.17

Note 25: Employee benefit expenses

Particulars	31 st March 2020	31 st March 2019
Salaries, wages and bonus	1,060.26	1,355.28
Contribution to provident and other funds	87.63	42.85
Employee group insurance expenses	22.45	27.34
Staff welfare expenses	81.17	95.76
Total employee benefit expenses	1,251.51	1,521.23

Note 26: Depreciation and amortisation expenses

Particulars	31 st March 2020	31 st March 2019
Depreciation of property, plant and equipment	392.47	403.29
Amortisation of intangible assets	2.87	0.84
Total depreciation and amortisation expenses	395.34	404.13

Note 27: Other Expenses

Particulars	31 st March 2020	31 st March 2019
Power, Fuel and Water	242.02	272.57
Stores, spares, oils and chemicals consumed	161.54	162.44
Repairs to :		
- Building	90.45	49.27
- Plant and Machinery	202.85	125.17
- Others	11.65	-
Insurance	9.08	14.32
Short Term Lease	43.52	63.44
Rates, taxes and Duties	72.18	113.44
Directors' Sitting Fees	19.35	18.90
Freight & clearing charges	142.06	109.70
Computer & computer maintenance	27.72	35.38
Security Expenses	105.21	83.72
Commission on sales	162.25	116.75
Housekeeping expenses	88.46	84.72
Recruitment Fees	23.29	
Legal and Professional Fees	338.90	624.97
Provision for doubtful debts / advances (Net)	2.18	47.86
Net Bad Debts/ Advances written off (Net)	0.34	22.28
AMC Charges	22.87	28.47
Loss on sale of long term investment	5.09	
Travelling and Conveyance	165.14	237.39
Communication Expenses	29.17	29.86
Exchange Loss	58.49	81.23
Payments to auditors (refer details of payment to auditors)	8.80	10.37
Migration/Relocation expenses from Pimpri Plant to Himachal Pradesh Plant.	-	229.45
Miscellaneous expenses	171.45	200.74
Total other expenses	2,204.06	2,762.43

Details of payments to auditors

Particulars	31 st March 2020	31 st March 2019
Payment to auditors		
As auditor:		
Audit fee	7.00	7.00
Tax audit fee	1.00	1.00
In other capacities	-	
Other services-(Certification)	0.01	1.50
Re-imbursement of expenses	0.79	0.87
Total payments to auditors	8.80	10.37

Note 28: Finance costs

Particulars	31 st March 2020	31 st March 2019
Interest expense	177.34	156.34
Unwinding of Security Deposits	96.26	100.50
Other borrowing costs	1.18	3.54
Exchange differences regarded as an adjustment to borrowing costs	3.48	-
Total Finance Cost	278.26	260.38

Note 29: Fair Value Measurements**Financial Instruments by Category**

Particulars	31 st March 2020			31 st March 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial Assets						
Investments						
- Equity instruments, investments in subsidiaries, joint ventures	-	-	167.91	-	-	167.91
- Equity instruments at fair value	-	-	-	-	-	-
- Bonds and debentures	515.29	-	-	1,033.91	-	-
- Mutual funds	993.55	-	-	1,666.56	-	-
Trade Receivables	-	-	1,013.41	-	-	895.00
Cash and cash equivalents and other bank balances	-	-	677.17	-	-	281.79
Security Deposits - Amortised Cost	-	-	81.79	-	-	81.34
Security Deposits - Fair value	8.82	-	-	24.60	-	-
Other Financial Assets	-	-	7.98	-	-	27.35
Total Financial Assets	1,517.66		1,948.27	2,725.07	-	1,453.38
Financial Liabilities						
Borrowings	-	-	1,743.05	-	-	1,262.35
Security Deposits	232.18	-	4.30	954.39	-	4.30
Unpaid Dividend	-	-	26.01	-	-	28.42
Trade Payables	-	-	845.75	-	-	976.76
Other Financial Liabilities	-	-	43.00	-	-	45.48
Total Financial Liabilities	232.18		2,662.11	954.39	-	2,317.31

(i) Fair Value Hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

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

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required:

Particulars	31 st March 2020				31 st March 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial Assets and Liabilities measured at Fair Value								
Financial Investments at FVPL								
Equity shares	-	-	-	-	-	-	-	-
Mutual funds	993.55	-	-	993.55	1,666.56	-	-	1,666.56
Bonds & Debentures	515.29	-	-	515.29	1,033.91	-	-	1,033.91
Security Deposits	-	-	8.82	8.82	-	-	24.60	24.60
Total Financial Assets	1,508.85	-	8.82	1,517.66	2,700.47	-	24.60	2,725.07
Financial Liabilities								
Security Deposits	-	-	232.18	232.18	-	-	954.39	954.39
Total Financial Liabilities	-	-	232.18	232.18	-	-	954.39	954.39

(ii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

- i) The carrying amounts of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, ECB loan and other current financial assets and liabilities measured at amortised cost in the financial statement are reasonable approximation of their fair value since the company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.
- ii) The fair values of the equity instruments, mutual fund units and bonds which are quoted, are derived from quoted market prices in active markets. In the case of the investment measured at fair value and falling under fair value hierarchy Level 3, cost has been considered as an appropriate estimate of fair value.

Significant unobservable inputs used in Level 3 fair values:

Security deposits received are fair valued by discounting using Effective interest rate at the time of inception/date of transition.

Note 30: Financial Risk Management

(A) Expected Credit Loss

As at 31 March 2020

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	87.30	1,029.41	1,116.71
Expected credit losses (Under simplified approach)	-	16.00	16.00
Expected credit losses (Qualitative provision)	87.30	-	87.30
Carrying amount of Trade Receivables (net of impairment)	-	1,013.41	1,013.41

As at 31 March 2019

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	79.39	911.00	990.39
Expected credit losses (Under simplified approach)	-	16.00	16.00
Expected credit losses (Qualitative provision)	79.39	-	79.39
Carrying amount of Trade Receivables (net of impairment)	-	895.00	895.00

(i) Reconciliation of loss allowance provision – Trade Receivables

Loss allowance as on 1 April 2018	47.53
Changes in loss allowance	47.86
Loss allowance as on 31 March 2019	95.39
Changes in loss allowance	7.90
Loss allowance as on 31 March 2020	103.30

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing Arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	31 st March 2020	31 st March 2019
Floating rate		
- Expiring within one year (bank overdraft and other facilities)		
- Cash Credit Facilities	81.01	-
- LC and Bank Guarantee Facilities	117.73	78.85
- Expiring beyond one year (bank loans/ECB)		
- Long Term Loans	1,146.10	124.92

The bank overdraft facilities may be drawn at any time and are repayable on demand. The bank loan facilities may be drawn at any time in INR and have an average maturity of one year. ECB loan facilities will be as per the terms of the agreement and have maturity of five years.

(C) Foreign Currency Exposure Risk

(i) The Company's exposure to foreign currency risk at the end of the reporting period is presented as under

Transactions in Foreign Currency

Particulars	Name of Currency	31 st March 2020		31 st March 2019	
		Foreign Currency	INR Lakhs	Foreign Currency	INR Lakhs
Hedged Position		-	-	-	-
Unhedged Position					
Amounts Payable	USD	41,170	31.46	888	0.62
	GBP	16,007	15.10	10,821	9.86
	EUR	1,351	1.14	1,995	1.56
	TRY	76,829	8.91	63,420	7.95
Amounts Receivable	USD	285,309	215.84	322,246	222.83
	GBP	1,200	1.12	14,190	12.80
	EUR	92,613	77.25	1,298	1.01
	TRY	2,580,449	296.24	1,553,491	192.79
Net Amounts Payable	GBP	14,807	13.98		
	EUR			697	0.56
Net Amounts Receivable	USD	244,139	184.38	321,358	222.21
	GBP		-	3,369	2.94
	EUR	91,262	76.12	-	-
	TRY	2,503,620	287.33	1,490,072	184.84

(ii) Sensitivity

The Company has not hedged any of its foreign currency positions as at 31st March 2020

Particulars	Impact on (profit) / loss before tax (INR Lakhs)	
	31 st March 2020	31 st March 2019
USD sensitivity		
INR/USD -appreciated by 9% (31 March 2019-6%)	(16.59)	(13.33)
INR/USD -depreciated by 9% (31 March 2019-6%)	16.59	13.33
GBP sensitivity		
INR/GBP-appreciated by 4% (31 March 2019-4%)	0.56	(0.12)
INR/GBP-depreciated by 4% (31 March 2019-4%)	(0.56)	0.12
EUR sensitivity		
INR/EUR-appreciated by 7% (31 March 2019-2%)	(5.33)	0.01
INR/EUR-depreciated by 7% (31 March 2019-2%)	5.33	(0.01)
TRY sensitivity		
INR/TRY-appreciated by 7% (31 March 2019-24%)	(20.11)	(44.36)
INR/TRY-depreciated by 7% (31 March 2019-24%)	20.11	44.36

(D) Cash Flow and Fair Value Interest Rate Risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(i) Interest Rate Exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31 st March 2020	31 st March 2019
Variable rate borrowings	-	289.48
Fixed rate borrowings	772.44	-
Total Borrowings	772.44	289.48

As at the end of the reporting period, the Company had the following Fixed/Variable rate borrowings outstanding:

Particulars	31 st March 2020			31 st March 2019		
	Weighted Average Interest Rate	Balance	% of Total Loans	Weighted Average Interest Rate	Balance	% of Total Loans
Secured Term Loan from Banks (Variable Interest)	-	-	-	10.83%	289.48	100%
Secured Term Loan from Parent Company (Fixed Interest)	6.25%	772.44	100.00%	-	-	-
Net Exposure to Cash Flow Interest Rate Risk		772.44			289.48	

(ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. There is no impact on interest expense as there is no variable rate borrowing at the year end.

	Impact on Profit / (Loss) before tax	
	31 st March 2020	31 st March 2019
Interest rates – increase by 50 basis points	-	(1.45)
Interest rates – decrease by 50 basis points	-	1.45

Note 31 : Names of related parties and relationship**A. Ultimate Parent**

- 1) Multi Act Industrial Enterprises Ltd., Mauritius

B. Subsidiaries

- 1) ICC International Agencies Ltd.
- 2) Garnett Wire Ltd., UK
- 3) Shivraj Sugar and Allied Products Pvt Ltd.

C. Directors -

- 1) Mr. K. K. Trivedi (upto 5th February 2019)
- 2) Mr. P. K. Trivedi
- 3) Mr. M. K. Trivedi
- 4) Mr. J. M. Kothari
- 5) Mr. Sudhir Merchant
- 6) Mrs. Sangeeta Pandit
- 7) Mr. S. W. Karkamkar
- 8) Mr. Darshan Bhatia
- 9) Mr. H. C. Asher (upto 31st March 2019)

D. Key Management Personnel

- 1) Alok Misra (CEO) (w.e.f. 7th May 2019)
- 2) Kishor Makwana (Chief Financial Officer) (upto 31st March 2020)
- 3) Amogh Barve (Company Secretary)

E. Enterprises over which KMP or Relatives of KMP are able to exercise Significant Influence

- 1) Multi Act Constructions Pvt. Ltd.
- 2) Multi Act Realty Enterprises Pvt. Ltd
- 3) Multi Act Trade & Investments Private Limited
- 4) Encore Business Centres LLP
- 5) Acre Street India Pvt. Ltd.
- 6) Multi Act Equity Consultancy Pvt. Ltd.
- 7) The Indian Card Clothing Company Limited Employees Provident Fund

Note 32 : Related Party Transactions

Name of party	Nature of transaction	Year ended	Year ended
		31 st March 2020	31 st March 2019
a) Multi Act Industrial Enterprises Ltd., Mauritius	ECB - Received	764.07	-
	Interest Paid	8.37	-
	Interest Payable	8.37	-
b) Garnett Wire Ltd., UK	Sales	2.10	10.72
	Purchases	50.97	56.45
	Amount receivable	1.11	7.53
	Amount payable	9.74	4.78
	Reimbursement of Expenses paid	21.05	6.41
c) Multi Act Realty Enterprises Private Limited	Rent Paid	-	5.40
	Deposit Receivable	-	3.60
	Deposit Received	3.60	-
d) Multi Act Trade & Investments Private Limited	Investment Advisory Fees Paid	15.00	15.00
	Amount Payable	1.35	2.50
e) Provident Fund Trust	P. F. Contribution during the year	94.24	104.45
	P.F. Amount Payable	7.36	7.30
	Deficit in Trust Payable	1.71	52.99
f) Shivraj Sugar and Allied Products Private Limited	Amount Receivable	0.05	0.05
g) Key Management Personnel			
a) Mr. K K Trivedi - (upto 5 th February 2019) Chairman Emeritus	Sitting fees as Director	-	0.60
b) Mr. Prashant K. Trivedi - Chairman	Sitting fees as Director	1.85	1.80
b) Mr. Mehul K. Trivedi - Director (Non Executive)	Sitting fees as Director	1.85	1.85
d) Mr. H. C. Asher (Upto 31 st March 2019) Independent Director (Non Executive)	Sitting fees as Director	-	3.65
e) Mr. J M Kothary Independent Director (Non Executive)	Sitting fees as Director	4.15	3.65
f) Mr. Sudhir Merchant Independent Director (Non Executive)	Sitting fees as Director	4.10	3.45
g) Mrs. Sangeeta S. Pandit Independent Director (Non Executive)	Sitting fees as Director	3.60	2.40
h) Mr. S W Karkamkar Director (Non Executive)	Sitting fees as Director	2.30	0.90
	Professional Fees	15.00	7.50
i) Mr. D V Bhatia Independent Director (Non Executive)	Sitting fees as Director	1.50	0.60
j) Mr. Vinod Vazhapulli Chief Executive Officer (till 31 st Dec 2018.)	Short Term Employee Benefits Paid	-	47.43
	Other Perquisites Payable	-	3.95
	Payable	-	-
k) Mr. Alok Misra Chief Executive Officer (w.e.f 7 th May 2019)	Short Term Employee Benefits Paid	76.34	-
	Other Perquisites Payable	-	-
	Payable	-	-
l) Mr. Kishor Makwana Chief Financial Officer (Up to 31 st March 2020)	Short Term Employee Benefits Paid	29.70	17.61
	Other Perquisites Payable	-	-
	Payable	0.88	-
m) Mr. Amogh Barve Company Secretary	Short Term Employee Benefits Paid	22.12	1.64
	Other Perquisites Payable	-	-
	Payable	-	-
n) Krishanan Suvarna Chief Financial Officer (Up to 17 th Oct 2018)	Short Term Employee Benefits Paid	-	21.30
	Other Perquisites Payable	-	-
	Payable	-	-

(Amounts pertaining to related parties have not been written off or written back during the year)

Note 33 : Contingent Liabilities

Particulars	31 st March 2020	31 st March 2019
Income Tax Demands	1.72	18.07
Guarantee with Labour Commissioner	35.00	70.00
Other Matters	7.07	5.84
Total Contingent Liabilities	43.79	93.91

Note 34 : Capital Commitments

Particulars	31 st March 2020	31 st March 2019
Contracts remaining to be executed on capital account and not provided for (net of advances)	1,153.98	160.21
Total Capital Commitments	1,153.98	160.21

Note 35 : Net Debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	31 st March 2020	31 st March 2019
Cash and cash equivalents	510.72	120.10
Borrowings		
-Current borrowings	(978.99)	(972.87)
-Non-current borrowings	(772.44)	(289.48)
Net debt	(1,240.71)	(1,142.25)

Particulars	Other assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings	
Net debt as at 1 April 2019	120.10	(1,262.35)	(1,142.25)
Cash flows	390.62	(430.84)	(40.22)
Exchange differences	-	(49.87)	(49.87)
Interest expense	-	(274.78)	(274.78)
Interest paid	-	266.40	266.40
Net debt as at 31 March 2020	510.72	(1,751.43)	(1,240.71)

Note 36 : Reconciliation of Effective Tax Rate

Particulars	31 st March 2020	31 st March 2019
Accounting Profit before Tax	(316.30)	(1,883.96)
Tax at Statutory Income Tax rate - 26%	(82.24)	(489.83)
Differences in tax rate and effective tax rate		
Income exempt from income tax	(21.31)	(30.32)
Reversal of DTL on fair value on sale of investments	-	-
Tax impact on rate differences	-	-
DTA on losses not created	103.55	520.15
Taxes in respect of earlier year	0.29	-
Reversal of DTA having no effect due to losses	101.12	83.36
Income Tax expense reported in Statement of Profit and Loss	101.41	83.36

Note 37 : Disclosure as per section 22 of the MSMED Act.

Particulars	FY 2019-20	FY 2018-19
Principal amount remaining unpaid to any supplier as at the end of accounting year	126.56	43.44
Interest due thereon remaining unpaid to any supplier as at the end of accounting year	1.64	3.15
Amount of interest paid by the buyer under MSMED along with payments made to supplier beyond appointed day during each accounting year	-	-
Interest due and payable for the period (where the principal has been paid but interest under MSME not paid)	25.97	27.41
Interest accrued and remaining unpaid at the end of accounting year	58.17	30.56
Amount of further interest due and payable even in succeeding year, until when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure u/s 23.	5.08	1.08

Note 38 : Leases

Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" using modified prospective approach.

The lease liability is measured at the present value of the outstanding lease payments, discounted by the incremental borrowing rate at 1 April 2019. The weighted average incremental borrowing rate was 10.35%. The respective right-of-use asset is generally recognized at an amount equal to the lease liability.

The disclosures relating to leases are as summarised below:

Particulars	31 st March 2020
Right to use capitalised during the year	63.60
Depreciation for right-of-use asset	29.35
Interest expense on lease liabilities	5.25
Expenses relating to short-term / low value leases	43.52
Total Cash outflow for leases	73.77
Carrying amount of right-of-use asset	34.25
Lease Liability	36.86

Note 39 : Segment Reporting

Sr No	Particulars	Card Clothing	Realty	Others	Total
1	Revenue				
a)	External Sales				
I)	Manufactured / Services	4,117.11	-	-	4,117.11
	Previous Year	(3,769.17)	-	-	(3,769.17)
II)	Traded	118.88	-	-	118.88
	Previous Year	(94.93)	-	-	(94.93)
b)	Inter-segment sales	-	-	-	-
	Previous Year	-	-	-	-
c)	Other operating income	197.77	694.27	-	892.04
	Previous Year	(91.31)	(671.15)	-	(762.46)
d)	Other Income	19.80	137.67	-	157.47
	Previous Year	(24.66)	(287.11)	-	(311.77)
	Total Revenue	4,453.56	831.94	-	5,285.50
	Previous Year	(3,980.07)	(958.26)	-	(4,938.33)
2	Net profit	(462.33)	444.55	(298.53)	(316.30)
	Previous Year	(2,210.31)	618.10	(291.75)	(1,883.97)
3	Other Information				
a)	Segment Assets	5,974.44	2,811.76	535.67	9,321.87
	Previous Year	(6,105.68)	(3,495.86)	(766.07)	(10,367.61)
b)	Segment Liabilities	3,114.20	280.29	26.01	3,420.50
	Previous Year	(2,947.78)	(1,061.09)	(28.42)	(4,037.29)
c)	Capital Expenditure incurred during the year	265.00	-	-	265.00
	Previous Year	(116.09)	-	-	(116.09)
d)	Depreciation/ Amortisation	346.79	48.55	-	395.34
	Previous Year	(348.09)	(56.04)	-	(404.13)

Secondary Segment Information

Information of geographical location of customers

Particulars	Revenue	Trade Receivables
Domestic Sales	2,776.69	526.26
Previous year	(2,861.37)	(560.96)
Export sales	1,459.30	590.45
Previous year	(1,002.73)	(429.43)

Note 40 : Impact of COVID 19

The Company is in the business of manufacturing and selling of card clothing wires and accessories with its plant located at Nalagarh, Himachal Pradesh. Due to lockdown situation all over India and abroad resulting into holding or cancellation of sales orders, supply chain disruptions, non-availability of manpower, raw material, transportation, etc. a sales loss of approximately Rs 270 lakhs recorded due to COVID lockdown where the Company had an order book but was unable to manufacture or deliver in the second half of March 2020. Further, sales of Rs. 67.94 lakhs reduced on account of Goods-in-Transit as on 31st March 2020. Total sales loss on account of lockdown amounted to approximately. Rs. 337.94 Lakhs. Based on present gross profitability ratio, company's gross profitability has reduced approximately by Rs. 181.39 Lakhs.

The impact of lockdown continued in new financial year. The company is unable to achieve its sales target during first quarter of FY 2020-21.

Note 41 : Previous year's figure have been re-grouped wherever necessary to conform to current year's grouping.

Previous year figures are given in bracket/Italics.

As per our report attached

M/S. P.G. BHAGWAT

Chartered Accountants

FRN-101118W

Prashant Trivedi

Director

(DIN: 00167782)

SanjeevKumar Karkamkar

Director

(DIN: 00575970)

SANDEEP RAO

Partner

Membership No. : 047235

Alok Misra

Chief Executive Officer

Chandrakant Patil

Finance Controller

Amogh Barve

Company Secretary

Date : 26th June 2020

Place : Pune

FORM AOC-1
(Pursuant to first proviso to sub section (3) of Section 129 read with rule 5 of The Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of Subsidiaries / Associates Companies / Joint Ventures

PART - A

Sr. No.	Name of the Subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Date of Acquisition	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Share capital	Reserves & Surplus	Total Assets	Total Liabilities (excluding Share Capital and Reserves & Surplus)	Investments	Turnover (Includes inter-company transaction)	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) before taxation	Proposed Dividend	(In Lakhs) % of shareholding
1	ICC International Agencies Ltd.	Same as holding Company's reporting period, i.e., from April 1, 2019 to March 31, 2020	January 25, 2001	Indian subsidiary and hence not applicable.	50.00	(30.25)	40.72	20.97	-	120.45	(81.60)	6.81	(88.41)	-	99.99%
2	Gamel Wire Ltd., UK	Same as holding Company's reporting period, i.e., from April 1, 2019 to March 31, 2020	May 8, 1997	UK Pound (Rs. 94.32/ GBP)	330.12	303.54	816.41	172.55	-	93.25	(10.00)	(0.65)	(9.36)	-	60.00%
3	Shivraj Sugar and Allied Products Pvt. Ltd.	Same as holding Company's reporting period, i.e., from April 1, 2019 to March 31, 2020	March 15, 2007	Indian subsidiary and hence not applicable.	1.00	(1.05)	-	0.05	-	-	-	-	-	-	94.00%

Notes :

- 1) Shivraj Sugar and Allied Products Pvt. Ltd. has not yet started the operations.
- 2) None of the subsidiaries mentioned above have been sold or liquidated during the year 2019-20.
- 3) Part "B" of this statement is not applicable as the Company neither has any associates nor any joint ventures.

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

Prashant Trivedi
Director
(DIN: 00167782)

Sanjeevkumar Karkamkar
Director
(DIN: 00575970)

Sandeep Rao
Partner
Membership No. 047235

Alok Misra
Chief Executive Officer

Amogh Barve
Company Secretary

Date : June 26, 2020
Place : Pune

INDEPENDENT AUDITORS' REPORT

To the Members of The Indian Card Clothing Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of The Indian Card Clothing Company Limited ("the Holding Company") and its subsidiaries (Holding Company and its Subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2020, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 consolidated state of affairs of the Company and its Subsidiaries as at March 31, 2020, of the consolidated loss and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company and its Subsidiaries 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 Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit matters are those matters that, in our professional judgement, were of most significance in our audit of Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of Consolidated Financial Statement 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 key audit matters to be communicated in our report with respect to the Company and its Subsidiaries.

1) Valuation of investments

Description of Key Audit Matters

The company has total investments of Rs. 1,508.85 Lakhs which constitutes about 15% of total assets of the company. During the year fair valuation gain is Rs 54.16 Lakhs accounted for under other income in the statement of Profit and loss. In terms of Ind AS 109 "Financial Instruments" Investments, which are financial assets, are required to be fair valued. Improper fair valuation of investments would have adverse effect on profit/loss for the year or other comprehensive income for the year. Considering the quantum of investment and fair valuation gain we have considered the same as Key Audit Matter.

Description of Auditor's Response

We have performed the following audit procedures in relation to the audit of investments and its fair valuation:

- a) Verification of Demat account and statement of account in respect of mutual funds for confirming existence of investments as on 31st March 2020.
- b) In respect of investments in bonds and mutual funds, which are fair valued through profit or loss, fair value for the same is verified from statement of NAV from mutual funds, market quotations and wherever the latest traded quotation not available, the fair value is obtained from CRISIL.

- c) Gain/loss is verified from the sale consideration and the fair value of investment as on the date of sale.

2) Trade Receivables

Description of Key Audit Matters

Trade Receivables, as on 31st March 2020, are Rs. 1,229.13 Lakhs and impairment provision against the same is Rs. 108.84 Lakhs.

Management's judgment is involved in identifying impairment in the value of the receivable as well as in formulating a policy for creating provisioning against impairment which has an adverse effect on the profits/loss of the Company.

Description of Auditor's Response

We have performed the following processes in relation to Management's Judgment in identification of impairment of value of Receivables and adequacy of impairment provision:

- a) We have verified age wise analysis of receivables.
- b) We have sought information and explanation from the management regarding status of receivables in respect of overdue receivables for the purpose of ensuring adequacy of provision.
- c) We have also tested subsequent collections made from the overdue receivables.

Our Audit process did not identify any material inadequate provisioning for impairment in the value of Receivables.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Management Discussion and Analysis; Board of Directors' Report along with its Annexures and Corporate Governance Report included in the Annual Report but does not include the Consolidated Financial Statements and our Auditors' Report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), the consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of

the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the Company and its Subsidiaries are responsible for overseeing the financial reporting process of the Group.

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

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

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

We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its Subsidiaries have 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the Financial Statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters,

the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements/financial information of two subsidiaries, whose financial statements/financial information reflect total assets of Rs.816.41 Lakhs as at 31 March 2020, total revenue of Rs. 938.25 Lakhs, and net cash flows amounting to Rs 67.89 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) and (11) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid Consolidated Financial Statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its Subsidiary companies incorporated in India, none of the directors of the Group Company incorporated in India, is disqualified as on March 31, 2020 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 its Subsidiaries and the operating effectiveness of such controls, refer to our separate Report in Annexure I.
- g) As required by section 197 (16) of the Act; in our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated Financial Statements disclose the impact of pending litigations as at March 31, 2020 on the consolidated financial position of the Group – Refer Note 33 to the Consolidated Financial Statements.
 - (ii) The Company and its Subsidiaries did not have any material foreseeable losses on long-term contracts including derivative contracts as at March 31, 2020.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiaries during the year ended March 31, 2020.

For **M/s P G Bhagwat**
Chartered Accountants
Firm Registration Number: 101118W

Sandeep Rao
Partner
Membership Number: 47235

UDIN:20047235AAAABS3409
Pune: 26th June 2020

Annexure I to the Independent Auditors' Report

Referred to in paragraph 1 (f) under the heading, "Report on Other legal and Regulatory Requirements" of our report on even date:

**Report on the Internal Financial Controls with reference to
Consolidated Financial Statements
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 with reference to the Consolidated Financial Statements of **The Indian Card Clothing Company Limited** ("the Holding Company") and its Subsidiaries (the Holding company and its Subsidiaries together referred to as "the Group") as of March 31, 2020 in conjunction with our audit of the Consolidated Financial Statements of the Group for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's and its Subsidiaries Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal financial controls over financial reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group'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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial statements with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls over financial reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial statements with reference to Consolidated Financial Statements 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 control system with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls over financial statements with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls over financial statements with reference to Consolidated Financial Statements, 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 Consolidated 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 Group's internal financial controls over financial statements with reference to Consolidated Financial Statements

Meaning of Internal Financial Controls Over Financial Reporting

A Group'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 Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A Group's internal financial control over financial statement 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Statements

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

Opinion

Though the Group has maintained, in all material respects, internal financial controls system over financial statements with references to Consolidated financial statements and such internal financial controls over financial statements with references to Consolidated financial statements were operating effectively as of 31st March 2020, based on the internal control over financial statements criteria established by the Group 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, we are of the opinion that formal documentation to substantiate controls needs to be strengthened. However our above observation does not affect our opinion on the Ind AS consolidated financial statements of the Group.

Other Matters

We did not audit the internal financial controls over financial reporting of 2 subsidiaries, out of which one is located outside India and is not company registered under the Companies Act 2013.

For **M/s P G Bhagwat**
Chartered Accountants
Firm Registration Number: 101118W

Sandeep Rao
Partner
Membership Number: 47235

UDIN: 20047235AAAABS3409
Pune: 26th June 2020

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020

Particulars	Note No.	As At 31 st March 2020	As At 31 st March 2019
ASSETS			
Non-Current Assets			
Property, plant and equipment	2(a)	3,229.49	3,425.62
Other intangible assets		0.25	3.12
Right-Of-Use Assets	2(b)	34.25	-
Capital work-in-progress	3	61.04	39.25
Financial assets			
i. Investments	4	515.41	1,057.50
ii. Loans	5(a)	95.47	112.94
iii. Other Financial Assets	5(b)	-	0.96
Other Non current assets	6	823.17	662.40
Current Tax assets (Net)		159.53	102.65
Deferred Tax assets (Net)	7	358.41	451.65
Total Non-Current Assets		5,277.01	5,856.09
Current Assets			
Inventories	8	1,375.41	1,662.35
Financial assets			
i. Investments	9	993.44	1,642.97
ii. Trade receivables	10	1,120.30	1,102.95
iii. Cash and cash equivalents	11	688.32	294.26
iv. Bank balances not included in (iii) above	11	166.45	161.69
v. Other financial assets	12	7.98	26.39
Other current assets	13	394.08	328.38
Total Current Assets		4,745.98	5,218.98
TOTAL ASSETS		10,022.99	11,075.08

As per our report attached

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

Prashant Trivedi
Director
(DIN: 00167782)

SanjeevKumar Karkamkar
Director
(DIN: 00575970)

SANDEEP RAO
Partner
Membership No. : 047235

Alok Misra
Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

THE INDIAN CARD CLOTHING COMPANY LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2020

Particulars	Note No.	As At 31 st March 2020	As At 31 st March 2019
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	455.11	455.11
Other equity			
Reserves and surplus	15	5,430.86	5,923.62
Non-controlling Interest		533.84	537.85
Total Equity		6,419.81	6,916.58
LIABILITIES			
Non-Current Liabilities			
Financial liabilities			
i. Borrowings	16 (a)	772.76	228.24
ii. Other financial liabilities	17	163.02	861.92
Provisions (Non - Current)	18	167.95	192.96
Other liabilities	19	73.82	24.42
Total Non-Current Liabilities		1,177.55	1,307.54
Current Liabilities			
Financial liabilities			
i. Borrowings	16 (b)	978.99	972.87
ii. Trade payables	20		
- Trade Payables - Total outstanding dues of micro enterprises and small enterprises.		126.56	43.44
- Trade Payables - Total outstanding dues of Creditors other than micro enterprises and small enterprises.		784.41	1,026.73
iii. Other financial liabilities	17	150.67	237.24
Provisions (Current)	18	33.10	23.84
Other current liabilities	21	351.90	546.84
Total Current Liabilities		2,425.63	2,850.95
Total Liabilities		3,603.18	4,158.49
TOTAL EQUITY AND LIABILITIES		10,022.99	11,075.08
Summary of significant accounting policies	1		
The accompanying notes are integral part of the Financial Statements	1 - 42		

As per our report attached

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

Prashant Trivedi
Director
(DIN: 00167782)

SanjeevKumar Karkamkar
Director
(DIN: 00575970)

SANDEEP RAO
Partner
Membership No. : 047235

Alok Misra
Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2020

Particulars	Note No.	As At 31 st March 2020	Year Ended 31 st March 2019
Continuing operations			
Revenue from operations	22	6,130.87	5,760.53
Other income	23	160.27	316.07
Total Income		6,291.14	6,076.60
Expenses			
Cost of materials consumed		2,173.17	1,771.04
Purchases of stock-in-trade		66.53	205.30
Changes in inventories of work-in-progress, stock-in-trade and finished goods	24	(71.18)	325.15
Employee benefit expenses	25	1,697.91	1,967.04
Depreciation and amortisation expenses	26	419.72	429.86
Other expenses	27	2,463.43	3,079.77
Finance costs	28	280.00	261.81
Total Expenses		7,029.58	8,039.97
Profit/(Loss) before Exceptional items and Tax		(738.43)	(1,963.37)
Exceptional items			
Profit on sale of Fixed Assets		324.28	0.94
Profit/(Loss) before Tax from Continuing Operations		(414.15)	(1,962.43)
Income Tax expense			
- Current tax		(0.96)	6.51
- Deferred tax	7	97.05	80.50
Total Tax Expense		96.09	87.01
Profit/(Loss) from Continuing Operations		(510.24)	(2,049.43)
Discontinued Operations			
Profit from discontinued operations before tax		-	-
Tax expense of discontinued operations		-	-
Profit/(Loss) from Discontinued Operations		-	-
Profit/(Loss) for the year		(510.24)	(2,049.43)
Attributable to:			
Non-controlling Interests		(4.00)	4.88
Owners of the Company		(506.24)	(2,054.31)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss		-	-
Actuarial Gain / (Loss)		(14.67)	(26.84)
Income tax relating to these items	7	3.81	7.11
Non-controlling Interests		-	-
		(10.86)	(19.73)
Items that will be reclassified to profit or loss		(10.86)	(19.73)
Exchange differences on translation of Foreign Operations		24.33	(2.39)
Total Comprehensive Income for the year		(496.76)	(2,071.55)
Attributable to:			
Non-controlling Interests		(4.00)	4.88
Owners of the Company		(492.76)	(2,076.43)
Earnings per equity share (Nominal Value per share INR 10)			
Basic & Diluted		(11.12)	(45.14)

AS PER OUR REPORT ATTACHED

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

PRASHANT TRIVEDI
Director
(DIN: 00167782)

SANJEEVKUMAR KARKAMKAR
Director
(DIN: 00575970)

SANDEEP RAO
Partner
MEMBERSHIP NO. : 047235

ALOK MISRA
Chief Executive Officer

CHANDRAKANT PATIL
Finance Controller

AMOGH BARVE
Company Secretary

DATE : 26TH JUNE 2020
PLACE : PUNE

THE INDIAN CARD CLOTHING COMPANY LIMITED

AUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2020

	Particulars	31 st March 2020	31 st March 2019
A.	Cash flow from operating activities		
	Net profit before tax	(414.15)	(1,962.43)
	Adjustments for:		
	Loss / (profit) on sale of property, plant and equipment	(324.17)	(0.94)
	Bad Debts / Provision for doubtful debts and advances	8.92	70.14
	Excess provision / creditors written back (including advances)	(5.72)	(9.92)
	Unrealised foreign exchange (gain) / loss (net) and Foreign Exchange Translation Reserve	67.43	12.99
	Income from Sale of Investment	-	(40.80)
	Depreciation and amortisation	419.72	429.86
	Interest earned	(74.87)	(87.76)
	Unrealised (gain) / loss on mutual fund investments	(54.16)	(129.46)
	Dividend from mutual fund investments	(19.43)	(41.91)
	Interest charged	180.26	161.31
	Operating profit before working capital changes	(216.18)	(1,598.92)
	Changes in working capital		
	(Increase) / decrease in trade receivables	(21.51)	121.78
	(Increase)/decrease in inventories	286.94	195.46
	(Increase)/decrease in non-current loans	17.47	(24.72)
	(Increase)/decrease in non-current Other Financial assets	0.96	(0.96)
	(Increase)/decrease in other non-current assets	5.19	(6.02)
	(Increase)/decrease in current financial assets-others	1.25	23.59
	(Increase)/decrease in other current assets	(72.22)	(93.41)
	Increase/(decrease) in other non-current financial liabilities	(698.90)	3.50
	Increase/(decrease) in trade payables	(154.94)	(471.83)
	Increase/(decrease) in other current financial liabilities	(25.95)	(1,289.61)
	Increase/(decrease) in other non-current liabilities	12.55	(82.13)
	Increase/(decrease) in other current liabilities	(194.94)	185.99
	Increase/(decrease) in long term provisions	(25.02)	(56.53)
	Increase/(decrease) in short term provisions	(5.41)	(316.90)
	Cash generated from operations	(1,090.71)	(3,410.72)
	Direct taxes paid (including taxes deducted at source), net of refunds	(55.91)	(43.08)
	NET CASH FROM OPERATING ACTIVITIES	(1,146.61)	(3,453.80)
B.	Cash flow from investing activities		
	Purchase of property, plant and equipment and intangible assets	(390.42)	(446.15)
	(Purchase)/ Sale of investments (net)	1,245.77	3,923.39
	Proceeds from sale of property, plant and equipment	335.47	1.53
	Interest received on investments	92.03	86.13
	Dividend received on investments	19.43	41.91
	NET CASH FROM / (USED) IN INVESTING ACTIVITIES	1,302.28	3,606.80
C.	Cash flow from financing activities		
	Increase / (Decrease) in Long term borrowings	428.08	187.88
	Increase / (Decrease) in borrowings	6.12	(135.35)
	FCTR	-	-
	Payment Against Right to use	(25.00)	-
	Interest on Lease Liability	(5.25)	-
	Dividend paid including dividend distribution tax	(2.40)	(7.79)
	Interest paid	(163.15)	(132.81)
	NET CASH FROM / (USED) IN FINANCING ACTIVITIES	238.40	(88.07)
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	394.06	64.92
	Cash and cash equivalents at the beginning of the year (Refer Note 11)	294.26	229.34
	Cash and cash equivalents at the end of the year (Refer Note 11)	688.32	294.26

Note: The statement of Cash flows has been prepared under the "Indirect method" as set out in Ind AS - 7.
As per our report attached

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

Prashant Trivedi
Director
(DIN: 00167782)

SanjeevKumar Karkamkar
Director
(DIN: 00575970)

SANDEEP RAO
Partner
Membership No. : 047235

Alok Misra
Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

A. Equity Share Capital

Particulars	31 st March 2020	31 st March 2019
Balance at the beginning of the year	455.11	455.11
Changes in equity share capital during the year	-	-
Balance at the end of the year	455.11	455.11

B. Other Equity

Particulars	Securities Premium Reserve	General Reserve	Capital Reserve	Retained Earnings	Foreign Currency Translation reserve	Other Comprehensive Income	Non-controlling Interests	Total
Balance at 1 April 2018	910.22	2,350.20	10.88	4,824.63	(12.31)	(83.56)	532.97	8,533.03
Profit for the year	-	-	-	(2,054.31)	(2.39)	-	4.88	(2,051.82)
Dividends paid	-	-	-	-	-	-	-	-
Other deductions / write backs / Adjustment	-	-	-	-	-	-	-	-
Remeasurement of post-employment benefit obligations, net of tax	-	-	-	-	-	(19.73)	-	(19.73)
Total	910.22	2,350.20	10.88	(2,054.31)	(2.39)	(19.73)	4.88	1,199.74
Transactions with owners in their capacity as owners:								
Issue of equity shares, net of transaction costs	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Balance at 31 March 2019	910.22	2,350.20	10.88	2,770.32	(14.70)	(103.29)	537.85	6,461.48
Profit for the year	-	-	-	(506.24)	24.33	(10.86)	(4.00)	(496.76)
Dividends paid	-	-	-	-	-	-	-	-
Other deductions / write backs / Adjustment	-	-	-	-	-	-	-	-
Remeasurement of post-employment benefit obligations, net of tax	-	-	-	-	-	-	-	-
Total	-	-	-	(506.24)	24.33	(10.86)	(4.00)	(496.77)
Transactions with owners in their capacity as owners:								
Issue of equity shares, net of transaction costs	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-
Balance at 31st March 2020	910.22	2,350.20	10.88	2,264.08	9.64	(114.15)	533.84	5,964.72

As per our report attached

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

Prashant Trivedi
Director
(DIN: 00167782)

SanjeevKumar Karkamkar
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Partner
Membership No. : 047235

Alok Misra
Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

CONSOLIDATED NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

The Group and nature of its operations

The Indian Card Clothing Company Limited having its registered and corporate office in Pune, Maharashtra, India carries business in card clothing and real estate segments. The Company is a public limited Company and is listed on the National Stock Exchange of India Limited and the BSE Limited.

Note 1: Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these Consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of Preparation

i. Compliance with Ind AS

The Consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

ii. Historical Cost Conversion

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities are measured at fair value;
- defined benefit plans – plan assets measured at fair value

iii. Amended standards adopted by the Group

The amendments to Ind AS 116 Leases (see note 38)

iv. Current/non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

v. Principles of Consolidation

The consolidated financial statements comprise the financial statements of the company and its subsidiaries as at 31 March 2020.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

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

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding company, i.e., year ended on 31 March. The subsidiaries considered in the consolidated financial statements are summarized below:

Name of the Subsidiary	Country of Incorporation	31 st March 2020	31 st March 2019
Garnett Wire Limited, UK	England	60%	60%
ICC International Agencies Pvt Ltd	India	100%	100%
Shivraj Sugar and Allied Products Pvt Ltd	India	94%	94%

In preparing the consolidated financial statements, the Group has used the following key consolidation procedures:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the holding company with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the holding company's investment in each subsidiary and the holding company's portion of equity of each subsidiary. Business combinations policy explains accounting for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group. Profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full. However, intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 - Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit and loss and each component of other comprehensive income ('OCI') are attributed to the equity holders of the holding company of the group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it deconsolidates the subsidiary from the date it ceases control.

vi) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred. At the acquisition date, the identifiable assets acquired and the liabilities assumed (including contingent liabilities) are recognised/measured at their acquisition date fair values, except for certain cases.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair

value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in in OCI and accumulated in equity as capital reserve.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

(b) Accounting estimates, assumptions & judgements

The preparation of the financial statements requires management to make estimates, assumptions and judgments that affect the reported balances of assets and liabilities and disclosures as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates considering different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Impact on account of revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below.

Deferred Income Tax Assets and Liabilities

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits. The amount of total deferred tax assets could change if estimates of projected future taxable income or if tax regulations undergo a change.

Useful life of Property, Plant & Equipment (PPE)

The Management reviews the estimated useful lives and residual value of PPE at the end of each reporting period. The factors such as changes in the expected level of usage, number of shifts of production, technological developments and product life-cycle, could significantly impact the economic useful lives and the residual values of these assets. Consequently, the future depreciation charge could be revised and thereby could have an impact on the profit of the future years.

Employee Benefit Obligations

Employee benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, employee benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Litigations

From time to time, the Group is subject to legal proceedings, the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(c) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Group are identified as the Chief operating decision maker. Refer note 39 for segment information presented.

(d) Foreign Currency

The financial statements are presented in Indian rupee (INR), which is The Indian Card Clothing Limited's functional and presentation currency. On initial recognition, all foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the date of the transaction. As at the reporting date, foreign currency monetary assets and liabilities are translated at the exchange rate prevailing on the Balance Sheet date and the exchange gains or losses are recognised in the Statement of Profit and Loss.

(e) Revenue Recognition**1. Sale of goods and rendering of services -**

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates, taxes and amounts collected on behalf of third parties such as Goods and Services Tax. The Group recognizes revenue from sale of goods when the amount can be reliably measured, it is probable that future economic benefits will flow to the entity and when significant risks and rewards of ownership of goods have been transferred to the buyer. Revenue from services is recognised as the related services are performed. Commission income is recognized when it is due and there is no uncertainty about its realisation.

2. Income from Lease Rentals -

Income from leasing of buildings and related services is recognized at the rates prescribed over the tenure of the lease/service agreement.

3. Other Income -

**** Dividends** - Dividend on investments is recognised when the Group's right to receive it is established.

**** Interest Income** - Interest income from debt instruments is recognised using effective interest rate method (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

**** Export Benefits** - Export benefits in the form of Duty Draw Back are recognized on receipt basis and export benefits from Merchandise Exports Incentive Scheme (MEIS) claims are recognised in the statement of profit and loss on accrual basis.

(f) Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

(g) Income Taxes

Current tax is provided on the basis of estimated tax liability, computed as per applicable provisions of the Income Tax Act, 1961.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognises MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Group reviews the 'MAT credit entitlement' asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

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

(h) Leases

Lease is a contract that provides to the customer (lessee) the right to use an asset for a period of time in exchange for consideration.

Group as a lessee

A lessee is required to recognise assets and liabilities for all leases and to recognise depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss. The Company uses the practical expedient to apply the requirements of this standard to a portfolio of leases with similar characteristics if the effect on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio.

However according to Ind AS 116, for leases with a lease term of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, not to recognize a right-of-use asset and a lease liability. The Company applies both recognition exemptions. The lease payments associated with those leases are generally recognized as an expense on a straight-line basis over the lease term or another systematic basis if appropriate.

a. 1 Right to use asset

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

a. 2 Lease liability

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

Group as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the Company is a lessor under an operating lease, the asset is capitalised within property, plant and equipment and depreciated over its useful economic life. Payments received under operating leases are recognised in the Statement of profit and Loss on a straight-line basis over the term of the lease.

"Critical accounting estimates and judgements-Critical judgements required in the application of Ind AS 116 may include, among others, the following: Identifying whether a contract (or part of a contract) includes a lease; Determining whether it is reasonably certain that an extension or termination option will be exercised; Classification of lease agreements (when the entity is a lessor); Determination of whether variable payments are in-substance fixed; Establishing whether there are multiple leases in an arrangement; Determining the stand-alone selling prices of lease and non-lease components. Key sources of estimation uncertainty in the application of Ind AS 116 may include, among others, the following: Estimation of the lease term; Determination of the appropriate rate to discount the lease payments; Assessment of whether a right-of-use asset is impaired.

(i) Cash & Cash Equivalents

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

(j) Trade Receivables

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

The Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables for calculation of expected credit losses on trade receivables.

(k) Inventories - Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Investments**** Classification**

The Group classifies its investments in the following measurement categories:

Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

Those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

**** Measurement**

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss when the Group's right to receive payments is established.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(m) Property, Plant & Equipments

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on tangible assets is provided on the written down value (WDV) method over the useful lives of assets except one subsidiary where depreciation is provided under Straight Line Method and whose asset value is not material.

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(n) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost.

(o) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

(p) Provisions & Contingencies

Provisions for legal claims and returns are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

A Contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

A Contingent Asset is not recognised in the financial statements. A contingent asset is disclosed, where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

(q) Employee benefit obligations

Short-term employee benefits

Employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and are recognised in the period in which the employee renders the related service.

Post-employment benefits

Defined contribution plans

Contributions to superannuation fund, which are defined contribution schemes, are recognised as an employee benefit expense in the statement of profit and loss in the period in which the contribution is due.

Defined benefit plans

Gratuity

The employees' gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on government securities as at the reporting date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income (OCI) in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

In case of funded plans, the fair value of the plan's assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis.

When the benefits of the plan are changed or when a plan is curtailed, the resulting change in benefits that relates to past service or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises gains/ losses on settlement of a defined plan when the settlement occurs.

Provident fund

For holding company's employees, the Group makes the contributions to a trust. The rate at which the annual interest is payable to the beneficiaries by the trust is administered by the government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at balance sheet date, which recognizes each

period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Other long-term employee benefits

The liabilities for earned leave are not expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method as determined by actuarial valuation. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating the terms of the related obligation. Remeasurements as a result of experience adjustments and change in actuarial assumptions are recognised in the statement of profit and loss.

The obligations are presented as current/ non current liabilities in the balance sheet of the group depending upon the groups expected settlement of such obligations based on past experience.

(r) Cash dividend to equity holders

"The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

(s) Earnings per share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Group by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted EPS adjust the figures used in the determination of basic EPS to consider

- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(t) Intangible assets

Recognition and measurement

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

Expenditure on research activities is recognised in the statement of profit and loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

Subsequent measurement

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects

value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for current and comparative periods are as follows:

Asset	Useful Life
Software	5 Years

(u) Fair value measurement

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

- (i) In the principal market for the asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(v) Recent Accounting Pronouncements

Standards issued but not yet effective In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2018, notifying Ind AS 115 - 'Revenue from Contracts with Customers' and consequential amendments to various Ind AS standards. The amended Rules also notified amendments to Ind AS 12 - 'Income Taxes', Ind AS 21 - 'The Effect of Changes in Foreign Exchange Rates', Ind AS 28 - 'Investments in Associates and Joint Ventures' and Ind AS 40 - 'Investment Property'. These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB). The amendments are effective from accounting periods beginning from 1st April, 2018."

"Exposure drafts on amendments to following standards have been issued by the Institute of Chartered Accountants of India:

1. Ind AS 40, "Investment Property"
2. Ind AS 1 "Presentation of Financial Statements" and Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"
3. Ind AS 103, "Business Combinations"
4. Ind AS 109, "Financial Instruments" and Ind AS 107, "Financial Instruments: Disclosure"

However, such exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from 1 April, 2020 as at the date of approval of these financial statements.

Note 2: Property, Plant & Equipment

Particulars	Freehold land	Freehold buildings	Plant and Equipment	Furniture and Fittings	Vehicles	Office Equipment and Computer	Electrical Installation	Total Tangible Assets	Computer Software	Total Tangible & Intangible Assets
Deemed cost as at 1 April 2018										
Additions	798.01	3,905.61	5,554.47	192.88	268.93	441.87	601.87	11,763.64	37.76	11,801.40
Other Adjustments	-	9.89	101.93	1.61	-	14.96	2.66	131.05	3.96	135.01
Disposal/ Other Adjustment	9.96	-	-	-	-	-	-	9.96	-	9.96
Closing gross carrying amount at 31 March 2019	807.97	3,915.50	5,656.40	194.28	255.84	456.12	604.53	11,890.63	41.72	11,932.35
Opening accumulated depreciation	-	2,327.75	4,364.84	175.50	176.32	439.87	565.16	8,049.44	37.76	8,087.20
Depreciation charge during the year	-	133.05	267.37	2.09	14.02	3.95	8.53	429.01	0.84	429.85
Disposals	-	-	-	0.15	12.64	0.64	-	13.42	-	13.42
Closing accumulated depreciation and impairment at 31 March 2019	-	2,460.80	4,632.21	177.44	177.70	443.18	573.69	8,465.03	38.60	8,503.63
Net carrying amount at 31 March 2019	807.97	1,454.70	1,024.18	16.84	78.14	12.93	30.84	3,425.60	3.12	3,428.72
Opening gross carrying amount	807.97	3,915.50	5,656.40	194.28	255.84	456.12	604.53	11,890.63	41.72	11,932.35
Additions	-	-	56.37	31.56	23.06	89.12	2.56	202.67	-	202.67
Other Adjustments	-	-	-	-	-	-	-	-	-	-
Disposal/ Other Adjustment	(0.00)	-	(401.85)	(24.93)	(7.82)	(4.02)	(15.96)	(454.56)	-	(454.56)
Closing gross carrying amount at 31 March 2020	807.97	3,915.50	5,310.92	200.91	271.08	541.22	591.13	11,638.74	41.72	11,680.46
Opening accumulated depreciation	-	2,460.80	4,632.21	177.44	177.70	443.18	573.69	8,465.03	38.60	8,503.63
Depreciation charge during the year	-	130.00	207.08	6.29	12.40	22.00	8.14	385.90	2.87	388.77
Impairment During the year	-	-	1.59	-	-	-	-	1.59	-	1.59
Disposals	-	-	(392.04)	(24.81)	(6.78)	(3.95)	(15.69)	(443.26)	-	(443.26)
Closing accumulated depreciation and impairment at 31 March 2020	-	2,590.80	4,448.84	158.92	183.32	461.23	566.14	8,409.26	41.47	8,450.73
Net carrying amount at 31 March 2020	807.97	1,324.70	862.08	41.99	87.77	80.01	24.99	3,229.49	0.25	3,229.74

The company has elected to continue with the carrying value of Property, Plant and Equipment and Intangible assets as recognised in Financial statements as per previous GAAP and regarded those values as deemed cost on the date of transition. The Company has carried forward the gross block and accumulated depreciation as above for disclosure purposes only. Movable and Immovable property plant and equipment including plant and machinery at nalagarh (Himachal pradesh location) are given as security for Foreign Currency Advance. [For details refer note no 16(a)]

Note 2 (b) : Right-Of-Use Assets

Particulars	Building
Balance as at April 1, 2019	-
Reclassified on account of adoption of Ind AS 116	-
Addition	63.60
Deletion	-
Depreciation	(29.35)
Balance as at March 31, 2020	34.25

Note 3: Capital Work in Progress

Particulars	31 st March 2020	31 st March 2019
Net carrying amount	61.04	39.25

Capital Work in Progress mainly comprises of plant & machinery, furniture & fittings, Office Equipments and other.

Note 4: Non - Current Investments

Particulars	31 st March 2020	31 st March 2019
Investment in equity oriented mutual Fund - FVPL		
Unquoted		
4,443 (31 March 2019 : 4,443) units of HDFC Venture Fund	0.11	23.59
Total (equity instruments)	0.11	23.59
Investment in Fixed Maturity Plans and Bonds - FVPL		
50 (31 March 2019 : 50) units of NHAI Tax Free Bonds (Face Value Rs. 10,00,000)	515.29	501.66
Nil (31 March 2019 : 50,000) units of IRFC Tax Free Bonds - 7.34% (Face Value Rs 1,000)	-	532.25
Total (fixed maturity plans and bonds)	515.29	1,033.91
Total non current investments	515.40	1,057.50
Aggregate amount of quoted investments and market value thereof	515.29	1,033.91
Aggregate amount of unquoted investments	0.11	23.59
Aggregate amount of impairment in the value of investments	-	-

Note 5: Non - Current Loans & Other (Assets)

Particulars	31 st March 2020	31 st March 2019
Unsecured, Considered Good		
Security deposits	95.47	112.52
Others		0.41
Total Non - Current Loans (Assets)	95.47	112.94

Note 5(b) : Other Financial Assets

Particulars	31 st March 2020	31 st March 2019
Bank deposits with maturity more than 12 months	-	0.96
Total Other Financial Assets	-	0.96

Note 6: Other Non current Assets

Particulars	31 st March 2020	31 st March 2019
Capital advances	820.17	654.21
Prepaid Expenses	3.00	8.18
Total Other Non current Assets	823.17	662.39

Note 7 : Deferred Tax Assets

Particulars	Property, plant and equipment (including investment property)	Allowance for doubtful debts – trade receivables	Revaluation of defined employee benefit plans and other employee benefit	Financial assets at fair value through profit or loss	Net effect of unwinding of security deposits and deferred income	Right to use Lease Liability	Total
At 1 April 2018	122.75	15.16	437.78	(49.73)	(0.92)	-	525.04
(Charged)/credited during the year	3.15	13.58	(135.50)	40.20	(1.93)	-	(80.50)
- to other comprehensive income	-	-	7.11	-	-	-	7.11
At 31 March 2019	125.90	28.74	309.39	(9.53)	(2.85)	-	451.65
(Charged)/credited during the year	(29.49)	1.99	(72.12)	(0.13)	1.70	0.99	(97.05)
- to other comprehensive income	-	-	3.81	-	-	-	3.81
At 31 March 2020	96.41	30.73	241.08	(9.66)	(1.15)	0.99	358.41

Note 8: Inventories

Particulars	31 st March 2020	31 st March 2019
Raw materials	456.37	778.92
Work-in-progress	436.68	345.60
Finished goods	316.59	332.74
Traded goods	60.88	64.61
Stores and spares	104.89	140.47
Total Inventories	1,375.41	1,662.34

Amounts recognised in Profit or Loss

Reversal of provision for slow moving inventory amounted to Rs. 25.33 Lakhs which is on account of utilisation/disposal of slow moving inventory. These were recognised as income during the year and included in the consumption in the statement of profit or loss. (Write downs of inventories amounted Rs. 40.85 Lakhs for the year ended 31st March 2019. These were recognised as expenses during the year ended 31 March 2019 and included in the consumption in the statement of profit or loss.).

Note 9: Current Investments

Particulars	31 st March 2020	31 st March 2019
Investment in mutual funds - FVPL		
Unquoted		
15,445,214(31 March 2019 : 78,929) units of HDFC Liquid Fund - Weekly Dividend	159.74	813.07
Nil (31 March 2019 : 328) units of Birla Sun Life Cash Plus Fund - Daily Dividend	-	0.33
Nil (31 March 2019 : 766) units of ICICI Prudential Liquid Fund- Daily Dividend	-	0.77
Nil (31 March 2019 : 2,47,041) units of HDFC Short Term Plan	-	37.69
7,02,477 (31 March 2019 : 7,02,477) units of HDFC Income Fund - Direct Growth (Pledged with H.D.F.C. Bank against working capital limits)	325.98	296.11
495 (31 March 2019 : 495) units of Multi Act Private Equity Investment Fund (AIF)	507.72	495.00
Total (mutual funds)	993.44	1,642.97
Total current investments	993.44	1,642.97
Aggregate amount of quoted investments and market value thereof		
Aggregate amount of unquoted investments	993.44	1,642.97
Aggregate amount of impairment in the value of investments	-	-

Note 10: Trade Receivables

Particulars	31 st March 2020	31 st March 2019
Trade receivables	1,229.13	1,203.88
Less: Allowance for doubtful debts	108.84	100.93
Total Receivables	1,120.30	1,102.95
Current	1,120.30	1,102.95
Non - Current	-	-

Break-up of security details

Secured, considered good	-	-
Unsecured, considered good	1,120.30	1,102.95
Unsecured, Doubtful	108.83	100.93
Total	1,229.12	1,203.88
Allowance for doubtful debts	108.83	100.93
Total Trade Receivables	1,120.30	1,102.95

Note 11: Cash & Cash Equivalents

Particulars	31 st March 2020	31 st March 2019
Balances with banks		
- in current accounts	403.50	287.49
Deposits with maturity of less than three months	283.67	5.95
Cash on hand	1.15	0.82
Total Cash and Cash Equivalents (A)	688.32	294.26

Other Bank Balances

Particulars	31 st March 2020	31 st March 2019
Earmarked Balances		
i. Unpaid Dividend Account	26.02	28.42
ii. Bank Guarantee	131.25	70.00
Bank deposits with maturity more than 3 months but less than 12 months	9.18	63.27
Total Other Bank Balances (B)	166.45	161.69
Total (A + B)	854.77	455.95

Note 12: Other Current Financial Assets

Particulars	31 st March 2020	31 st March 2019
Accrued Interest	6.81	23.96
Advance to Employees	1.17	2.43
Total Other Current Financial Assets	7.98	26.39

Note 13: Other Current Assets

Particulars	31 st March 2020	31 st March 2019
Export benefits receivable	40.76	29.89
Licenses on Hand	4.05	2.36
Balances with statutory authorities	167.05	133.42
Prepaid expenses	63.30	31.14
Advance to Suppliers Considered Good	117.20	128.81
Advance to Suppliers Considered Doubtful	9.37	15.10
Less: Provision for doubtful advances	(9.37)	(15.10)
Others	1.73	2.75
Total Other Current Assets	394.08	328.38

Note 14: Share Capital

Particulars	31 st March 2020	31 st March 2019
Authorised 50,00,000 equity shares of Rs. 10 each (31st March 2019 : 50,00,000 equity shares of Rs. 10 each)	500.00	500.00
Issued, subscribed & fully paid up share capital 45,51,120 equity shares of Rs. 10 each (31st March 2019. : 45,51,120 equity shares of Rs. 10 each)	455.11	455.11

(i) Movement in Equity Share Capital

Particulars	31 st March 2020		31 st March 2019	
	Number of shares	Equity share capital (INR Lakhs)	Number of shares	Equity share capital (INR Lakhs)
As at 1 April 2018	4,551,120	455.11	4,551,120	455.11
Additions/Deletions	-	-	-	-
As at 31 March 2019	4,551,120	455.11	4,551,120	455.11
Additions/Deletions	-	-	-	-
As at 31 March 2020	4,551,120	455.11	4,551,120	455.11

Terms and rights attached to equity shares

Equity shares have a par value of INR 10. They entitle the holder to participate in dividends, and to share in the proceeds of winding up the company in proportion to the number of and amounts paid on the shares held. Every holder of equity shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. No dividend is proposed.

(ii) Details of Equity Shareholders holding more than 5% shares in the company

Particulars	31 st March 2020		31 st March 2019	
	Number of shares	% Holding	Number of shares	% Holding
Holding Company				
Multi Act Industrial Enterprises Limited, Mauritius	2,610,066	57.35	2,610,066	57.35

(iii) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

Note 15: Other Equity - Reserves & Surplus

Particulars	31 st March 2020	31 st March 2019
Securities Premium Reserve	910.22	910.22
General Reserve	2,350.20	2,350.20
Capital Reserve	10.88	10.88
Retained Earnings	2,264.08	2,770.32
Other Comprehensive Income	(114.15)	(103.29)
Foreign Currency Translation Reserve	9.63	(14.70)
Total Reserves and Surplus	5,430.86	5,923.63

(i) Securities Premium Reserve

Particulars	31 st March 2020	31 st March 2019
Opening Balance	910.22	910.22
Addition during the year	-	-
Closing Balance	910.22	910.22

(ii) General Reserve

Particulars	31 st March 2020	31 st March 2019
Opening balance	2,350.20	2,350.20
Add: Dividend from Subsidiary	-	-
Closing Balance	2,350.20	2,350.20

(iii) Capital Reserve

Particulars	31 st March 2020	31 st March 2019
Opening balance	10.88	10.88
Add: Dividend from Subsidiary	-	-
Closing Balance	10.88	10.88

(iv) Retained earnings

Particulars	31 st March 2020	31 st March 2019
Opening balance	2,770.32	4,824.63
Add: Net profit/(Loss) for the period	(506.24)	(2,054.31)
Less: Dividends Paid	-	-
Less: Other deductions	-	-
Closing Balance	2,264.08	2,770.32

(v) Other Comprehensive Income

Particulars	31 st March 2020	31 st March 2019
Opening Balance	(103.29)	(83.56)
Remeasurement of post-employment benefit obligations, net of tax	(10.86)	(19.73)
Closing Balance	(114.15)	(103.29)

(vi) Foreign Currency Translation Reserve

Particulars	31 st March 2020	31 st March 2019
Opening Balance	(14.70)	(12.31)
Add: Movement during the current year	24.33	(2.39)
Closing Balance	9.63	(14.70)

Note 16 (a): Non - Current Borrowings

Particulars	Security	Terms of repayment	Coupon/ Interest rate	31 March 2020	31 March 2019
Secured Term loans					
From Banks	Secured by charge on land, building and plant & machinery at Nalagarh	Repayable in 20 equal quarterly installments of Rs. 20 Lakhs beginning from November 2017	MCLR + 1.60% p.a	-	289.48
From others	Hire Purchase loan, secured against vehicles	Finance Lease	7.5% p.a	8.70	5.34
Foreign Currency Advance					
From Multi-Act Industrial Enterprises Limited (Holding Company)	Movable and Immovable property plant and equipment including plant and machinery at nalagarh (Himachal pradesh location)	It will commence after the Statutory Minimum Average Maturity Period of 5 years and shall be structured in 4 six monthly installments, which shall not be later than 31 December 2026.	Fixed interest rate of 6.25% p.a.	772.44	
Total Non-Current Borrowings				781.14	294.82
Less: Current maturities of long-term debt (included in Note 17)				-	66.58
Less: Interest Accrued (included in Note 17)				8.37	
Total Non-Current Borrowings				772.77	228.24

Note 16 (b): Current Borrowings

Particulars	31 st March 2020	31 st March 2019
Loans repayable on demand		
Secured		
Bank Overdraft	978.99	972.87
(Secured by hypothecation of inventory and book debts and pledge of mutual funds)		
Total Current Borrowings	978.99	972.87

Note 17: Other Financial Liabilities

Particulars	31 st March 2020	31 st March 2019
Non-current		
Security Deposits	163.02	861.92
Total other non-current financial liabilities	163.02	861.92
Current		
Current maturities of long-term debt	0.00	66.58
Payable to employees	42.84	45.48
Interest accrued	8.37	-
Unpaid Dividend	26.01	28.42
Security Deposits	73.45	96.77
Total Other Financial Liabilities	150.67	237.25

Note 18: Provisions (Current & Non Current)

Particulars	31 st March 2020			31 st March 2019		
	Current	Non - Current	Total	Current	Non - Current	Total
Employee Benefits						
Gratuity	22.88	62.28	85.16	18.22	37.63	55.84
Leave Encashment	10.22	50.48	60.70	5.62	89.17	94.79
Provident Fund	-	55.18	55.18	-	66.17	66.17
Total	33.10	167.94	201.04	23.84	192.96	216.80

Leave Obligations

The leave obligations cover the Company's liability for sick and earned leave.

The amount of the provision of Rs. 60.70 lakhs is presented as current as well as non current. Though the Company does not have an unconditional right to defer settlement for any of these obligations, as based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The amounts that reflect leave that is not expected to be taken or paid within the next 12 months is shown under non current portion.

Defined Contribution Plan**Superannuation**

The Holding Company provides retirement benefits in the form of contribution to superannuation fund at the rate of 15% of annual salary. Contribution made during the year Rs.5.27 Lakhs (Rs. 7.99 Lakhs).

Defined Benefit Plan**a) Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India. The cost of providing benefit under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial valuation being carried out balance sheet date. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

b) Provident Fund

The Company has a Provident Fund Plan, which is a defined benefit plan, which is managed through the Provident Fund Trust of the Company. The contributions are made to the Trust and shortfall in interest obligation, if any is met by the Company. The cost of providing benefits under above mentioned defined benefit plan is determined using the projected unit credit method with actuarial

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valuations being carried out at the balance sheet date. In respect of subsidiaries, provident fund is defined contribution plan.

The amounts recognised in the balance sheet and the movement in the defined benefit obligations over the years are as follows:

Particulars	Gratuity		
	Present value of obligation	Fair value of plan asset	Net amount
1st April 2018	529.68	272.76	256.92
Current Service Cost	35.16	-	35.16
Interest expense / (income)	24.05	35.40	(11.36)
Loss/(gain) due to curtailment or settlement	(0.88)	-	(0.88)
Total amount recognised in profit or loss	58.33	35.40	22.93
Components of actuarial gain/losses on obligations:			
Due to Change in financial assumptions	(0.27)	-	(0.27)
Due to experience adjustments	2.71	-	2.71
Return on plan assets (income) excluding amounts included above		(25.28)	80.39
Total amount recognised in other comprehensive income	2.44	(25.28)	27.72
Employer contributions	-	251.73	(251.73)
Benefits paid	(426.67)	(426.67)	-
Balance at 31st March 2019	163.78	107.94	55.84
Current Service Cost	20.08		20.08
Interest expense / (income)	8.96	13.86	(4.90)
Loss/(gain) due to curtailment or settlement	-	-	-
Total amount recognised in profit or loss	29.04	13.86	15.18
Components of actuarial gain/losses on obligations:			-
Due to Change in financial assumptions	15.50	-	15.50
Due to experience adjustments	(6.57)	-	(6.57)
Due to change in demographic assumption	(0.08)		(0.08)
Return on plan assets (income) excluding amounts included above		(5.83)	5.83
Total amount recognised in other comprehensive income	8.84	(5.83)	14.67
Employer contributions		0.53	(0.53)
Benefits paid	(52.33)	(52.33)	-
Balance at 31st March 2020	149.33	64.17	85.16

iv) Sensitivity Analysis

The key assumptions of the defined benefit obligation to changes in the weighted principal assumption are:

a) Gratuity

Particulars	31 st March 2020	31 st March 2019
Discount rate	6.05% to 6.89%	7.60% to 7.79%
Salary growth rate	4% to 7%	4% to 7%
Normal retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2012-14) Table 2% to 10% at younger ages reducing to 0% to 2% at older ages	Indian Assured Lives Mortality (2006-08) Ultimate 2% to 10% at younger ages reducing to 0% to 2% at older ages
Employee turnover		

Particulars	Impact on defined benefit obligation	
	31 st March 2020	31 st March 2019
Assumption		
Discount rate		
0.50% increase	Decrease by Rs.6.18 Lakhs	Decrease by Rs.3.39 Lakhs
0.50% decrease	Increase by Rs.6.79 Lakhs	Increase by Rs.3.75 Lakhs
Future salary growth rate		
0.50% increase	Increase by Rs.6.87 Lakhs	Increase by Rs.3.83 Lakhs
0.50% decrease	Decrease by Rs.6.32 Lakhs	Decrease by Rs.3.50 Lakhs
Withdrawal Rate		
10.00% increase	Decrease by Rs.0.03 Lakhs	Increase by Rs.1.33 Lakhs
10.00% decrease	Decrease by Rs.0.01 Lakhs	Decrease by Rs.1.57 Lakhs

b) Leave Benefits

Particulars		
Discount rate	6.05% to 6.89%	7.60% to 7.79%
Salary growth rate	4% to 7%	4% to 7%
Normal retirement age	60	60
Mortality table	Indian Assured Lives Mortality (2012-14) Table 2% to 10% at younger ages reducing to 0% to 2% at older ages	Indian Assured Lives Mortality (2006-08) Ultimate 2% to 10% at younger ages reducing to 0% to 2% at older ages
Withdrawal rates		

Particulars	Impact on defined benefit obligation	
	31 st March 2020	31 st March 2019
Assumption		
Discount rate		
0.50% increase	Decrease by Rs. 1.71 Lakhs	Decrease by Rs. 2.32 Lakhs
0.50% decrease	Increase by Rs. 1.83 Lakhs	Increase by Rs. 2.46 Lakhs
Salary growth rate		
0.50% increase	Increase by Rs. 1.84 Lakhs	Increase by Rs. 2.50 Lakhs
0.50% decrease	Decrease by Rs. 1.74 Lakhs	Decrease by Rs. 2.38 Lakhs
Withdrawal rate		
10.00% increase	Decrease by Rs. 0.32 Lakhs	Decrease by Rs. 0.35 Lakhs
10.00% decrease	Increase by Rs. 0.34 Lakhs	Increase by Rs. 0.36 Lakhs

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

Note 19: Other Non Current Liabilities

Particulars	31 st March 2020	31 st March 2019
Deferred Income	23.06	24.42
Lease Liability	36.86	-
Other	13.90	-
Total Other Non Current Liabilities	73.82	24.42

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Note 20: Trade Payables

Particulars	31 st March 2020	31 st March 2019
Current		
Trade Payables		
i. MSME	126.56	43.44
ii. Others	777.89	920.81
iii. Related parties	6.51	105.92
Total Trade Payables	910.96	1,070.17

Note 21: Other Current Liabilities

Particulars	31 st March 2020	31 st March 2019
Payable to PF Trust	1.71	52.99
Statutory dues payable	35.42	113.12
Customer Advances	218.94	295.87
Other Liabilities	72.16	0.11
Deferred Income	23.66	84.75
Total Other Current Liabilities	351.89	546.84

Note 22: Revenue from Operations

Particulars	31 st March 2020	31 st March 2019
Sale of products	4,533.60	4,341.63
Sale of services	655.64	585.42
Subtotal (A)	5,189.23	4,927.04
Other operating revenue		
i. Rent and Amenities	694.27	671.15
ii. Others	197.92	92.77
Subtotal (B)	892.19	763.92
Commission received (C)	49.44	69.57
Total Revenue from Operations (A+B+C)	6,130.87	5,760.53

Note 23: Other Income

Particulars	31 st March 2020	31 st March 2019
Dividend income from investments mandatorily measured at fair value through profit or loss	19.43	41.91
Interest income from financial assets mandatorily measured at fair value through profit or loss	74.87	87.76
Income from fair valuation of financial assets mandatorily measured at fair value through profit or loss	54.16	129.46
Net gain / (loss) on sale of investments	-	40.80
Excess Provision written back	-	9.92
Miscellaneous Income	10.58	5.55
Foreign exchange gain	0.23	-
Interest income from security deposits	1.00	0.67
Total Other Income	160.27	316.07

Note 24: Changes in inventories of work-in-progress, stock-in-trade and finished goods

Particulars	31 st March 2020	31 st March 2019
Opening balance		
Work-in progress	345.60	538.08
Finished goods	332.75	437.43
Traded goods	64.61	92.60
Total opening balance	742.96	1,068.11
Closing balance		
Work-in progress	436.68	345.60
Finished goods	316.59	332.75
Traded goods	60.88	64.61
Total closing balance	814.14	742.96
Total changes in inventories of work-in-progress, stock-in-trade and finished goods	(71.18)	325.15

Note 25: Employee Benefit Expenses

Particulars	31 st March 2020	31 st March 2019
Salaries, wages and bonus	1,481.25	1,780.67
Contribution to provident and other funds	112.19	62.12
Employee group insurance expenses	22.45	27.34
Staff welfare expenses	82.02	96.91
Total Employee Benefit Expenses	1,697.91	1,967.04

Note 26: Depreciation, Amortisation & Impairment Expenses

Particulars	31 st March 2020	31 st March 2019
Depreciation of property, plant and equipment	415.25	429.02
Amortisation of intangible assets	2.87	0.84
Impairment Loss	1.59	-
Total Depreciation and Amortisation Expenses	419.72	429.86

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Note 27: Other Expenses

Particulars	31 st March 2020	31 st March 2019
Power, Fuel and Water	254.70	286.20
Stores, spares, oils and chemicals consumed	200.70	195.16
Repairs to :		
- Building	90.45	49.27
- Plant and Machinery	207.82	136.57
- Others	30.86	25.13
Insurance	30.99	35.24
Short Term Lease	100.63	127.30
Rates, taxes and Duties	72.23	113.46
Directors' Sitting Fees	20.28	20.23
Freight & clearing charges	142.06	109.70
Computer & computer maintenance	27.72	35.38
Security Expenses	105.21	83.72
Commission on sales	167.34	148.87
Housekeeping expenses	88.46	84.73
Recruitment Fees	23.29	-
Legal and Professional Fees	380.91	658.15
Provision for doubtful debts / advances	2.18	47.86
Bad Debts written off	1.02	22.28
AMC Charges	22.87	28.47
Loss on Sale of Assets	0.11	-
Loss on sale of long term investment	5.09	-
Travelling and Conveyance	185.22	273.14
Communication Expenses	37.26	39.58
Exchange Loss	59.80	81.23
Payments to Auditors (refer Details of Payments to Auditors)	18.64	19.25
Migration/Relocation expenses from Pimpri Plant to Himachal Pradesh Plant.	-	229.45
Miscellaneous expenses	187.59	229.41
Total Other Expenses	2,463.43	3,079.78

Details of Payments to Auditors

Particulars	31 st March 2020	31 st March 2019
Payment to Auditors		
As auditors:		
Audit fee	16.57	15.61
Tax audit fee	1.20	1.20
In other capacities		
Other services-(Certification)	0.01	1.50
Re-imbursement of expenses	0.86	0.94
Total Payments to Auditors	18.64	19.25

Note 28: Finance costs

Particulars	31 st March 2020	31 st March 2019
Interest expense	179.08	157.77
Unwinding of Security Deposits	96.26	100.50
Other borrowing costs	1.18	3.54
Exchange differences regarded as an adjustment to borrowing costs	3.48	-
Total Finance costs	280.00	261.81

Note 29: Fair Value Measurements**Financial instruments by category**

Particulars	31 st March 2020			31 st March 2019		
	FVPL	FVOCI	Amortised cost	FVPL	FVOCI	Amortised cost
Financial assets						
Investments						
- Equity instruments at fair value	-	-	-	-	-	-
- Bonds and debentures	515.29	-	-	1,033.91	-	-
- Mutual funds	993.55	-	-	1,666.56	-	-
- Government securities	-	-	-	-	-	-
Trade receivables	-	-	1,120.30	-	-	1,102.95
Cash and cash equivalents and Other Bank Balances	-	-	854.77	-	-	455.95
Security deposits - Amortised Cost	-	-	86.65	-	-	88.34
Security deposits - Fair Value	8.82	-	-	24.60	-	-
Other financial assets	-	-	7.98	-	-	27.35
Total financial assets	1,517.66	-	2,069.70	2,725.07	-	1,674.58
Financial liabilities						
Borrowings	-	-	1,751.76	-	-	1,267.69
Security deposits	232.18	-	4.30	954.39	-	4.30
Unpaid Dividend	-	-	26.01	-	-	28.42
Trade payables	-	-	910.96	-	-	1,070.17
Other Financial Liabilities	-	-	51.21	-	-	45.48
Total financial liabilities	232.18	-	2,744.25	954.39	-	2,416.05

(i) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table provides the fair value measurement hierarchy of the Company's financial assets and liabilities that are measured at fair value or where fair value disclosure is required:

Particulars	31 st March 2020				31 st March 2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value								
Financial Investments at FVPL								
Equity shares	-	-	-	-	-	-	-	-
Mutual funds	993.55	-	-	993.55	1,666.56	-	-	1,666.56
Bonds & Debentures	515.29	-	-	515.29	1,033.91	-	-	1,033.91
Security Deposits	-	-	8.82	8.82	-	-	24.60	24.60
Total financial assets	1,508.85	-	8.82	1,517.66	2,700.47	-	24.60	2,725.07
Financial liabilities								
Security Deposits	-	-	232.18	232.18	-	-	954.39	954.39
Total financial liabilities	-	-	232.18	232.18	-	-	954.39	954.39

(ii) Valuation process to determine fair value

The following methods and assumptions were used to estimate the fair values of financial instruments:

- i) The carrying amounts of cash and cash equivalents, trade receivables, trade payables, bank overdrafts, ECB loan and other current financial assets and liabilities measured at amortised cost in the financial statement are reasonable approximation of their fair value since the company does not anticipate that the carrying amount would be significantly different from the values that would eventually be received or settled.
- ii) The fair values of the equity investment which are quoted, are derived from quoted market prices in active markets. In the case of the investment measured at fair value and falling under fair value hierarchy Level 3, cost has been considered as an appropriate estimate of fair value.

Significant unobservable inputs used in Level 3 fair values:

Security deposits received are fair valued by discounting using effective interest rate at the time of inception / date of transition.

Note 30: Financial risk management

(A) Expected Credit Loss

As at 31 March 2020 :

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	92.84	1,136.30	1,229.14
Expected credit losses (Under simplified approach)		16.00	16.00
Expected credit losses (Qualitative provision)	92.84	-	92.84
Carrying amount of Trade Receivables (net of impairment)	-	1,120.30	1,120.30

As at 31 March 2019 :

(a) Expected credit loss for trade receivables under simplified approach

Particulars	> 6 months past due considered doubtful	Others	Total
Gross carrying amount	84.93	1,118.95	1,203.88
Expected credit losses (Under simplified approach)		16.00	16.00
Expected credit losses (Qualitative provision)	84.93	-	84.93
Carrying amount of Trade Receivables (net of impairment)	-	1,102.95	1,102.95

(i) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 1 April 2018	57.97
Changes in loss allowance	42.96
Loss allowance on 31 March 2019	100.93
Changes in loss allowance	7.91
Loss allowance on 31 March 2020	108.84

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

(i) Financing Arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

	31 st March 2020	31 st March 2019
Floating rate		
- Expiring within one year (bank overdraft and other facilities)		
- Cash Credit Facilities	81.01	-
- LC and Bank Guarantee Facilities	117.73	78.85
- Expiring beyond one year (bank loans/ECB)		
- Long Term Loans	1,146.10	124.92

The bank overdraft facilities may be drawn at any time and are repayable on demand. The bank loan facilities may be drawn at any time in INR and have an average maturity of one year. ECB loan facilities will be as per the terms of the agreement and have maturity of five years.

(C) Foreign Currency Risk Exposure

(i) The Company's exposure to foreign currency risk at the end of the reporting period is presented as under

	Name of Currency	31 st March 2020		31 st March 2019	
		Foreign Currency	Rs. Lacs	Foreign Currency	Rs. Lacs
Hedged Position			-	-	-
Unhedged Position					
Amounts Payable	USD	41,170	31.46	888	0.62
	GBP	16,007	15.10	10,821	9.86
	EUR	1,351	1.14	1,995	1.56
	TRY	76,829	8.91	63,420	7.95
	JPY	-	-	965,268	6.18
Amounts Receivable	USD	285,309	215.84	335,063	231.70
	GBP	1,200	1.12	14,190	12.80
	EUR	92,613	77.25	51,735	40.17
	TRY	2,580,449	296.24	1,553,491	192.79
	JPY	-	-	-	-
Net Amounts Payable	GBP	14,807	13.98	-	-
	JPY	-	-	965,268	6.18
Net Amounts Receivable	USD	244,139	184.38	334,175	231.08
	GBP	-	-	3,369	2.94
	EUR	91,262	76.12	49,740	38.60
	TRY	2,503,620	287.33	1,490,072	184.84

(ii) Sensitivity

The Company has not hedged any of its foreign currency positions as at 31st March 2020

Particulars	Impact on (profit) / loss before tax (INR Lakhs)	
	31 st March 2020	31 st March 2019
USD sensitivity		
INR/USD -appreciated by 9% (31 March 2019-6%)	(16.59)	(13.86)
INR/USD -depreciated by 9% (31 March 2019-6%)	16.59	13.86
GBP sensitivity		
INR/GBP-appreciated by 4% (31 March 2019-2%)	0.56	(0.12)
INR/GBP-depreciated by 4% (31 March 2019-2%)	(0.56)	0.12
EUR sensitivity		
INR/EUR-appreciated by 7% (31 March 2019-4%)	(5.33)	(0.77)
INR/EUR-depreciated by 7% (31 March 2019-4%)	5.33	0.77
JPY sensitivity		
INR/JPY-appreciated by % (31 March 2019-2%)	-	0.12
INR/JPY-depreciated by % (31 March 2019-2%)	-	(0.12)
TRY sensitivity		
INR/TRY-appreciated by 7% (31 March 2019-24%)	(20.11)	(44.36)
INR/TRY-depreciated by 7% (31 March 2019-24%)	20.11	44.36

(D) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During 31 March 2020 and 31 March 2019, the Company's borrowings at Fixed /variable rate were denominated in INR.

The Groups's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(i) Interest Rate Exposure

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	31 st March 2020	31 st March 2019
Variable rate borrowings	-	289.48
Fixed rate borrowings	781.14	5.34
Total borrowings	781.14	294.82

As at the end of the reporting period, the Group had the following Fixed/ variable rate borrowings and interest rate swap contracts outstanding:

	31 st March 2020			31 st March 2019		
	Weighted average interest rate	Balance	% of total loans	Weighted average interest rate	Balance	% of total loans
Secured Term Loan from Banks (Variable Interest)		-		10.83%	289.48	98.19%
Secured Term Loan from Others (Fixed Interest)	7.50%	8.70	1.11%	7.50%	5.34	1.81%
Secured Term Loan from Parent Company (Fixed Interest)	6.25%	772.44	98.89%	0.00%	-	0.00%
Net exposure to cash flow interest rate risk		781.14	100.00%		294.82	100.00%

(ii) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. There is no impact on interest expense as there is no variable rate borrowing at the year end.

	Impact on Profit / (Loss) after tax	
	31 st March 2020	31 st March 2019
Interest rates – increase by 50 basis points	-	(1.45)
Interest rates – decrease by 50 basis points	-	1.45

Note 31 : Names of related parties and relationship**A. Ultimate Parent**

- 1) MultiAct Industrial Enterprises Ltd., Mauritius

B. Directors -

- 1) Mr. K K Trivedi (upto 5th February 2019)
- 2) Mr. P K Trivedi
- 3) Mr. M K Trivedi
- 4) Mr. H C Asher (upto 31st March 2019)
- 5) Mr. J M Kothari
- 6) Mr. Sudhir Merchant
- 7) Mrs. Sangeeta Pandit
- 8) Mr. S W Karkamkar (w.e.f. 29th July 2018)
- 9) Mr. Darshan Bhatia (w.e.f. 30th October 2018)

C. Key Management Personnel

- 1) Alok Misra (CEO) (w.e.f. 7th May 2019)
- 2) Kishor Makwana (Chief Financial Officer upto 31st March 2020)
- 3) Amogh Barve (Company Secretary)

D. Enterprises over which KMP or Relatives of KMP are able to exercise Significant Influence

- 1) Multi Act Constructions Pvt. Ltd.
- 2) Multi Act Realty Enterprises Pvt. Ltd
- 3) Multi Act Trade & Investments Private Limited
- 4) Crawford Bayley & Co.
- 5) Encore Business Centres LLP
- 6) Acre Street India Pvt. Ltd.
- 7) Multi Act Equity Consultancy Pvt. Ltd.
- 8) Joseph Sellers & Sons Limited
- 9) Shaped Wires Limited
- 10) The Indian Card Clothing Company Limited Employees Provident Fund

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Note 32 : Related party transactions

Name of party	Nature of transaction	Year ended	Year ended
		31 st March 2020	31 st March 2019
a) Multi Act Industrial Enterprises Ltd., Mauritius	ECB - Received	764.07	-
	Interest Paid	8.37	-
	Interest Payable	8.37	-
b) Multi Act Realty Enterprises Pvt. Ltd.	Rent paid	-	5.40
	Deposit Receivable	-	3.60
	Deposit Received	3.60	-
c) Multi Act Trade & Investments Private Limited	Investment Advisory Fees	15.00	15.00
	Paid		
	Amount Payable	1.35	2.50
d) Provident Fund Trust	P. F. Contribution during the year	94.24	104.45
	P.F. Amount Payable	7.36	7.30
	Deficit in Trust Payable	1.71	52.99
e) Joseph Sellers & Sons Ltd.	Sales	5.40	5.11
	Purchases	39.76	33.25
	Amount receivable	0.18	2.96
	Amount payable	4.56	-
f) Shaped Wires Ltd.	Sales	8.04	7.55
	Purchases	279.12	292.96
	Amount receivable	0.29	15.08
	Amount payable	25.22	-
g) Key Management Personnel			
a) Mr. K K Trivedi - (upto 5 th February 2019) Chairman Emeritus	Sitting fees as Director	-	0.60
b) Mr. Prashant K. Trivedi - Chairman	Sitting fees as Director	1.85	1.80
c) Mr. Mehul K. Trivedi - Director (Non Executive)	Sitting fees as Director	2.00	2.30
d) Mr. H. C. Asher (Upto 31 st March 2019) Independent Director (Non Executive)	Sitting fees as Director	-	3.65
e) Mr. J M Kothary Independent Director (Non Executive)	Sitting fees as Director	4.15	3.65
f) Mr. Sudhir Merchant Independent Director (Non Executive)	Sitting fees as Director	4.10	3.45
g) Mrs. Sangeeta S. Pandit Independent Director (Non Executive)	Sitting fees as Director	3.60	2.40
h) Mr. S W Karkamkar (w.e.f 29 th July 2018) Director (Non Executive)	Sitting fees as Director	2.60	0.90
i) Mr. D V Bhatia (w.e.f 30 th October 2018) Independent Director (Non Executive)	Professional Fees	15.00	7.50
j) Mr. Vinod Vazhapulli Chief Executive Officer (till 31 st Dec 2018.)	Sitting fees as Director	1.50	0.60
	Short Term Employee	-	47.43
	Benefits Paid	-	-
	Other Perquisites	-	3.95
	Payable	-	-
k) Mr. Alok Misra Chief Executive Officer (w.e.f 7 th May 2019)	Short Term Employee	76.34	-
	Benefits Paid	-	-
	Other Perquisites	-	-
	Payable	-	-
l) Mr. Kishor Makwana Chief Financial Officer (Up to 31 st March 2020)	Short Term Employee	29.70	17.61
	Benefits Paid	-	-
	Other Perquisites	-	-
	Payable	0.88	-
m) Mr. Amogh Barve Company Secretary	Short Term Employee	22.12	1.64
	Benefits Paid	-	-
	Other Perquisites	-	-
	Payable	-	-
n) Krishna Suvarna Chief Financial Officer (Up to 17 th Oct 2018)	Short Term Employee	-	21.30
	Benefits Paid	-	-
	Other Perquisites	-	-
	Payable	-	-

(Amounts pertaining to related parties have not been written off or written back during the year)

Note 33 : Contingent Liabilities

Particulars	31 st March 2020	31 st March 2019
Income Tax Demands	1.72	18.07
Guarantee with Labour Commissioner	35.00	70.00
Other Matters	7.07	5.84
Total Contingent Liabilities	43.79	93.91

Note 34 : Capital Commitments

Particulars	31 st March 2020	31 st March 2019
Contracts remaining to be executed on capital account and not provided for (net of advances)	1,153.98	160.21
Total Capital Commitments	1,153.98	160.21

Note 35 : Net Debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	31 st March 2020	31 st March 2019
Cash and cash equivalents	688.32	294.26
Borrowings		
-Current borrowings	(978.99)	(972.87)
-Non-current borrowings	(781.14)	(294.82)
Net debt	(1,071.81)	(973.43)

Particulars	Other assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings	
Net debt as at 1 April 2019	294.26	(1,267.69)	(973.43)
Cash flows	394.06	(434.20)	(40.14)
Exchange differences	-	(49.87)	(49.87)
Interest expense	-	(176.78)	(176.78)
Interest paid	-	168.40	168.40
Net debt as at 31 March 2020	688.32	(1,760.12)	(1,071.81)

Note 36 : Reconciliation of Effective Tax Rate

Particulars	31 st March 2020	31 st March 2019
Accounting Profit before Tax	(414.15)	(1,962.43)
Tax at Statutory Income Tax rate	(107.68)	(510.23)
Differences in tax rate and effective tax rate		
Income exempt from income tax	(21.31)	(30.32)
Reversal of DTL on fair value on sale of investments		
Tax Effect on dividend from Subsidiaries		
Tax impact on rate differences	-	2.32
DTA on losses not created	128.99	538.23
Taxes in respect of earlier year	(0.96)	6.51
Reversal of DTA having no effect due to losses	97.05	80.50
Income Tax expense reported in Statement of Profit and Loss	96.09	87.01

Note 37 : Disclosure as per section 22 of the MSMED Act.

Particulars	FY 2019-20	FY 2018-19
Principal amount remaining unpaid to any supplier as at the end of accounting year	126.56	43.44
Interest due thereon remaining unpaid to any supplier as at the end of accounting year	1.64	3.15
Amount of interest paid by the buyer under MSMED along with payments made to supplier beyond appointed day during each accounting year	-	-
Interest due and payable for the period (where the principal has been paid but interest under MSME not paid)	25.97	27.41
Interest accrued and remaining unpaid at the end of accounting year	58.17	30.56
Amount of further interest due and payable even in succeeding year, until when interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as deductible expenditure u/s 23.	5.08	1.08

Note 38 : Leases

Effective 1 April 2019, the Company has adopted Ind AS 116 "Leases" using modified prospective approach. The lease liability is measured at the present value of the outstanding lease payments, discounted by the incremental borrowing rate at 1 April 2019. The weighted average incremental borrowing rate was 10.35%. The respective right-of-use asset is generally recognized at an amount equal to the lease liability.

The disclosures relating to leases are as summarised below:

Particulars	31 st March 2020
Right to use capitalised during the year	63.60
Depreciation for right-of-use asset	29.35
Interest expense on lease liabilities	5.25
Expenses relating to short-term / low value leases	43.52
Total Cash outflow for leases	73.77
Carrying amount of right-of-use asset	34.25
Lease Liability	36.86

Note 39 : Segment Reporting

Sr No	Particulars	Card Clothing	Realty	Others	Total
1	Revenue				
	a) External Sales				
	l) Manufactured / Services	5,022.39	-	-	5,022.39
	Previous Year	(4,668.40)	-	-	(4,668.40)
	ii) Traded	166.86	-	-	166.86
	Previous Year	(258.65)	-	-	(258.65)
	b) Other operating income	247.35	694.27	-	941.62
	Previous Year	(162.33)	(671.15)	-	(833.48)
	c) Other Income	22.60	137.67	-	160.27
	Previous Year	(28.96)	(287.11)	-	(316.07)
	Total Revenue	5,459.20	831.94	-	6,291.14
	Previous Year	(5,118.34)	(958.26)	-	(6,076.60)
2	Net profit before tax	(558.44)	444.55	(300.27)	(414.15)
	Previous Year	(2,287.35)	618.10	(293.18)	(1,962.43)
3	Other Information				
	a) Segment Assets	6,856.99	2,643.86	522.13	10,022.99
	Previous Year	(7,164.38)	(3,327.96)	(582.72)	(11,075.06)
	b) Segment Liabilities	3,296.88	280.29	26.01	3,603.18
	Previous Year	(3,068.96)	(1,061.09)	(28.42)	(4,158.47)
	c) Capital Expenditure incurred during the year	288.06	-	-	288.06
	Previous Year	(118.75)	-	-	(118.75)
	d) Depreciation/ Amortisation	371.17	48.55	-	419.72
	Previous Year	(373.82)	(56.04)	-	(429.86)

Secondary Segment Information

Information geographical location of customers

Particulars	Revenue	Trade Receivables
Domestic Sales	3,732.04	639.79
Previous year	(3,520.02)	(774.44)
Export sales	1,457.21	589.34
Previous year	(1,407.03)	(429.43)

THE INDIAN CARD CLOTHING COMPANY LIMITED

Note 40 : Statement of net assets and profit or loss attributable to owners and minority interest

Name of the Entity	Net Assets (Total Assets - Total Liabilities)		Share in total comprehensive income	
	As % of Consolidated Net Asset	Rs. Lakhs	As % of total comprehensive income	Rs. Lakhs
Parent Company				
The Indian Card Clothing Co. Ltd.	91.92%	5,901.37	86.35%	(428.94)
Indian Subsidiaries				
ICC International Agencies Ltd.	0.31%	19.75	16.43%	(81.60)
Shivraj Sugar and Allied Products Pvt. Ltd.	0.00%	(0.05)	0.00%	-
Foreign Subsidiaries				
Garnett Wire Ltd. UK	5.92%	380.20	1.21%	(6.00)
Minority Interest in all subsidiaries	8.32%	533.84	0.81%	(4.00)
Total Eliminations and Foreign Currency Translation Reserve	-6.47%	(415.32)	-4.79%	23.78
TOTAL	100.00%	6,419.81	100.00%	(496.76)

Note 41 : Impact of COVID-19

The Company is in the business of manufacturing and selling of card clothing wires and accessories. Due to lockdown situation all over India and abroad resulting into holding or cancellation of sales orders, supply chain disruptions, non-availability of manpower, raw material, transportation, etc. A sales loss of approximately Rs.297.92 lakhs recorded due to COVID lockdown where the Company had an order book but was unable to manufacture or deliver in the second half of March 2020. Further, sales of Rs. 82.70 lakhs reduced on account of Goods-in-Transit as on 31st March 2020. Total sales loss on account of lockdown amounted to approximately Rs. 380.62 Lakhs. Based on present gross profitability ratio, company's gross profitability has reduced approximately by Rs. 191.79 Lakhs.

The impact of lockdown continued in new financial year. The company is unable to achieve its sales target during first quarter of FY 2020-21.

Note 42 : Previous year's figure have been re-grouped wherever necessary to conform to current year's grouping

Previous year figures are given in bracket.

As per our report attached

M/S. P.G. BHAGWAT
Chartered Accountants
FRN-101118W

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Director
(DIN: 00167782)

SanjeevKumar Karkamkar
Director
(DIN: 00575970)

SANDEEP RAO
Partner
Membership No. : 047235

Alok Misra
Chief Executive Officer

Chandrakant Patil
Finance Controller

Amogh Barve
Company Secretary

Date : 26th June 2020
Place : Pune

[illegible]



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